

INDIAN ACRYLICS LIMITED

INDIAN ACRYLICS LIMITED (CIN:L24301PB1986PLC006715)

Regd. Office: Village Harkishanpura, Sub-Tehsil Bhawanigarh,
Distt. Sangrur (Punjab) -148026.

Email: shares@indianacrylics.com, Website: www.indianacrylics.com

Phone: +91-172-2793112., Fax: +91-172-2794834

NOTICE

NOTICE is hereby given that the 27th Annual General Meeting of the Shareholders of the Company shall be held as scheduled below:

Day & Date : **Monday, 29th day of September, 2014**
Time : **11.00 A.M.**
Venue : **Company's Regd. Office at
Village Harkishanpura, Sub-Tehsil Bhawanigarh,
Distt. Sangrur (Punjab) - 148026**

To transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Financial Statements of the Company for the year ended March 31, 2014 including audited Balance Sheet as at March 31, 2014 and the Statement of Profit & Loss for the year ended on that date and the Reports of Directors' and Auditors' thereon.
2. To appoint a Director in place of Sh. Ajay Kumar Mahajan (**DIN: 00648889**), who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Auditors and in this regard 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 and other applicable provisions, if any, of the Companies Act, 2013 and Rules framed thereunder, as amended from time to time, M/s S. C. Dewan & Co., Chartered Accountants (Firm's Registration No. 000934N), be and are hereby re-appointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the Annual General Meeting of the Company to be held in the year 2017 (subject to ratification of their appointment at every AGM), at such remuneration plus service tax, out of pocket expenses, traveling expenses, etc; as may be mutually agreed between the Board of Directors of the Company and the Auditors."

SPECIAL BUSINESS

4. To consider, and, if thought fit, to pass, with or without modification(s), if any, the following Resolution as an **Ordinary Resolution**:
"RESOLVED THAT pursuant to the provisions of Sections 149, 150 & 152 and other applicable provisions, if any, of the Companies Act, 2013 ("ACT") and the Rules made there under read with Schedule IV to the Act, as amended from time to time and Clause 49 of the Listing Agreement, **Sh. Madan Mohan Chopra (DIN:00036367)**, a Non-Executive Director of the Company, whose period of office is liable to be determined by retirement of Directors by rotation as per the Companies Act, 1956 and who has submitted a declaration that he meets the criteria of independence as provided in Section 149(6) of the Act and who is eligible for appointment, and in respect of whom the company has received a notice in writing from a member proposing his candidature for the office of the Director, be and is hereby appointed as an Independent Director of the Company with effect from 30.09.2014 to 30.09.2019, not liable to retire by rotation."
5. To consider, and, if thought fit, to pass, with or without modification(s), if any, the following Resolution as an **Ordinary Resolution**:
"RESOLVED THAT pursuant to the provisions of Sections 149, 150 & 152 and other applicable provisions, if any, of the Companies Act, 2013 ("ACT") and the Rules made there under read with Schedule IV to the Act, as amended from time to time and Clause 49 of the Listing Agreement, **Sh. Bankey Behari Tandon (DIN:00035266)**, a Non-Executive Director of the Company, whose period of office is liable to be determined by retirement of Directors by rotation as per the Companies Act, 1956 and who has submitted a declaration

that he meets the criteria of independence as provided in Section 149(6) of the Act and who is eligible for appointment, and in respect of whom the company has received a notice in writing from a member proposing his candidature for the office of the Director, be and is hereby appointed as an Independent Director of the Company with effect from 30.09.2014 to 30.09.2019, not liable to retire by rotation."

6. To consider, and, if thought fit, to pass, with or without modification(s), if any, the following Resolution as an **Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of Sections 149, 150 & 152 and other applicable provisions, if any, of the Companies Act, 2013 ("ACT") and the Rules made there under read with Schedule IV to the Act, as amended from time to time and Clause 49 of the Listing Agreement, **Sh. Ajit Singh Chatha (DIN:02289613)**, a Non-Executive Director of the Company, whose period of office is liable to be determined by retirement of Directors by rotation as per the Companies Act, 1956 and who has submitted a declaration that he meets the criteria of independence as provided in Section 149(6) of the Act and who is eligible for appointment, and in respect of whom the company has received a notice in writing from a member proposing his candidature for the office of the Director, be and is hereby appointed as an Independent Director of the Company with effect from 30.09.2014 to 30.09.2019, not liable to retire by rotation."

