

NOTICE

NOTICE is hereby given that the Twenty-Eighth Annual General Meeting of the members of **IOL Chemicals and Pharmaceuticals Limited** (CIN: L24116PB1986PLC007030) will be held on **Tuesday, 29 September 2015 at 11:00 A.M.** at the Registered Office of the Company; Trident Complex, Raikot Road, Barnala, Punjab to transact the following business:

Ordinary Business:

1. To receive, consider and adopt the financial statements for the year ended 31 March 2015 including the audited Balance Sheet of the Company as at 31 March 2015 and the Profit & Loss Account for the financial year ended on that date together with the Reports of Board of Directors and the Auditors thereon.
2. To appoint a director in place of Mr Vijay Singla (DIN: 03577178) who retires by rotation and being eligible, offers himself for re-appointment.
3. **Appointment of Auditors**

To ratify the appointment of auditors of the Company and fix their remuneration and pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED that pursuant to provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and Rules made there under, pursuant to the recommendations of the Audit and Risk Management Committee and pursuant to the resolution passed by the members at the Annual General Meeting held on 30 September 2014, the appointment of M/s. S C Vasudeva & Co., Chartered Accountants, New Delhi as the Statutory Auditors of the Company to hold office till the conclusion of thirty first Annual General Meeting of the Company be and is hereby ratified on such remuneration as may be fixed by the Board of Directors from time to time as agreed upon between the Auditors and the Board of Directors."

Special Business:

4. **Appointment of Mr Vikas Gupta as Executive Director of the Company**

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

"RESOLVED that pursuant to the provisions of Section 161 and all other applicable provisions of the Companies Act, 2013 and the Rules made there under and the Articles of Association of the Company, Mr Vikas Gupta (DIN: 07198109), who was appointed as an Additional Director w.e.f. 29 May 2015 and who holds the office until the date of Annual General Meeting and in respect of whom the Company has received a notice in writing from a member under Section 160 of Companies Act, 2013 signifying his intention to propose Mr Vikas Gupta as a candidate for the office of a director of the Company, be and is hereby appointed as a director of the Company liable to retire by rotation."

"RESOLVED FURTHER that in accordance with the provisions of Sections 196, 197, 203 and all other applicable provisions of the Companies Act, 2013 and the Rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013 and Articles of Association of the Company and subject to the approval of the Central Government and/or any other authority, if required, Mr Vikas Gupta be and is hereby appointed as Executive Director of the Company for a period of five years, liable to retire by rotation, w.e.f. 29 May 2015, on the terms and conditions including remuneration as given below:

- 1a) Basic Salary: ₹ 60,000 /- (Rupees sixty thousand only) per month

- b) Perquisites and allowances: Perquisites and allowances shall be in addition to salary as follows:

a	House Rent Allowance	50% of salary
b	Conveyance Allowance	20% of salary
c	Communication Allowance	10% of salary
d	Medical Allowance	8.33% of salary
e	Newspaper and Periodicals Allowance	5% of salary
f	Children Education Allowance	5% of salary
g	Provident Fund Contribution	12% of salary
h	Bonus	10% of salary
i	Gratuity	4.17% of salary
j	Uniform Allowance	8% of salary
k	Self Development Allowance	13.33% of salary
l	Medical CL/GIS	4.17% of salary

2. **Other Terms**

The Executive Director shall also be entitled to the benefits under other benefits, schemes, privileges and amenities, amended salary structure as are granted to the senior executives of the Company, in accordance with the Company's practice and rules and regulations in force from time to time.

"RESOLVED FURTHER that notwithstanding anything to the contrary herein contained, where in any financial year, the Company has no profits or its profits are inadequate, the Company will pay aforesaid remuneration as minimum remuneration to the Executive Director as per the provisions of Schedule V of the Companies Act, 2013."

"RESOLVED FURTHER that the Board of Directors be and is hereby authorised to increase the remuneration and perquisites of Mr Vikas Gupta, Executive Director from time to time within Schedule V of the Companies Act, 2013 and such other guidelines or ceiling fixed by the Government from time to time."

"RESOLVED FURTHER that Board of Directors be and is hereby authorised to do all acts, matters, things and deeds to give effect to the appointment of Mr Vikas Gupta as Executive Director."

