



NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that 33rd Annual General Meeting of the Shareholders of **IOL Chemicals and Pharmaceuticals Limited** will be held on **Saturday, 26th September 2020 at 11:00 AM** ("IST"), through Video Conferencing / Other Audio Visual Means ("VC/OAVM") facility to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March 2020 and the reports of the Board of Directors and Auditors thereon and in this regard pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT the Audited Financial Statements of the Company for the financial year ended 31st March 2020 and reports of the Board of Directors and Auditors thereon as laid before this meeting, be and are hereby considered and adopted".

2. To appoint a Director in place of Mr Vijay Garg, who retires by rotation and being eligible, offers himself for re-appointment and in this regard pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 152 of the Companies Act, 2013 and the rules made thereunder Mr Vijay Garg (DIN 06510248), who retires by rotation at this meeting and being eligible offered himself for re-appointment, be and is hereby re-appointed as Director of the Company, liable to retire by rotation".

SPECIAL BUSINESS:

3. **To re-appoint Mr Vikas Gupta as Executive Director of the Company for a period of 5 years with effect from 29th May 2020**

To consider, and, if thought fit, pass the following resolution as a **Special Resolution**:

"RESOLVED THAT in accordance with the provisions of Sections 196, 197, and any other applicable provisions of the Companies Act, 2013 and 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 any authority, if required, Mr Vikas Gupta (DIN: 07198109) be and is hereby re-appointed as Executive Director of the Company, for a period of five years, liable to retire by rotation at every annual general meeting with effect from 29th May 2020 to 28th May 2025, on the terms and conditions including remuneration as given below:

Basic Salary	:	₹ 6,00,000/- (Rupees Six Lakh only) per month.
Perquisites and allowances	:	Not exceeding one and a half times of the Basic Salary
Commission	:	As may be approved by the Board for each Financial Year

RESOLVED FURTHER THAT Mr Vikas Gupta shall also be eligible for contribution to the provident fund, payment of gratuity, encashment

of earned leaves in accordance with the applicable laws and rules applicable to the Company and any other perquisites or benefits under any scheme, privileges, 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 the approval of the Company be and is hereby also accorded for paying the above said remuneration to Mr Vikas Gupta with effect from 1st April 2020.

RESOLVED FURTHER THAT the Board of Directors shall be authorized to increase the above remuneration of Mr Vikas Gupta to the extent it may deem appropriate provided that such revision is within the overall limits of the managerial remuneration as prescribed under the Companies Act, 2013 read with Schedule V thereto, and/or any guidelines prescribed by the Government from time to time and the said terms and conditions of appointment of Mr Vikas Gupta be suitably amended to give effect to such modification, relaxation or variation without seeking any further approval of the Shareholders of the Company in the general meeting.

RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year during the tenure of the appointment of Mr Vikas Gupta, he shall be paid remuneration by way of salary and perquisites as set out above or any increased remuneration as may be approved by the Board in any subsequent year, as minimum remuneration, subject to the fulfillment of the requirements, if any, set out in Schedule V to the Companies Act, 2013, from time to time.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any Committee of Directors or Director(s) to give effect to the aforesaid resolutions".

4. **To approve revision of the remuneration of Mr Abhiraj Gupta, holding the office or place of profit in the Company**

To consider and if thought fit, pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 188 of the Companies Act, 2013 and rules made thereunder and the recommendation received from the Nomination and Remuneration Committee and Audit and Risk Management Committee the consent of the Shareholders be and is hereby accorded for revision in the remuneration of Mr Abhiraj Gupta at a monthly salary not exceeding to ₹ 4,00,000/- (Rupees Four Lakh Only) with effect from 1st April 2020 and re-designating him as General Manager (Strategic Management) of the Company.

RESOLVED FURTHER THAT Mr Abhiraj Gupta shall also be eligible for any other perquisites and benefits as are granted to other employees of the Company, in accordance with the Company's practice, rules and regulations from time to time.