7. 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 180(1)(c) and other applicable provisions of the Companies Act, 2013, if any and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), 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 be deemed to include any committee thereof) to borrow any sum or sums of money, from time to time, for the purpose of the business of the Company, from any Indian or Foreign Bank(s), Financial Institution(s) and/or any other Indian or foreign lending institutions or Persons, firms, bodies corporate, on such terms and conditions and with or without security as the Board of Directors may in its discretion think fit, notwithstanding that the money or monies to be borrowed together with the monies already borrowed by the Company (apart from the temporary loans obtained from the Company's Banker in the ordinary course of Business), exceed the aggregate of the "Paid up" Capital of the Company and its free reserves not set apart, for any specific purpose, provided that the total amount upto which the money can be borrowed by the Board of Directors, shall not exceed the sum of ₹.500 Crores (Rupees Five hundred Crores only) at any time.

8. 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 180(1)(a) and other applicable provisions of the Companies Act, 2013, if any, and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), 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 be deemed to include any Committee thereof) to create mortgage/ hypothecation/ pledge and/or charge in addition to the existing mortgages/ hypothecations/ pledges and/or charges/ created/ to be created by the Company, in such form and manner and with such ranking and on such terms as the Board may determine in the interest of the company, on all or any of the movable and/ or immovable properties of the company, both present and future and/or any other assets or properties, either tangible or intangible of the company and/or the whole of the undertaking(s) or any part of the undertaking(s) of the Company, in favour of lender(s), Agent(s) and Trustee(s) for securing the borrowings of the company availed/to be availed by the Company by way of loans, working capital facilities, debentures or any other securities or debt instrument or otherwise, in foreign currency or in Indian Currency, from any Indian or Foreign Bank (s), Financial Institution(s) and/or any other Indian or foreign lending institutions or Persons, firms, bodies corporate or any other lender, from time to time, upto the limits approved or as may be approved by the shareholders under Section 180 (1)(c) of the Act, along with interest, additional interest, accumulated interest, liquidated charges, commitment charges or costs, expenses and any other money payable by the Company including any increase as result of devaluation/ revaluation/ fluctuation in the rate of exchange.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorised to finalise, settle and execute such documents/deeds writings/papers/agreements as may be required and do all such acts, deeds matters and things, as it may, in its absolute discretion deem necessary, proper or requisite."

INDIAN ACRYLICS LIMITED

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

"RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 ("ACT") and the Companies (Audit and Auditors) Rules 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the consent of the members be and is hereby accorded to ratify the remuneration, decided by the Board of Directors, based on the recommendation of Audit committee, of ₹.50,000/- (₹. Fifty thousand only) plus Service Tax and out of pocket expenses to M/s Aggarwal Vimal & Associates, (Firm Registration Number: 000350), Cost Accountants, appointed by the Board of Directors of the Company as Cost Auditors, to conduct the audit of the cost records of the Company for the financial year ending March 31, 2015.

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

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

"RESOLVED THAT in accordance with the provisions contained in section 196, 197, 200 and other applicable provisions, if any, of the Companies Act, 2013 and the schedules thereto and such other approvals, permissions, if any, as may be necessary and pursuant to the recommendation of Nomination and Remuneration Committee and the Board, the consent of the shareholders of the company be and is hereby accorded for the re-appointment of Shri Rajinder Kumar Garg (**DIN No. 00034827**), Managing Director, of the Company for a period of three years w.e.f. 01/03/2015 on the following terms and conditions including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year during the aforesaid period :-