5. **Increase of the remuneration of Mr Vijay Singla, Director (Works)**

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 of Section 197 and all other applicable provisions of the Companies Act, 2013 and the Rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013 and subject to the approval of Central Government and any other authority, if required, following variation in the terms of appointment of Mr Vijay Singla (DIN: 03577178), Director (Works) in respect of increase of his gross remuneration to ₹ 5,00,000 w.e.f. 01 April 2015 to 31 March 2016 be and is hereby approved as per details given below:

- 1 a) Basic Salary: ₹ 2,00,000/- (Rupees two lacs only) per month
- b) Perquisites and allowances: Perquisites and allowances shall be in addition to salary as follows:

a	House Rent Allowance	50% of salary
b	Conveyance Allowance	20% of salary
c	Communication Allowance	10% of salary
d	Medical Allowance	8.33% of salary
e	Newspaper and Periodicals Allowance	5% of salary
f	Children Education Allowance	5% of salary
g	Provident Fund Contribution	12% of salary
h	Bonus	10% of salary
i	Gratuity	4.17% of salary
j	Uniform Allowance	8% of salary
k	Self Development Allowance	13.33% of salary
l	Medical CL/GIS	4.17% of salary

2. Other Terms

The Director (Works) shall also be entitled to the benefits under other benefits, schemes, privileges and amenities, amended salary structure as are granted to the senior executives of the Company, in accordance with the Company's practice and rules and regulations in force from time to time.

"RESOLVED FURTHER that notwithstanding anything to the contrary herein contained, where in any financial year, the Company has no profits or its profits are inadequate, the Company will pay aforesaid remuneration as minimum remuneration to him as per the provisions of Schedule V of the Companies Act, 2013."

"RESOLVED FURTHER that the Board of Directors be and is hereby authorised to increase the remuneration and perquisites of Mr Vijay Singla, Director (Works) from time to time within Schedule V of the Companies Act, 2013 and such other guidelines or ceiling fixed by the Government from time to time."

"RESOLVED FURTHER that Board of Director be and is hereby authorised to complete all legal and procedural formalities for giving effect to the variation of terms of the appointment of the Director (Works)."

6. Increase of the remuneration of Mr Vijay Kumar Garg, Joint Managing Director

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 of Section 197 and all other applicable provisions of the Companies Act, 2013 and the Rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013 and subject to approval of the Central Government and/or any other authority, if required, following variation in the terms of appointment of Mr Vijay Kumar Garg (DIN: 06510248), Joint Managing Director in respect of increase of his gross remuneration to ₹ 7,50,000 w.e.f. 01 April 2015 for his remaining tenure that is upto 01 March 2016 be and is hereby approved as per details given below:

- 1a) Basic Salary: ₹ 3,00,000/- (Rupees three lacs only) per month
- b) Perquisites and allowances: Perquisites and allowances shall be in addition to salary as follows:

a	House Rent Allowance	50% of salary
b	Conveyance Allowance	20% of salary
c	Communication Allowance	10% of salary
d	Medical Allowance	8.33% of salary
e	Newspaper and Periodicals Allowance	5% of salary
f	Children Education Allowance	5% of salary
g	Provident Fund Contribution	12% of salary
h	Bonus	10% of salary
i	Gratuity	4.17% of salary
j	Uniform Allowance	8% of salary
k	Self Development Allowance	13.33% of salary
l	Medical CL/GIS	4.17% of salary

2. Other Terms

The Joint Managing Director shall also be entitled to the benefits under other benefits, schemes, privileges and amenities, amended salary structure as are granted to the senior executives of the Company, in accordance with the Company's practice and rules and regulations in force from time to time.

"RESOLVED FURTHER that notwithstanding anything to the contrary herein contained, where in any financial year, the Company has no profits or its profits are inadequate, the Company will pay aforesaid remuneration as minimum remuneration to him as per the provisions of Schedule V of the Companies Act, 2013."

"RESOLVED FURTHER that the Board of Directors be and is hereby authorised to increase the remuneration and perquisites of Mr Vijay Kumar Garg, Joint Managing Director from time to time within Schedule V of the Companies Act, 2013 and such other guidelines or ceiling fixed by the Government from time to time."

"RESOLVED FURTHER that Board of Directors be and is hereby authorised to complete all legal and procedural formalities to give effect to the variation of terms of the appointment of the Joint Managing Director."

7. Increase of the remuneration of Mr Varinder Gupta, Managing Director

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 of Section 197 and all other applicable provisions of the Companies Act, 2013 and the Rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013 and subject to the approval of Central Government and any other authority, if required, variation in the terms of appointment of Mr Varinder Gupta (DIN: 00044068), Managing Director in respect of increase in his gross remuneration to ₹ 8,00,000 w.e.f. 01 April 2015 for his remaining tenure that is upto 31 August 2015 be and is hereby approved as per details given below:

- 1a) Basic Salary: ₹ 3,20,000/- (Rupees three lacs twenty thousand only) per month
- b) Perquisites and allowances: Perquisites and allowances shall be in addition to salary as follows:

a	House Rent Allowance	50% of salary
b	Conveyance Allowance	20% of salary
c	Communication Allowance	10% of salary
d	Medical Allowance	8.33% of salary
e	Newspaper and Periodicals Allowance	5% of salary
f	Children Education Allowance	5% of salary
g	Provident Fund Contribution	12% of salary
h	Bonus	10% of salary
i	Gratuity	4.17% of salary
j	Uniform Allowance	8% of salary
k	Self Development Allowance	13.33% of salary
l	Medical CL/GIS	4.17% of salary

2. Other Terms

The Managing Director shall also be entitled to the benefits under other benefits, schemes, privileges and amenities, amended salary structure as are granted to the senior executives of the Company, in accordance with the Company's practice and rules and regulations in force from time to time.