RESOLVED FURTHER THAT the Board of Directors (including any committee thereof) be and is hereby also authorised to increase the remuneration of Mr Abhiraj Gupta w.e.f. 1st April 2021 and thereafter at the end of every 12 months by a maximum of 100% per annum of the remuneration payable for the financial year preceding to the financial year in respect of which such increment pertains and decide his designation from time to time.

RESOLVED FURTHER THAT any of the Director or the Company Secretary of the Company be and are hereby authorized severally to do all such acts, deeds and things and take such steps as may be necessary to give effect to the aforesaid resolution".

5. To approve revision of the remuneration of Mrs Dimple Gupta, holding the office or place of profit in the Company

To consider and if thought fit, pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 188 of the Companies Act, 2013 and rules made thereunder and the recommendation received from the Nomination and Remuneration Committee and Audit and Risk Management Committee, the consent of the Shareholders be and is hereby accorded for revision in the remuneration of Mrs. Dimple Gupta at a monthly salary not exceeding to ₹ 5,00,000/- (Rupees Five Lakh Only) with effect from 1st April 2020 and re-designating her as General Manager (HRM) of the Company.

RESOLVED FURTHER THAT Mrs. Dimple Gupta shall also be eligible for any other perquisites and benefits as are granted to other employees of the Company, in accordance with the Company's practice, rules and regulations from time to time.

RESOLVED FURTHER THAT the Board of Directors (including any committee thereof) be and is hereby also authorised to increase the remuneration of Mrs Dimple Gupta w.e.f. 1st April 2021 and thereafter at the end of every 12 months by a maximum of 100% per annum of the remuneration payable for the financial year preceding to the financial year in respect of which such increment pertains and decide her designation from time to time.

RESOLVED FURTHER THAT any of the Director or the Company Secretary of the Company be and are hereby authorized severally to do all such acts, deeds and things and take such steps as may be necessary to give effect to the aforesaid resolution".

6. To ratify the remuneration of the Cost Auditor for the financial year ending 31st March 2021

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and such other permissions as may be necessary, the remuneration of ₹ 150,000/- plus applicable taxes and out-of-pocket expenses, incurred in connection with the audit, 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 the audit of the cost records maintained by the Company for the financial year ending 31st March 2021, be and is hereby ratified by the Company.

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 the aforesaid resolution".

7. To approve the related party transactions

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 188, other applicable provisions, if any, of the Companies Act, 2013 ("Act") and rules made thereunder and Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), as amended from time to time and the Company's policy on Related Party transaction(s), approval of the Shareholders of the Company be and is hereby accorded to the Board of Directors of the Company to enter into contract(s)/ arrangement(s)/ transaction(s) with Vivachem Intermediates Private Limited, a related party within the meaning of Section 2(76) of the Act and Listing Regulations for sale or purchase of goods on such terms and conditions as the Board of Directors may deem fit, up to a maximum aggregate value of ₹ 480 Crore for the financial year 2020-21, provided that the said contract(s)/ arrangement(s)/ transaction(s) so carried out shall be at arm's length basis and in the ordinary course of business of the Company.

RESOLVED FURTHER THAT the Board of Directors (the "Board") and/or any Committee constituted by the Board be and is hereby authorized to settle any question, difficulty or doubt that may arise with regard to giving effect to the above resolution and to do all acts, deeds, matters and things as may be deemed necessary, proper and desirable for aforesaid purpose".

8. To approve shifting of the Register Office of the Company outside the local limits

To consider and, if thought fit, pass the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 12 of the Companies Act, 2013 read with the Companies (Incorporation) Rules, 2014 and any other applicable provisions of the Companies Act 2013, if any, the consent of the Shareholders be and is hereby accorded for shifting the Registered Office of the Company from "Trident Complex, Raikot Road, Barnala-148101, Punjab to "IOL Chemicals and Pharmaceuticals Limited, Village & Post Office - Handiaya, Fatehgarh Chhanna Road, Tehsil & District - Barnala - 148107 Punjab, outside the local limits of the town where the Company's registered office is presently situated but within the same District and State and falls under the jurisdiction of the existing Registrar of Companies (ROC), with effect from 1st October 2020.