- i) SALARY: ₹.4,25,000/- (₹. Four lacs twenty five thousand only) per month
- ii) PERQUISITES: In addition to salary, the perquisites be allowed upto the maximum of ₹.33,00,000/- (₹. Thirty three lacs only) per annum.
- iii) COMMISSION: 5% of the net profits of the Company for each financial year or part thereof computed in the manner laid down under Section 198 of the Companies Act, 2013 so as not to exceed overall ceiling on remuneration laid down in Section 197 and other applicable provisions of the Companies Act, 2013.
- iv) In addition to the above, the Managing Director shall also be eligible for the following perquisites which shall not be included in computation of the ceiling as specified.
 - a) Contribution to provident fund, superannuation fund or annuity fund as per the Rule of the Company, to the extent these- either singly or taken together- are not taxable under the Income Tax Act, 1961.
 - b) Gratuity shall be payable at a rate not exceeding half-a-month's salary for each completed year.
 - c) Encashment of 30 days leave for each year of working at the end of tenure.

"RESOLVED FURTHER THAT subject to such approvals as may be necessary, the remuneration as set out above be paid to Shri Rajinder Kumar Garg, Managing Director also for the remaining period of his current tenure of appointment from 01/04/2014 to 28/02/2015."

"RESOLVED FURTHER THAT in the event of losses or inadequate profits in any financial year during the term of office of Shri Rajinder Kumar Garg, as Managing Director, the aforesaid salary and all other benefits and other remuneration/ perquisites, be paid to the appointee as minimum remuneration, with the liberty to the Board of Directors to alter and vary the terms and conditions of his appointment, subject to ceiling laid down in Schedule V to the Companies Act, 2013, as amended, modified or re-enacted from time to time."

By Order of the Board of Directors

Place: Harkishanpura
Date: 14.08.2014

BHAVNESH K GUPTA
G.M. CUM COMPANY SECRETARY

NOTES:

1. The Explanatory Statement pursuant to the provisions of Section 102 of the Companies Act, 2013 and rules made thereunder, relating to the Special business to be transacted at the Meeting is annexed hereto. The relevant details of Directors seeking appointment/re-appointment at this Annual General Meeting of the company are also annexed.
2. **A member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself/herself and the proxy so appointed need not be a member of the Company. The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. A Proxy form is sent herewith.**
 A person can act as a proxy on behalf of the members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
 During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided that not less than three days of notice in writing is given to the Company
3. Corporate Members intending to send their authorized representative to attend the meeting are requested to send to the Company, a certified copy of the Board resolution authorizing their representative to attend and vote on their behalf at the meeting.
4. The members are requested to bring duly filled attendance slip along with their copy of Annual Report at the Meeting.
5. In case of joint holders attending the meeting, only such joint holder who is higher in the order of the names will be entitled to vote.
6. The Register of Members and Share Transfer Books of the Company will remain closed from **22.09.2014 to 29.09.2014** (both days inclusive).
7. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the company or Registrar and Share Transfer Agent.
8. Electronic copy of the Annual Report for 2013-14 is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes. For members who have not registered their email address, physical copies of the Annual Report for 2013-14 are being sent by the permitted mode.
9. **Members who have not registered their e-mail addresses so far are requested to register their e-mail addresses with Registrar and Share Transfer Agents of the Company/ Depository Participant (s), for receiving all communication including Annual Report, Notices, Circulars, etc from the Company electronically.**
10. Members may also note that the Notice of the Annual General Meeting and the Annual Report for 2013-14 will also be available on the Company's website www.indianacrylics.com for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business hours on working days.
11. The Company is maintaining the "INVESTORS SERVICE CELL" at its Head Office at SCO 49-50, Sector 26, Madhya Marg, Chandigarh 160019.
12. Members having any queries relating to Annual Report are requested to send their queries at least seven days before the date of the Meeting.
13. **Voting through electronic means**
 - A. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository (Services) India Limited (CDSL).