"RESOLVED FURTHER that notwithstanding anything to the contrary herein contained, where in any financial year, the Company has no profits or its profits are inadequate, the Company will pay aforesaid remuneration as minimum remuneration to him as per the provisions of Schedule V of the Companies Act, 2013."

"RESOLVED FURTHER that Board of Directors be and is hereby authorised to complete all legal and procedural formalities to give effect to the variation of terms of the appointment of the Managing Director."

8. Re-appointment of Mr Varinder Gupta, Managing Director

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 of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time

being in force), read with Schedule V to the Companies Act, 2013 and subject to the approval of Central Government and any other authority, if required, Mr Varinder Gupta (DIN: 00044068), be and is hereby re-appointed as Managing Director of the Company, for a period of three years w.e.f. 01 September 2015 to 31 August 2018, at a gross remuneration of ₹ 8,00,000 as per details given below:

- 1a) Basic Salary: ₹ 3,20,000/- (Rupees three lacs twenty thousand only) per month
- b) Perquisites and allowances: Perquisites and allowances shall be in addition to salary as follows:

a House Rent Allowance	50% of salary
b Conveyance Allowance	20% of salary
c Communication Allowance	10% of salary
d Medical Allowance	8.33% of salary
e Newspaper and Periodicals Allowance	5% of salary
f Children Education Allowance	5% of salary
g Provident Fund Contribution	12% of salary
h Bonus	10% of salary
i Gratuity	4.17% of salary
j Uniform Allowance	8% of salary
k Self Development Allowance	13.33% of salary
l Medical CL/GIS	4.17% of salary

2. Other Terms

The Managing Director shall also be entitled to the benefits under other benefits, schemes, privileges and amenities, amended salary structure as are granted to the senior executives of the Company, in accordance with the Company's practice and rules and regulations in force from time to time.

"RESOLVED FURTHER that notwithstanding anything to the contrary herein contained, where in any financial year, the Company has no profits or its profits are inadequate, the Company will pay aforesaid remuneration as minimum remuneration to him as per the provisions of Schedule V of the Companies Act, 2013."

"RESOLVED FURTHER that the Board of Directors be and is hereby authorised to increase the remuneration and perquisites of Mr Varinder Gupta, Managing Director from time to time within Schedule V of the Companies Act, 2013 and such other guidelines or ceiling fixed by the Government from time to time.

"RESOLVED FURTHER that Board of Directors be and is hereby authorised to complete all legal and procedural formalities to give effect to the re-appointment of the Managing Director."

9. Approval of Remuneration to the Cost Auditor for the financial year ending 31 March 2016

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

"RESOLVED that pursuant to the provisions of Section 148 and all other applicable provisions, if any, of the Companies Act, 2013 and Rules made there under, and such other permissions as may be necessary, the members hereby approve the remuneration of ₹ 1,00,000/- plus service tax and out-of-pocket expenses payable to M/s Ramanath Iyer & Co., Cost Accountants, New Delhi, who are appointed by the Board of Directors of the Company as Cost Auditors to conduct audit of the Cost Accounting records maintained by the Company in respect of bulk drugs and chemicals for the financial year ending 31 March 2016."

"RESOLVED FURTHER that the Board of Directors be and is hereby authorised to do all acts and take all such steps as

may be necessary, proper or expedient to give effect to this resolution."

By order of the Board
For IOL Chemicals and Pharmaceuticals Limited

Registered Office:

Trident Complex, Raikot Road,
Barnala-148 101 (Punjab)
Dated : 13 August 2015

Sd/-
[Krishan Singla]
Vice President & Company Secretary

NOTES:

- 1) The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, which sets out details relating to Special Business to be transacted at Annual General Meeting (AGM) is annexed hereto.
- 2) **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY/ PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF. SUCH A PROXY/ PROXIES NEED NOT BE A MEMBER OF THE COMPANY.** A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital 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. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution/authority, as applicable.
- 3) The Register of Members and share transfer books will remain closed from **Tuesday, 22 September 2015 to Tuesday, 29 September 2015** (both days inclusive).
- 4) To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.
- 5) 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.
- 6) **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.
- 7) Members may also note that the Annual Report will also be available on the Company's website www.iolcp.com for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office in Barnala (Punjab) for inspection during normal business hours on working days. **Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's investor email id: investor@iolcp.com.**