RESOLVED FURTHER THAT the Board of Director of the Company be and is hereby authorised to do all other acts, deeds, matters and things as may be deemed necessary or expedient thereto to give effect to the aforesaid resolution”.

By Order of the Board
For IOL Chemicals and Pharmaceuticals Limited

Registered Office:

Trident Complex, Raikot Road,
Barnala-148 101 (Punjab)

Place : Ludhiana

Date: 11th August 2020

Sd/-

Abhay Raj Singh

AVP and Company Secretary

IMPORTANT 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. Additional information, pursuant to Regulation 36 of the Listing Regulations, in respect of the directors seeking appointment / reappointment at the AGM, forms part of this Notice.
- 2) **General instructions for accessing and participating in the 33rd AGM through VC/OAVM Facility and voting through electronic means including remote e-Voting :**
 - (i) As you are aware, in view of the situation arising due to COVID-19 global pandemic, the AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020. Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
 - (ii) Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
 - (iii) The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit

Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

- (iv) The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
- (v) Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.
- (vi) In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.iolcp.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. www.evotingindia.com.
- 3) **The instructions for shareholders for remote e-voting are as under:**
 - (i) The voting period begins on **23rd September 2020 at 9:00 AM** and ends on **25th September 2020 at 05:00 PM**. 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 **19th September 2020** 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" module.
 - (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. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

OR

Alternatively, if you are registered for CDSL's **EASI/EASIEST** e-services, you can log-in at <https://www.cdslindia.com> from **Login - Myeasi** using your login credentials. Once you successfully log-in to CDSL's **EASI/EASIEST** e-services, click on **e-Voting** option and proceed directly to cast your vote electronically.

- (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 e-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 Shareholders 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"> Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the first 2 letters of their name & 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 RA000000001 in the PAN field. The persons entitled to vote on cut-off date, who have acquired shares after dispatch of notice may obtain details of sequence number from the Company/ RTA.
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) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders 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 shareholders 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 200822008 for 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 a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xviii) If a demat account holder has forgotten the login 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) Shareholders can also cast their vote using CDSL's mobile app "m-Voting". The m-Voting app can be downloaded from respective Store. Please follow the instructions as prompted by the mobile app while Remote Voting on your mobile.
- (xx) **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 in the "Corporates" module.
 - 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 linked in the login 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.
 - Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; investor@iolcp.com (designated email address by company), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

4) Process for those shareholders whose email addresses are not registered with the depositories/RTA/Company for obtaining login credentials for e-voting for the resolutions proposed in this notice:

- (i) For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to Company/RTA email id.
- (ii) For Demat shareholders - please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to Company/RTA email id.

5) Instructions for shareholders attending the AGM through VC/OAVM are as under:

- (i) Shareholder will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at <https://www.evotingindia.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.
- (ii) Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
- (iii) Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- (iv) Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- (v) Shareholders who would like to express their views / ask questions during the meeting may register themselves as a speaker and send their questions in advance with regard to the financial statements or any other matter to be placed at the 33rd AGM, from their registered email address, mentioning their name, DP ID and Client ID number / folio number and mobile number, to reach the Company's email address investor@iolcp.com atleast 7 days in advance before the meeting. Further, the Shareholders who do not wish to speak during the AGM but have queries may also send their queries in advance 7 days prior to meeting as above. Such questions by the Members shall be replied during the meeting, depending upon the availability of time or may be replied suitably by email.
- (vi) Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the 33rd AGM depending upon the availability of time.

If you have any queries or issues regarding attending AGM & e-Voting from the e-Voting System, 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 or contact Mr Nitin Kunder (022-23058738) or Mr Mehboob Lakhani (022-23058543) or Mr Rakesh Dalvi (022-23058542).