Steps for e-voting

- (i) **The voting period begins on September 24, 2014 at 9.00 a.m. and will end on September 26, 2014 at 6.00 p.m.** During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on **22nd August, 2014 (cut off date)**, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. The members are requested to note that once vote on a resolution is cast electronically, he shall not be allowed to change it subsequently.
- (ii) Log on to the e-voting website www.evotingindia.com
- (iii) Click on shareholders
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID
 - b. For NSDL: 8 Character DPID followed by 8 Digits Client ID
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in Demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any Company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

INDIAN ACRYLICS LIMITED

For Members holding shares in Demat Form and Physical Form

PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) - 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 last 8 digits of the demat account/folio number in the PAN field. - In case the folio number is less than 8 digit enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. For example, if your name is Ramesh Kumar with folio number 100 then enter RA00000100 in the PAN field
DOB#	Enter the Date of Birth as recorded in your demat account or in the Company records for the said demat account or folio in dd/mm/yy format.
Dividend Bank Details#	Enter the Dividend Bank Details as recorded in your demat account or in the Company records for the said demat account or folio. # Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the number of shares held by you as on the cut off date in the Dividend Bank details field.

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then reach directly 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.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the name of the Company i.e. Indian Acrylics Limited/ "Electronic Voting Sequence Number".
- (xii) 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.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) 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.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the changed password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) **Note for Non-Individual Shareholders and Custodians:**
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves as Corporate.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details they have to create a compliance user using admin login and password. The compliance user would be able to link the account(s) which they wish to vote on.
 - The list of accounts should be mailed to 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. The members are requested to keep their password confidential and can also use the same for all subsequent voting on CDSL platform. 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 under help section or write an email to helpdesk.evoting@cdslindia.com.
- (xiv) The Board of Directors has appointed Mr. S.K. Sikka, Practicing Company Secretary to scrutinize the e-voting process in a fair and transparent manner.
- (xv) The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- (xvi) The Results shall be declared on or after the AGM of the Company. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website and on the website of CDSL within two (2) days of

- passing of the resolutions at the AGM of the Company and communicated to the Bombay Stock Exchange.
14. Relevant documents referred to in the notice and the explanatory Statement are open for inspection by members at the registered office of the company on all working days during Normal business hours (09:30 am to 5.30 pm) upto and including the date of meeting.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

ITEM NO. 4 to 6

The Company has, pursuant to the provisions of Clause 49 of the Listing Agreement entered into with the Stock Exchanges, appointed Shri Madan Mohan Chopra, Shri Bankey Behari Tandon and Shri Ajit Singh Chatha as Independent Directors at various times. The period of office of these Directors was liable to determination by retirement of Director by rotation under the erstwhile applicable provisions of the Companies Act, 1956.

As per the provisions of Section 149(4) of the Companies Act, 2013, (the ACT) which has come into force with effect from 1st April, 2014, every listed company is required to have at least one-third of the total number of Directors as Independent Directors. Further, Section 149(10) of the Act provides that an Independent Director shall hold office for a term of up to five consecutive years on the Board of a company and is not liable to retire by rotation pursuant to Section 149(13) read with Section 152 of the Act.

To meet the recent modifications brought in by the Act and Listing Agreement, it is proposed to appoint Shri Madan Mohan Chopra, Shri Bankey Behari Tandon and Shri Ajit Singh Chatha as Independent Directors of the Company with effect from 30.09.2014 upto 30.09.2019.

The notices in writing proposing their appointment/ re-appointment alongwith the deposit of requisite amount under Section 160 of the Act, have been received from the members of the Company. Their period of office shall not be liable to determination by retirement of directors by rotation and they shall not be counted in the total strength of the Board for determination by retirement of directors by rotation.

The Board of Directors have recommended the appointment of these Directors as Independent Directors with effect from 30.09.2014 upto 30.09.2019.

All these Directors, have given a declaration to the Board that they meet the criteria of independence as provided under section 149 (6) of the Act. In the opinion of the Board, each of these directors fulfill the conditions specified in the Act and Rules framed thereunder for appointment as independent Director and they are independent of the Management. These Directors are not disqualified from being appointed as Director in terms of section 164 of the Companies Act, 2013 and they have given their consent to act as Director.

The terms and conditions of appointment of the above Directors shall be open for inspection by the Members at the registered office of the Company during normal business hours on any working days.

A brief profile and other details of the Independent Directors to be appointed, whose appointment is proposed at Item Nos. 4 to 6 of the accompanying Notice, have been given in the annexure attached. This statement may be regarded as disclosure under clause 49 of the listing Agreement also.