8) **Voting through electronic means**

- (i) The voting period begins on **26 September 2015 from 9:00 A.M. and ends on 28 September 2015 at 5:00 P.M.** During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of **22 September 2015**, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The shareholders should log on to the e-voting **website www.evotingindia.com**.
- (iv) Click on "**Shareholders**" tab
- (v) Now Enter your **User ID**
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter **Folio Number** registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) 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.
- (viii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the the first two letters of their name and the 8 digits of the sequence number in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Members holding shares **in physical form** will then **directly reach the Company selection screen**. However, members holding shares **in demat form** will now reach '**Password Creation**' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. **It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.**
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN i.e. 150826007 for the IOL Chemicals and Pharmaceuticals Limited on which you choose to vote.
- (xiii) 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.
- (xiv) Click on the "**RESOLUTIONS FILE LINK**" if you wish to view the entire Resolution details.
- (xv) 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.

- (xvi) Once you "**CONFIRM**" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take out print of the voting done by you by clicking on "**Click here to print**" option on the Voting page.
- (xviii) 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.
- (xix) Note for Non – Individual Shareholders and Custodians
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to **www.evotingindia.com** and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to **helpdesk.evoting@cdslindia.com**.
 - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts should be mailed to **helpdesk.evoting@cdslindia.com** 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.
- (xx) Any person, who acquires shares of the Company and become Member of the Company after dispatch of the Notice and holding shares as on the cut-off date i.e. **22 September 2015** may follow the same instructions as mentioned above for e-Voting.
- (xxi) 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**

- 9) The Company has appointed **Mr Vinay Kohli partner, M/s. K.K. Kapoor & Associates, Chartered Accountants** as scrutinizer for conducting the e-voting process in fair and transparent manner and he will submit his report to the Chairman within 3 days of conclusion of voting.
- 10) Members who are holding shares in identical order of names under more than one folio are requested to send the relative share certificates to the RTA for consolidation of the entire holding under one folio.
- 11) All activities for transfer of shares, dematerialization of shares, change of address etc. are carried out by the Company through its Registrar and Share Transfer Agents (RTA). Members are requested to make their requests to RTA at the following address: **Alankit Assignments Limited** 2E/21, Jhandewalan Extension, New Delhi-110 055
- 12) Documents referred to in the Notice are open for inspection at the Registered Office of the Company on all working days, except holidays, between **11:00 AM to 1:00 PM**.
- 13) Members desiring any information on Accounts or other items of Agenda are requested to write to the Company at its Registered Office at least ten days before the date of the Annual General Meeting so as enable the Management to keep the information ready.
- 14) Members are requested to:
 - a) Notify the change of address with pin code, to ensure quick delivery of letters and quote their folio/ client ID & DP ID in all correspondence.

- b) Bring their copies of Annual Report at the meeting.
- c) Complete the enclosed attendance slip and deliver the same at the entrance of the meeting hall.

- d) **Intimate their e-mail Id for quick correspondence to the Depository Participants / investor@iolcp.com and/or register themselves at Company's website www.iolcp.com**

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

Item No. 4

Mr Vikas Gupta was appointed as Additional and Executive Director on the Board w.e.f. 29 May 2015 for a term of five years. Pursuant to Section 161 of the Companies Act, 2013 he holds office upto the date of ensuing Annual General Meeting. The Company has received a notice in writing from a member along with deposit of ₹ 1,00,000/- under Section 160 of the Companies Act, 2013 proposing his name for the appointment as Director of the Company.

The Board on the recommendation of Nomination and Remuneration Committee has approved the appointment of Mr Vikas Gupta as Executive Director of the Company for a period of five years, liable to retire by rotation, w.e.f. 29 May 2015 and payment of gross remuneration of ₹ 1,50,000/- consisting of basic salary of ₹ 60,000/- and perquisites and allowances as detailed in the resolution.

The information required under proviso (iv) of Para (B) of Section II of Part II of the Schedule V to the Companies Act, 2013 is given hereunder.

I. General information

- Nature of Industry: Manufactures of API and Specialty Chemicals
- Date or expected date of commencement of commercial production : It is an existing manufacturing Company.
- In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus: NA
- Financial performance based on given indicators:

Amount(in crore)

Particulars	2014-15	2013-14	2012-13
Net sales and other income	386.05	564.81	484.04
Profit/(Loss) before tax	(75.44)	5.08	2.96
Profit/(Loss) after tax	(66.65)	1.78	1.59

- Export performance and net foreign exchange earning: During the year 2014-2015 export of the Company have been ₹ 63.72 crore.
- Foreign investments or collaborators, if any: None

II. Information about the appointee

Background details:

Mr Vikas Gupta, aged 23 years, BSc. (Hons.) in Business Management from Kings College London. He has an international exposure in the field of Business Management. He is academically equipped with the knowledge and possesses organisational capacity and ability for managing people and resources. He was working as Deputy Manager (Strategic Management) since 20 July 2013 in the Company.