- 6) Pursuant to the MCA Circulars and SEBI Circular, in view of the prevailing situation, owing to the difficulties involved in dispatching of physical copies of the Notice of the 33rd AGM and the Annual Report for the year 2019-20 including therein the Audited Financial Statements for year 2019-20, are being sent only by email to the Members. Therefore, those Members, whose email address is not registered with the Company or with their respective Depository Participant/s, and who wish to receive the Notice of the 33rd AGM and the Annual Report for the year 2019-20 and all other communication sent by the Company, from time to time, can get their email address registered by following the steps as given below:-

- (i) For Members holding shares in physical form, please send scan copy of a signed request letter mentioning your folio number, complete address, email address to be registered along with scanned self attested copy of the PAN and any document (such as Driving License, Passport, Bank Statement, AADHAR) supporting the registered address of the Member, by email to the Company's email address investor@iolcp.com or rtal@alankit.com.
- (ii) For the Members holding shares in demat form, please update your email address through your respective Depository Participant/s.

- 7) Notice of AGM is also available on the company's website www.iolcp.com
- 8) The Register of Members and Share Transfer Books will remain closed from **19th September 2020 to 26th September 2020** for the purpose of the Annual General Meeting.
- 9) 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.
- 10) 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.
- 11) In terms of the Listing Regulations, securities of listed companies can only be transferred in dematerialized form with effect from 1st April 2019. In view of the above, Members are advised to dematerialize shares held by them in physical form.
- 12) Members may also note that Annual Report is available on the Company's website www.iolcp.com for their download. For any communication, the members may also send requests to the Company's investor email id: investor@iolcp.com
- 13) 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.

- 14) 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 "Alankit Heights", 3E/7, Jhandewalan Extension, New Delhi-110 055.**
 - 15) All the documents referred to in the accompanying Notice of the 33rd AGM and the Explanatory Statement and/or statutory documents will also be available for electronic inspection by the members from the date of circulation of this Notice upto the date of AGM. Members seeking inspection can send an email at investor@iolcp.com.
 - 16) 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.
 - 17) The Results of voting will be declared within 48 hours from the conclusion of the AGM and the Resolutions will be deemed to be passed on the date of the AGM, subject to receipt of requisite number of votes. The declared Results, along with the Scrutinizer's Report, will be available forthwith on the Company's corporate website www.iolcp.com and on the website of CDSL; such Results will also be forwarded to the National Stock Exchange of India Limited and BSE Limited, where the Company's shares are listed.
- b) Annual Appraisal shall be decided by the Board, on the recommendation of the Nomination and Remuneration Committee.
 - c) Entitlement to other benefits, schemes, privileges and amenities, amended salary structure etc. as are granted to senior executives of the Company.
 - d) In the event of loss or inadequacy of profits in any financial year during the his tenure, the remuneration as set out above or any increased remuneration, as may be approved by the Board in any subsequent year, shall be paid as minimum remuneration, subject to the fulfillment of the requirements, if any, set out in Schedule V to the Companies Act, 2013, from time to time.
 - e) Being an executive director he has to devote whole of his time and attention in furthering business of the Company.
 - f) Under the guidance of the Board of Directors and Managing Director, he shall have the power of issuing general direction, supervision of business of the Company with powers and responsibilities to do all such acts, deeds, matters and other things deemed necessary, proper or expedient for carrying on business and concern of the Company.
 - g) Without approval of the Board, he shall not enter into material, financial and commercial transactions, involving his personal interest that may have a potential of raising a conflict with interest of the Company.
 - h) He is not disqualified from being appointed as director in terms of Section 164 of the Act and he satisfies all the conditions set out in Part-I of Schedule V and Section 196(3) of the Act, for being eligible for his re-appointment. He shall be liable to retire by rotation.