Shri Madan Mohan Chopra, Shri Bankey Behari Tandon and Shri Ajit Singh Chatha, are concerned or interested in the Resolutions mentioned at Item No. 4 to 6 of the accompanying Notice respectively relating to their own appointment. No other director, Key Managerial Personnel of the Company or their respective relatives are concerned or interested, financially or otherwise, in the resolutions mentioned at Item No. 4 to 6 of the accompanying Notice.

The Board recommends the resolutions mentioned at Item No. 4 to 6 of the accompanying Notice.

Item No. 7 & 8

As per the provisions of Section 180 (1)(c) and 180 (1) (a) of the companies Act, 2013 which were notified on 12th September, 2013 and based on the clarification thereof issued by GOI, MCA vide General Circular No. 04/2014 dated 25th March, 2014, the Resolution passed u/s 293 of the Companies Act, 1956 prior to 12.09.2013 with reference to borrowings (subject to the limits prescribed) and/or creation of security on assets of the company will be regarded as sufficient compliance of the requirements of section 180 of the new Act, for a period of 1 year from the date of notification of Section 180.

The Board of Directors of the your company has approved these items in the Board Meeting dated 14.08.2014 and recommends the resolutions mentioned at Item No. 7 to 8 of the accompanying Notice, for the approval of Shareholders of the company as **Special Resolutions**.

None of the Directors, Key Managerial Personnel of the Company or their respective relatives are concerned or interested, financially or otherwise, in the resolution mentioned at Item No. 7 & 8 of the accompanying Notice.

Item No. 9

Pursuant to section 148(3) of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the Members of the Company are required to approve and ratify the payment of remuneration of ₹.50,000/- (₹. fifty thousand only) plus Service Tax and out of pocket expenses to the Cost Auditors as approved by the Board of Directors in their meeting held on 30.05.2014 for the Financial Year 2014-15.

None of the Directors, Key Managerial Personnel of the Company or their respective relatives is concerned or interested, financially or otherwise, in the resolution.

The Board recommends the Resolution mentioned at Item No. 9 of the accompanying Notice for approval by the shareholders of the company as an **Ordinary Resolution**.

INDIAN ACRYLICS LIMITED

Item No. 10

The members of the company at the Extra-Ordinary General Meeting held on 17th December 2011 approved the re-appointment of Shri Rajinder Kumar Garg, Managing Director of the Company w.e.f. 01/03/2012 for a period of three years and other terms and conditions including remuneration to be paid. The present tenure of Shri Rajinder Kumar Garg, Managing Director would expire on 28/02/2015. Shri Rajinder Kumar Garg has been the Managing Director of the Company since 01/03/1986. Shri R K Garg is aged 71 years. However, inspite of being of an age over 70 years, your directors have recommended to re-appoint him, considering that he had been responsible for conceiving the project and implementing it successfully despite numerous odds. In view of his significant contribution and pursuant to the recommendation of Nomination and Remuneration Committee and the Board in their respective meetings held on 30/05/2014, it is proposed to consider the re-appointment of Shri Rajinder Kumar Garg, for a further period of three years w.e.f. 01/03/2015 on the terms and conditions set out in the resolutions at Item no. 10.

It is also proposed to pay the increased remuneration for the remaining period of his current tenure of appointment from 01/04/2014 to 28/02/2015 pursuant to the recommendation of Nomination and Remuneration Committee and the Board in their respective meetings held on 14/02/2014, on the terms and conditions set out in the resolutions at Item no. 10.

The reappointment and increase in remuneration for the remaining period of the current tenure is subject to approval of members. Accordingly, your approval is solicited.

The notice and explanatory statement may be treated as an abstract of the terms of contract for the reappointment and payment of increased remuneration to Shri Rajinder Kumar Garg, Managing Director within the provisions of the Companies Act. The Board recommends **Special Resolution** for the approval of the Members set out at Item no. 10.

None of the Directors of the Company and/or Key Managerial Personnel of the Company and their relatives is concerned or interested financially or otherwise, in the resolution except Shri Dheeraj Garg, Additional Managing Director being related to Shri Rajinder Kumar Garg.