Past remuneration:

Mr Vikas Gupta, as Deputy Manager (Strategic Management) was being paid monthly gross remuneration of ₹ 48,700/- consisting of basic salary of ₹ 19,480/- plus perquisites and allowances.

Job profile and his suitability:

Mr Vikas Gupta shall be responsible for day to day management of the Company under the supervision of the Board of Directors and Managing Director.

Remuneration Proposed:

The Board of Director has proposed to pay him monthly basic salary ₹ 60,000/- (Rupees sixty thousand only) plus perquisites and allowances as detailed in the resolution w.e.f. 29 May 2015.

Comparative remuneration profile with respect to industry, size of the company, profile of the position and person:

The salary structure of the managerial personnel has undergone a major change in the industry in the recent past. Keeping in view the type of the industry, size of the Company, the responsibilities and capabilities of the appointees, the proposed remuneration is reasonable as compare to the remuneration paid by other companies to such similar positions.

Moreover the Company is proposing to pay the remuneration less than as allowed under section II of part II of Schedule V for the Company having no profit/inadequate profits.

Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personne:

Mr Vikas Gupta is related to Mr Varinder Gupta who is Managing Director and promoter of the Company.

III. OTHER INFORMATION

Reasons of loss or inadequate profits:

The Company has inadequate profits due to mis-match in input and output prices in chemical business and Company was not able to pass on the increased price of raw materials to its customers because of subdued sentiments in overall economy.

Steps taken or proposed to be taken for improvement:

The Company has strengthened its inventory risk mitigation procedures and concentrate more on its pharma business.

Expected increase in productivity and profits in measurable terms:

Due to the steps taken by the Company to strengthen its financial position together with overcoming of slow down by the economy, it is expected that the Company will improve its profitability in time to come.

IV. DISCLOSURES

All the relevant information pertaining to the remuneration and other particulars of Directors mentioned in the Boards' Report under the heading "Corporate Governance", as annexed to the Annual Report.

As per the provision of the Companies Act, 2013 read with Schedule V, thereof, approval of members is required for this purpose. Hence, the Board recommends the resolution for your approval.

None of the Directors or Key Managerial Personnel of the Company or their relatives except Mr Varinder Gupta, Managing Director being related to Mr Vikas Gupta and Mr Vikas Gupta, proposed appointee are concerned or interested, in the resolution set out at Item No.4 of the Notice.

Item No. 5

Mr Vijay Singla was appointed as Director (Works) of the Company on 11 July 2011 for a period of five years with the approval of shareholders in their meeting held on 20 September 2011 at the gross remuneration of ₹ 1,50,000/- per month

Further with the approval of members by way of special resolution in their meeting held on 28 September 2013 his monthly gross remuneration was increased to ₹ 3,00,000/- w.e.f. 01 April 2013 consisting of basic salary of ₹ 1,20,000/- and other perquisites and allowances for the period of three year.

However, since then his remuneration is same from last two years and is less in comparison to the officers in his cadre in the industry. The Board on the recommendations of Nomination and Remuneration Committee has approved the increase his remuneration to monthly gross remuneration of ₹ 5,00,000/- consisting of basic salary of ₹ 2,00,000/- and other perquisites and allowances as detailed in the resolution, w.e.f. 01 April 2015 to 31 March 2016.

The information required under proviso (iv) of Para (B) of Section II of Part II of the Schedule V to the Companies Act, 2013 is given hereunder.

I. General information

- Nature of Industry: Manufactures of API and Specialty Chemicals

2. Date or expected date of commencement of commercial production : It is an existing manufacturing Company.
3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus: NA
4. Financial performance based on given indicators:

Amount(in crore)

Particulars	2014-15	2013-14	2012-13
Net sales and other income	386.05	564.81	484.04
Profit/(Loss) before tax	(75.44)	5.08	2.96
Profit/(Loss) after tax	(66.65)	1.78	1.59

5. Export performance and net foreign exchange earning: During the year 2014-2015 export of the Company have been ₹ 63.72 crore.
6. Foreign investments or collaborators, if any: None

II. Information about the appointee

Background details:

Mr Vijay Singla aged 40 years is having Degree in Chemical Engineering from Punjab Technical University and Electrical Engineering from Institute of Engineers (India) Calcutta. He has an experience of 15 years in Pharmaceuticals and Chemicals Industries. He has joined the Company on 01 March 2000 as Engineer Trainee. He worked in various capacities and also worked as President in Ibuprofen production before his elevation as Director (Works). He was instrumental in setting up the Ibuprofen plant of the Company.