Explanatory Statement pursuant to Section 102 of the Companies Act, 2013

Item No. 3

As the shareholders are aware Mr Vikas Gupta was appointed by the Company as Executive Director for a term of 5 years from 29th May 2015 to 28th May 2020. The Board of Directors on the recommendations of Nomination and Remuneration Committee has re-appointed Mr Vikas Gupta as Executive Director for another term of 5 years with effect from 29th May 2020 in its meeting held on 12th June 2020 at his existing remuneration. Further, as the Company rewarded its employees with annual appraisals, the Nomination and Remuneration Committee also reviewed and recommended to the Board for the revision of the remuneration of Mr Viaks Gupta along with other Directors, Key Managerial Personnel (KPM) and Senior Management Personnel (SMP) and therefore, on such recommendations, the Board of Directors in its meeting held on 31st July 2020 approved revision of the gross remuneration of Mr Vikas Gupta from Rs 10 Lakh to Rs 15 Lakh per month, with effect from 1st April 2020.

The terms of re-appointment of Mr Vikas Gupta as Executive Director are as follows:

- a) Salary, Perquisites and allowances :
 - i) Basic Salary : ₹ 6,00,000/- (Rupees Six Lakh Only) per month.
 - ii) Perquisites and allowances : Not exceeding one and a half times of the Basic Salary.
 - iii) Commission : As may be approved by the Board for each Financial Year
 - iv) He shall also be eligible for contribution to the provident fund, payment of gratuity, encashment of earned leaves in accordance with the applicable laws and rules applicable to the Company and any other perquisites or benefits under any scheme, privileges, 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.

The above statement may be treated as a written memorandum setting out the terms of his re-appointment under Section 190 of the Act.

Details of Mr Vikas Gupta are enclosed with Notice of the meeting.

Except for Mr Vikas Gupta being appointee and Mr Varinder Gupta being related to Mr Vikas Gupta, none of the directors or key managerial personnel of the company or their relatives are concerned or interested in the resolution.

Your Board recommends passing of the Special Resolution set out at Item No. 3 of the Notice.

Item No. 4

Mr Abhiraj Gupta, Bachelor of Science in Management and Engineering in Business Management from University of Warwick, U.K. was appointed as Manager (Strategic Management) by the Board in its meeting held on 13th November 2017 with effect from 25th September 2017 at gross remuneration of ₹ 48,700/- per month. Presently, he is drawing a gross salary of ₹ 2 Lakh per month and looks after the strategic decisions of the Company and is also actively involved in daily activities of the Company.

Considering the performance and initiatives taken by Mr Abhiraj Gupta and his deliberate involvement in the affairs of the Company across all business verticals, the Nomination and Remuneration Committee in its meeting held on 31st July 2020 recommended revision of his gross remuneration from ₹ 2 Lakh per month to ₹ 4 Lakh per month to the Board.

As Mr Abhiraj Gupta is the son of Mr Varinder Gupta, Managing Director and brother of Mr Vikas Gupta, Executive Director of the Company and hence is a related party in terms of Section 2(76) of the Companies Act (the "Act") and the proposed revision in the remuneration is a related party transaction under Section 188 of the Act and his office is considered an "office or place of profit" and therefore, the Audit & Risk Management Committee in its meeting held on 31st July 2020 also reviewed and approved the revision in the remuneration.

Further, the Board of Directors, on the recommendations of the aforesaid committees in its meeting held on 31st July 2020 revised his monthly gross remuneration to ₹ 4 Lakh subject to the approval by the Shareholders by way of ordinary resolution at the ensuing annual general meeting.

Pursuant to the provisions of Section 188(1)(f) of the Companies Act 2013 read with Companies (Meetings of Board and its Powers) Rules, 2014, the appointment of a related party to any office or place of profit in the company, its subsidiary company or associate company at a monthly remuneration exceeding to ₹ 2.5 Lakh requires approval of shareholders by way of passing an ordinary resolution.

The proposed remuneration is in accordance with the remuneration being paid to other employees of similar grade and is as per the prevalent industry norms and which is also in sync with his present role and responsibilities associated with his position.

The Proposed remuneration shall be effective from 1st April 2020.

Except for Mr Varinder Gupta and Mr Vikas Gupta being related to Mr Abhiraj Gupta, none of the directors or key managerial personnel of the company or their relatives are concerned or interested in the resolution. In terms of the Listing Regulation no related party shall vote to approve the said resolution.