By Order of the Board of Directors

Place: Harkishanpura

Date: 14.08.2014

BHAVNESH K GUPTA
G.M. CUM COMPANY SECRETARY

STATEMENT GIVING INFORMATION REQUIRED UNDER PART-II SECTION-II (B) SUB-CLAUSE (iv) TO THE SCHEDULE V OF THE COMPANIES ACT, 2013 FOR PAYMENT OF REMUNERATION TO SHRI R K GARG, MANAGING DIRECTOR

I. GENERAL INFORMATION

REMARKS

- | | | | | | | | | | | | | | |
|---|---|--|--------------|-------------------|-------|-----------|-------|------------------|--------|-----------------------------|-------|-------------------|-----|
| (1) Nature of Industry | The Company is engaged mainly in manufacture and sale/trading of Acrylic Fibre/yarn | | | | | | | | | | | | |
| (2) Date or expected date of commencement of commercial production | Commercial Production started in 1993 | | | | | | | | | | | | |
| (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 | <p>The financial performance is given in the enclosed Balance Sheet and Profit & Loss Account of the Company. The performance of the Company as on 31/03/2014 as stated in general circular no. 12/7/2000-CL-VII, dated 27/12/2000 is as under:</p> <table border="0"><tbody><tr><td></td><td>(₹. In lacs)</td></tr><tr><td>Effective Capital</td><td>7,437</td></tr><tr><td>Net worth</td><td>7,437</td></tr><tr><td>Turnover (gross)</td><td>63,112</td></tr><tr><td>Net Profit/(Loss) after tax</td><td>1,132</td></tr><tr><td>Dividend declared</td><td>Nil</td></tr></tbody></table> | | (₹. In lacs) | Effective Capital | 7,437 | Net worth | 7,437 | Turnover (gross) | 63,112 | Net Profit/(Loss) after tax | 1,132 | Dividend declared | Nil |
| | (₹. In lacs) | | | | | | | | | | | | |
| Effective Capital | 7,437 | | | | | | | | | | | | |
| Net worth | 7,437 | | | | | | | | | | | | |
| Turnover (gross) | 63,112 | | | | | | | | | | | | |
| Net Profit/(Loss) after tax | 1,132 | | | | | | | | | | | | |
| Dividend declared | Nil | | | | | | | | | | | | |
| (5) Export performance and net foreign exchange collaborations | FOB value of export and earning in foreign exchange during the financial year ended 31/3/2014 was ₹.18222 lacs | | | | | | | | | | | | |
| (6) Foreign Investments or collaborators, if any | There is no investment/ foreign technical collaboration in operation at present. | | | | | | | | | | | | |

II. INFORMATION ABOUT THE APPOINTEE

(1) Background details

(2) Past remuneration

(3) Recognition or awards

(4) Job profile and his suitability

(5) Remuneration proposed

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

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

III. Other Information:

(1) Reasons of loss or inadequate profits

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

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

IV. Disclosures:

(1) The shareholders of the Company shall be informed of the remuneration package of the managerial person

(2) Disclosures required to be mentioned in the Board of Director's report under the heading "Corporate Governance", if any, attached to the annual report

SHRI R K GARG

MANAGING DIRECTOR (DIN-00034827)

He is F.I.E. and has vast experience of 50 years. Shri Garg is the promoter director and is with the Company since inception.

Salary	₹.2,00,000/- p.m.
Commission	5% of net profits
Perquisites	Restricted to ₹.24,00,000/- p.a.
Bonus	N.A.

Mr. Garg himself is an Awardee of 'UDYOG PATRA'. During his tenure, the Company received 'National Energy Conservation Award, consecutively for three years as also the Export Award by SRTEPC. The Company was also granted Recognition as 'Export-House' and for in-house R&D Unit at plant by Govt. of India. Certificates of Approval for Quality Management Systems by BVQI and of Arch of Europe for Commitment to Quality, Leadership, Technology and Innovation by BID were also received.

He is overall incharge of the Company as Managing Director and looks after new initiatives/ expansion projects and export growth, besides supervision of day to day affairs.

Proposed remuneration of ₹.84.00 lacs is starting from 01/04/2014. Details given in the resolution at item no 10 and explanatory statement of the accompanying notice.