Past remuneration:

Mr Vijay Singla was appointed as Director (Works) of the Company on 11 July 2011 at the gross remuneration of ₹ 1,50,000/- per month, for a period of five years. Further with the approval of shareholders in their meeting held on 28 September 2013 his monthly gross remuneration was increased to ₹ 3,00,000/- w.e.f. 01 April 2013 for period of three years.

Job profile and his suitability:

Mr Vijay Singla is looking after and responsible for efficient & smooth, running and development of works of the Company.

Remuneration proposed:

The Board of Directors has proposed to increase his remuneration with monthly basic salary to ₹ 2,00,000/- (Rupees two lacs only) plus perquisites and allowances as detailed in the resolution, w.e.f. 01 April 2015 to 31 March 2016.

Comparative remuneration profile with respect to industry, size of the company, profile of the position and person:

The salary structure of the managerial personnel has undergone a major change in the industry in the recent past. Keeping in view the type of the industry, size of the Company, the responsibilities and capabilities of the appointees, the proposed remuneration is reasonable as compared to the remuneration paid by other companies to such similar positions.

Moreover the Company is proposing to pay the remuneration less than as allowed under section II of part II of Schedule V for the Company having no profit/inadequate profits.

Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel:

Mr Vijay Singla has no pecuniary relationship directly or indirectly with the Company, or relationship with any managerial personnel.

III. OTHER INFORMATION

Reasons of loss or inadequate profits:

The Company has inadequate profits due to mis-match in input and output prices in chemical business and company was not able to pass on the increase price of raw materials to its customers because of subdued sentiments in overall economy.

Steps taken or proposed to be taken for improvement:

The Company has strengthened its inventory risk mitigation procedures and concentrate more on its pharma business.

Expected increase in productivity and profits in measurable terms: Due to the steps taken by the Company to strengthen its financial position together with overcoming of slow down by the economy , it is expected that the Company will improve its profitability in time to come.

IV. DISCLOSURES

All the relevant information pertaining to the remuneration and other particulars of Directors mentioned in the Boards' Report under the heading "Corporate Governance", as annexed to the Annual Report.

As per the provision of the Companies Act, 2013 read with Schedule V, thereof, approval of members is required for this purpose. Hence, the Board recommends the resolution for your approval.

None of the Directors or Key Managerial Personnel of the Company or their relatives except Mr Vijay Singla being the proposed appointee concerned or interested, in the resolution set out at Item No.5 of the Notice.

Item No. 6

Mr Vijay Kumar Garg was appointed as Whole Time Director of the Company for a period of three years with effect from 02 March 2013 at gross remuneration of ₹ 2,50,000/-. He was further designated as Joint Managing Director of the Company w.e.f. 27 May 2013 and his monthly gross remuneration was increased to ₹ 3,50,000/- w.e.f. 01 April 2013 with the approval of shareholders in their meeting held on 28 September 2013 .

However, since then his remuneration is same from last two years and is less in comparison to the officers in his cadre in the industry. The Board on the recommendations of Nomination and Remuneration Committee has approved the revision of his remuneration to monthly gross remuneration of ₹ 7,50,000/- consisting of basic salary of ₹ 3,00,000/- and the perquisites and allowances as detailed in the resolution, w.e.f. 01 April 2015 to 01 March 2016.

The information required under proviso (iv) of Para (B) of Section II of Part II of the Schedule V to the Companies Act, 2013 is given hereunder.

I. General information

1. Nature of Industry: Manufactures of API and Speciality Chemicals
2. Date or expected date of commencement of commercial production : It is an existing manufacturing Company.
3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus: NA
4. Financial performance based on given indicators:

Amount(in crore)

Particulars	2014-15	2013-14	2012-13
Net sales and other income	386.05	564.81	484.04
Profit/(Loss) before tax	(75.44)	5.08	2.96
Profit/(Loss) after tax	(66.65)	1.78	1.59

5. Export performance and net foreign exchange earning: During the year 2014-2015 export of the Company have been ₹ 63.72 crore.
6. Foreign investments or collaborators, if any: None

II. Information about the appointee

Background details:

Mr Vijay Kumar Garg, aged 45 years, B.Sc. (Chemistry), MBA, EPIB (One year PG Course) from Indian Institute of Management Kolkata. He has an experience of 23 years in commercial activities of the chemical and pharmaceutical products and has an international exposure in the industry. He has joined the Company on 01 August 2012 as President (Commercial). He was appointed as Joint Managing Director on 02 March 2013.

Past remuneration:

Mr Vijay Kumar Garg, Joint Managing Director is drawing gross remuneration of ₹ 3,50,000/- per month since 01 April 2013.

Job profile and his suitability:

Mr Vijay Kumar Garg is responsible for overall day to day management of the Company under the supervision and control of the Board of Director and the Managing Director.

Remuneration proposed:

The Board of Director has proposed to increase his monthly gross salary ₹ 7,50,000/- per month, consisting of basic salary to ₹ 3,00,000/- plus perquisites and allowances as detailed in the resolution with effect from 01 April 2015 for remaining period of his tenure that is upto 01 March 2016.