Your Board recommends the passing of Ordinary Resolution set out at Item No. 4 of the Notice.

Item No. 5

The Board in its meeting held on 29th May 2015 appointed, Mrs. Dimple Gupta, Arts Graduate, as Manager (HRM), with effect from 29th May 2015, to an office of profit in terms of provisions of Section 188 of the Companies Act, 2013 read with rules framed thereunder, at a gross remuneration of ₹ 1 Lakh per month. Presently, she is drawing gross remuneration of ₹ 2.50 Lakh per month and is looking after human resource management activities of the Company. Considering her efforts and experience and remuneration being paid to the other employees of the Company in the similar grade, the Nomination and Remuneration Committee in its meeting held on 31st July 2020 recommended revision of her gross remuneration from ₹ 2.5 Lakh per month to ₹ 5 Lakh per month to the Board.

However, this raise in remuneration of Mrs. Dimple Gupta, being in excess of ₹ 2.5 lakh limit prescribed for related party, require approval of shareholders by way of passing an ordinary resolution, as she being the wife of Mr Varinder Gupta, Managing Director and mother of Mr Vikas Gupta, Executive Director of the Company is a related party in terms of Section 2(76) of the Companies Act (the "Act") and the proposed revision in the remuneration is a related party transaction under Section 188 of the Act and his office is considered an "office or place of profit" and therefore, the Audit & Risk Management Committee in its meeting held on 31st July 2020 also reviewed and approved the revision in the remuneration.

Further, the Board of Directors, on the recommendations of the aforesaid committees in its meeting held on 31st July 2020 revised her monthly gross remuneration to ₹ 5 Lakh subject to the approval by the Shareholders by way of ordinary resolution at the ensuing annual general meeting

Pursuant to the provisions of Section 188(1)(f) of the Companies Act 2013 read with Companies (Meetings of Board and its Powers) Rules, 2014, the appointment of a related party to any office or place of profit in the company, its subsidiary company or associate company at a monthly remuneration exceeding to ₹ 2.5 Lakh requires approval of shareholders by way of passing an ordinary resolution.

The proposed remuneration is in accordance with the remuneration being paid to other employees of similar grade and is as per the prevalent industry norms and which is also in sync with her present role and responsibilities associated with her position.

The Proposed remuneration shall be effective from 1st April 2020.

Except for Mr Varinder Gupta and Mr Vikas Gupta being related to Mrs. Dimple Gupta, none of the directors or key managerial personnel of the Company or their relatives are concerned or interested in the resolution. In terms of the Listing Regulation no related party shall vote to approve the said resolution.

Your Board recommends the passing of Ordinary Resolution set out at Item No. 5 of the Notice.

Item No. 6

On the recommendation of the Audit and Risk Management Committee, the Board in its meeting held on 12th June 2020, approved the appointment and remuneration of M/s Ramanath Iyer & Co., Cost Accountants, New Delhi, to conduct audit of cost accounting records maintained by the Company in respect of chemicals and bulk drugs for the financial year ending 31st March 2021 at a remuneration of ₹ 1,50,000/- plus goods and service tax and out-of-pocket expenses. In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors for financial year 2020-21 is required to be ratified by the shareholders.

Therefore, shareholders' approval is sought for ratification of the remuneration payable to the Cost Auditors.

None of the Directors or Key Managerial Personnel of the Company or their relatives is, in any way, concerned or interested, in the resolution.

Your Board recommends the passing of Ordinary Resolution set out at Item No. 6 of the Notice.

Item No. 7

The Company is principally engaged in the business of manufacture and sale of various APIs and speciality chemicals. In the course of its business operations, the Company transact with M/s Vivachem Intermediates Private Limited ("Vivachem") for sale / purchase of goods at arm's length basis, which is a related party within the meaning of Section 2(76) of the Companies Act 2013.

Section 188 of the Companies Act, 2013 ("Act") and the applicable Rules framed thereunder provide that, if the aggregate value of any related party transaction(s) amounts to 10% or more of the annual turnover of the Company, as per last audited financial statements of the Company, it require prior approval of shareholders through ordinary resolution.