Remuneration package is commensurate with his competence and responsibility in the Company and also with remuneration paid by comparable companies for similar positions.

He is the Promoter Director of the Company. Shri Dheeraj Garg, Additional Managing Director of the Company is related to Shri R K Garg.

The completion of the project was substantially delayed due to the reasons beyond the control of the management. The import duties on our finished product have been reduced substantially, without proportionate reduction in the import duties of inputs, depleting margins on sales. Many foreign suppliers of Acrylics fibre resorted to dumping of material into the country, putting a pressure on the selling prices of local product.

The Company is pursuing strategies to augment profit by revenue growth through product innovations, and cost cutting/value engineering in existing business.

The Company is expected to achieve adequate profits within the next 5 years

The details of remuneration of Shri R K Garg are enclosed in the explanatory statement of the accompanying notice.

Necessary particulars of remuneration under required heads of all Working Directors are given in Corporate Governance Report forming part of the Directors' Report for the financial year ended 31/03/2014

FORM OF PROXY

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

INDIAN ACRYLICS LIMITED**CIN:L24301PB1986PLC006715**

REGD. OFFICE: VILLAGE HARKISHANPURA, TEHSIL BHAWANIGARH, DISTT. SANGRUR (PB) 148026.

TEL. NO. +91-0172-2790979, 2792385, 2793112,

Email: shares@indianacrylics.com, Website: www.indianacrylics.com

NAME OF THE MEMBER(S)	
REGISTERED ADDRESS	
EMAIL ID	
FOLIO NO./ CLIENT ID	
DP ID	
NO. OF SHARES HELD	

I/ We, being the member(s) of shares of the above named Company, hereby appoint:

1.	Name:		Signature
	Address:		
	E-mail Id:		
Or failing him/her			
2.	Name:		Signature
	Address:		
	E-mail Id:		
Or failing him/her			
3.	Name:		Signature
	Address:		
	E-mail Id:		

as my/ our proxy to attend and vote (on a poll) for me/us and on my/ our behalf at the Annual General meeting of the Company, to be held on Monday, the 29th day of September 2014, at 11.00 a.m., at Village Harkishanpura, Tehsil Bhawanigarh, Distt. Sangrur (PB) and at any adjournment thereof in respect of such resolutions as are indicated below:

Sr.No. Resolution**Ordinary Business**

1. Adoption of audited financial statements for the year ended March 31, 2014
2. Re-appointment of Sh. Ajay Kumar Mahajan as a Director
3. Appointment of Auditors

Special Business

4. Appointment of Sh. MM Chopra, as Independent Director
5. Appointment of Sh. BB Tandon, as Independent Director
6. Appointment of Sh. AS Chatha, as Independent Director
7. To authorize Board to borrow pursuant to section 180(1)(c)
8. To authorize Board to create mortgage pursuant to section 180(1)(a)
9. Approval of payment of remuneration to the Cost Auditors
10. Revision and reappointment of Sh. RK Garg, Managing Director

Signed this day of September 2014.

Signature of shareholder..... Signature of Proxy holder(s)

Affix
Revenue
Stamp

Note: 1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

INDIAN ACRYLICS LIMITED**CIN:L24301PB1986PLC006715**

REGD. OFFICE: VILLAGE HARKISHANPURA, TEHSIL BHAWANIGARH, DISTT. SANGRUR (PB) 148026.

TEL. NO. +91-0172-2790979, 2792385, 2793112,

Email: shares@indianacrylics.com, Website: www.indianacrylics.com**ATTENDANCE SLIP**

NAME OF THE ATTENDING MEMBER (IN BLOCK LETTERS)	
FOLIO NO.	
DP ID NO.	
CLIENT ID NO.	
NO OF SHARES HELD	
NAME OF PROXY (IN BLOCK LETTERS)	

I, hereby record my presence at the 27th Annual General Meeting of the Company held on Monday, the 29th day of September 2014, 11.00 a.m., at Village Harkishanpura, Tehsil Bhawanigarh, Distt. Sangrur (PB)

Member's/ Proxy's Signatures