Comparative remuneration profile with respect to industry, size of the company, profile of the position and person:

The salary structure of the managerial personnel has undergone a major change in the industry in the recent past. Keeping in view the type of the industry, size of the Company, the responsibilities and capabilities of the appointees, the proposed remuneration is reasonable as compared remuneration paid by other companies to such similar positions.

Moreover the Company is proposing to pay the remuneration less than as allowed under section II of part II of Schedule V for the Company having no profit/inadequate profits.

Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel:

Mr Vijay Kumar Garg has no pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel.

III. OTHER INFORMATION

Reasons of loss or inadequate profits:

The Company has inadequate profits due to mis-match in input and output prices in chemical business and Company was not able to pass on the increase price of raw materials to its customers because of subdued sentiments in overall economy.

Steps taken or proposed to be taken for improvement:

The Company has strengthened its inventory risk mitigation procedures and concentrate more on its pharma business.

Expected increase in productivity and profits in measurable terms:

Due to the steps taken by the Company to strengthen its financial position together with overcoming of slow down by the economy, it is expected that the Company will improve its profitability in time to come.

IV. DISCLOSURES

All the relevant information pertaining to the remuneration and other particulars of Directors mentioned in the Boards' Report under the heading "Corporate Governance", as annexed to the Annual Report.

As per the provision of the Companies Act, 2013 read with Schedule V, thereof, approval of members is required for this purpose. Hence, the Board recommends the resolution for your approval.

None of the Directors or Key Managerial Personnel of the Company or their relatives except Mr Vijay Kumar Garg being the proposed appointee concerned or interested, in the resolution set out at Item No.6 of the Notice.

Item No. 7 & 8

Mr Varinder Gupta was re-appointed as Managing Director of the Company for a period of three years w.e.f 01 September 2012 to 31 August 2015 at a monthly gross remuneration of ₹ 4,00,000/- However, since then his remuneration is same and is less in comparison to the officers in his cadre in the industry. The Board on the recommendations of Nomination and Remuneration Committee

held on 29 May 2015 has approved the revision of his remuneration to monthly gross remuneration of ₹ 8,00,000/- consisting of basic salary of ₹ 3,20,000/- and perquisites and allowances as detailed in the resolution, w.e.f. 01 April 2015 to 31 August 2015.

Mr Varinder Gupta was also re-appointed as Managing Director of the Company for a period of three years w.e.f. 01 September 2015 to 31 August 2018, on the terms and conditions approved by the Board of Directors in the meeting held on 29 May 2015, subject to the approval of the members and Central Government, if required as approved by Nomination and Remuneration Committee in its meeting held on 29 May 2015.

There has been a substantial increase in the operation of the Company. At this crucial juncture, considering valuable contribution made by him and his role, responsibilities and experience, it is proposed to re-appoint him at remunerations and other terms and conditions as set out in the resolution of the agenda of this meeting.

Term & Conditions of appointment:

1. Tenure: 3 years from the date of appointment i.e. from 01 September 2015 to 31 August 2018
2. Remuneration: The remuneration will consisting of basic salary ₹ 3,20,000/- and other perquisites and allowances as detailed in the resolution.

The information required under proviso (iv) of Para (B) of Section II of Part II of the Schedule V to the Companies Act, 2013 is given hereunder.

I. General information

1. Nature of Industry: Manufactures of API and Specility Chemicals
2. Date or expected date of commencement of commercial production : It is an existing manufacturing Company.
3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus: NA
4. Financial performance based on given indicators:

Amount(in crore)

Particulars	2014-15	2013-14	2012-13
Net sales and other income	386.05	564.81	484.04
Profit/(Loss) before tax	(75.44)	5.08	2.96
Profit/(Loss) after tax	(66.65)	1.78	1.59

5. Export performance and net foreign exchange earning: During the year 2014-2015 export of the Company have been ₹ 63.72 crore.
6. Foreign investments or collaborators, if any: None

II. Information about the appointee

Background details:

Mr Varinder Gupta, aged 52 years, is under graduate and has more than 30 years experience in the chemicals and pharmaceuticals industry.

Past remuneration:

Mr Varinder Gupta, re-appointed as Managing Director of the Company on 01 September 2012 at gross remuneration of ₹ 4,00,000/- per month consisting of basic salary of ₹ 1,60,000/- plus perquisites and allowances.

Job profile and his suitability:

Mr Varinder Gupta is responsible for overall day to day management of the Company under the supervision and control of the Board of Directors.

Remuneration proposed:

The Board of Directors has proposed to increase his monthly gross salary to ₹ 8,00,000/- (consisting of basic salary to ₹ 3,20,000/- plus perquisites and allowances as detailed in the resolution) with effect from 01 April 2015 for remaining period of his tenure i.e. upto 31 August 2015.