As value of proposed aggregate transactions with Vivachem is likely to exceed the said threshold limit, and is expected to be around ₹ 480 Crore during the financial year 2020-21, hence, approval of the shareholders is being sought for the said related party transaction(s) entered / proposed to be entered into by your Company with Vivachem in the financial year 2020-21.

Particulars required under Section 188 of the Companies Act, 2013 and Rule 15 of Companies (Meetings of Board and its Powers) Rules, 2014 are given below:

1. Name of the Related Party and relationship: Vivachem Intermediates Private Limited, which is related party in terms of Section 2(76)(iv), wherein a director of the Company is a director and member.
2. Name of the Directors / Key managerial Personnel who is related - Mr Vijay Garg, Joint Managing Director
3. Nature of relationship: He and his relatives are controlling Vivachem Intermediates Private Limited.
4. Nature, material terms and particulars of the arrangement: Contract for sale / purchase of goods in the ordinary course of business and on arm's length basis for aggregate value of amount not exceeding to ₹ 480 crores during financial year 2020-21.
5. Any other information relevant or important for the members to make a decision on the proposed transaction: None.

Except for Mr Vijay Garg, Joint Managing Director, none of the Directors or Key Managerial Personnel of the Company and / or their relatives is, in any way, concerned or interested, financially or otherwise, in the resolution.

On the recommendation of the Audit and Risk Management Committee, your Board recommends the passing of Ordinary Resolution set out at Item No. 7 of the Notice.

Item No. 8

Presently, the registered office of the Company is situated at Trident Complex, Raikot Road, Barnala, Punjab-148101 whereas the Plant/ Works of the Company is also situated nearby area in the same district. Therefore, in view of operational convenience, the registered office of the Company is proposed to shift to its Works site at IOL Chemicals and Pharmaceuticals Limited, Village & Post Office - Handiaya, Fatehgarh Chhanna Road, Tehsil & District – Barnala– 148107, Punjab, with effect from 1st October 2020. The Board of Director on 11th August 2020 approved the said proposal for shifting of the registered office through circular resolution.

The proposed registered office is outside the local limits of the present registered office, but within the same District and State and falls under the jurisdiction of same Registrar of Companies (ROC).

Since, the proposed registered office is outside the local limits of the town where present registered office is situated and therefore, in terms of the provisions of Section 12 of the Companies Act, 2013 read with rule 27 of Chapter II of The Companies (Incorporation) Rules, 2014, requires shareholders' approval by way of Special Resolution.

None of the Directors or Key Managerial Personnel of the Company or their relatives is, in any way, concerned or interested, in the resolution.

Your Board recommends the passing of Special Resolution set out at Item No. 8 of the Notice.

Information pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 regarding the directors seeking re-appointment at the Annual General Meeting.

Name of the Director	Mr Vijay Garg	Mr Vikas Gupta
Date of Birth	17 January 1970	13 February 1992
Date of Appointment	02 March 2013	29 May 2015
Expertise in specific functional area	Commercial activities of the Chemicals and Pharmaceuticals Products	Business Management
Total experience	28 year	7 year
Present profession	Joint Managing Director	Executive Director
Qualification	B.Sc (Chemistry), EPIB (IIM Kolkata), MBA Marketing	BSc. (Hons.) in Business Management from Kings College London
Directorships in other listed companies	Nil	Nil
Chairmanship of Board Committees of other listed companies	Nil	Nil
Membership of Board Committees of other listed companies	Nil	Nil
No of shares held	Nil	Nil
Relationship with other directors	Not related to any other director	Son of Mr Varinder Gupta, Managing Director

By Order of the Board
For IOL Chemicals and Pharmaceuticals Limited

Registered Office:

Trident Complex, Raikot Road,
Barnala-148 101 (Punjab)

Place : Ludhiana

Date: 11th August 2020

Sd/-
Abhay Raj Singh
AVP and Company Secretary