Further The Board of Director has proposed to re-appoint him as Managing Director of the Company for the a period of three year

w.e.f. 01 September 2015 at monthly gross salary ₹ 8,00,000/- of consisting of basic salary to ₹ 3,20,000/- plus perquisites and allowances as given in the resolution.

Comparative remuneration profile with respect to industry, size of the company, profile of the position and person:

The salary structure of the managerial personnel has undergone a major change in the industry in the recent past. Keeping in view the type of the industry, size of the Company, the responsibilities and capabilities of the appointees, the proposed remuneration is reasonable as compared remuneration paid by other companies to such similar positions.

Moreover the Company is proposing to pay the remuneration less than as allowed under section II of part II of Schedule V for the Company having no profit/inadequate profits.

Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel

Mr Varinder Gupta is a promoter of the Company. He is related to Mr Vikas Gupta, Executive Director.

III. OTHER INFORMATION

Reasons of loss or inadequate profits:

The Company has inadequate profits due to mis-match in input and output prices in chemical business and Company was not able to pass on the increase price of raw materials to its customers because of subdued sentiments in overall economy.

Steps taken or proposed to be taken for improvement:

The Company has strengthened its inventory risk mitigation procedures and concentrate more on its pharma business.

Expected increase in productivity and profits in measurable terms:

Due to the steps taken by the Company to strengthen its financial position together with overcoming of slow down by the economy, it is expected that the Company will improve its profitability in time to come.

IV. DISCLOSURES

All the relevant information pertaining to the remuneration and other particulars of Directors mentioned in the Boards' Report under the heading "Corporate Governance", as annexed to the Annual Report.

As per the provision of the Companies Act, 2013 read with Schedule V, thereof, approval of members is required for this purpose. Hence, the Board recommends the resolution for your approval.

None of the Directors or Key Managerial Personnel of the Company or their relatives except Mr Vikas Gupta, Executive Director being related to Mr Varinder Gupta and Mr Varinder Gupta being the proposed appointee are concerned or interested, in the resolution set out at Item No.7 & 8 of the Notice.

Item No. 9

The Board had on 13 August 2015 on the recommendation of the Audit and Risk Management Committee, approved the appointment and remuneration of M/s Ramanath Iyer & Co., Cost Accountants, New Delhi to conduct the audit of the Cost Accounting records maintained by the Company in respect of chemicals and bulk drugs for the financial year ending 31 March 2016 and remuneration of ₹ 1,00,000/- plus service tax and out-of-pocket expenses have been fixed for this purpose subject to the approval of the members.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, approval for the remuneration payable to the Cost Auditors for the financial year 2015-16 by way of an Ordinary Resolution is being sought from the members as set out at Item No.9 of the Notice.

The Board recommends the Ordinary Resolution set out at Item No. 9 of the Notice for approval by the Members.

None of the Directors or Key Managerial Personnel of the Company or their relatives is, in any way, concerned or interested, in the resolution set out at Item No.9 of the Notice.

Information pursuant to Clause 49 of the Listing Agreement regarding the directors seeking re-appointment / appointment at the Annual General Meeting.

Name of the Director	Mr Vikas Gupta	Mr Vijay Singla	Mr Varinder Gupta
Date of Birth	13 February 1992	1 January 1975	06 December 1962
Date of appointment/Re-appointment	29 May 2015	11 July 2011	01 September 2015
Expertise in specific functional area	Business Management	Pharmaceuticals and Chemicals Industries.	Industrialist
Total experience	2 years	15 years	30 years
Present profession	Executive Director	Director (Works)	Managing Director
Qualification	BSc. (Hons.) in Business Management from Kings College London	Degree in Chemicals Engineering and Electric Engineering	Under graduate
Directorships in other companies	Nil	IOL Lifesciences limited	1. Mayadevi Polycot Ltd 2. NM Merchantiles Ltd 3. NCG Enterprises Ltd
Chairmanship of Board Committees	Nil	Nil	Nil
Membership of Board Committees	Nil	Stakeholders' Relationship Committee 1. IOL Chemicals and Pharmaceuticals Limited	Audit and Risk Management Committee 1. IOL Chemicals and Pharmaceuticals Limited Stakeholders' Relationship Committee 1. IOL Chemicals and Pharmaceuticals Limited
No of shares held	Nil	Nil	11,96,965
Relationship with other directors	Son of Mr Varinder Gupta, Managing Director	Not related to any other director	Father of Mr Vikas Gupta, Executive Director

Registered Office:

Trident Complex, Raikot Road,
Barnala-148 101 (Punjab)
Dated : 13 August 2015

By order of the Board
For IOL Chemicals and Pharmaceuticals Limited
Sd/-
[Krishan Singla]
Vice President & Company Secretary