



ACRYSIL LIMITED

(CIN: L26914MH1987PLC042283)

Registered office:

704, Centre Point, J.B. Nagar, Andheri – Kurla Road,
Andheri (East), Mumbai – 400 059

Tel.: 022-6671 1101 / 05, Fax: 022- 6671 1109,

Website: www.carysil.com, www.acrysilcorporateinfo.com E-mail: cs.al@acrysil.com

POSTAL BALLOT NOTICE

(PURSUANT TO SECTION 110 OF THE COMPANIES ACT, 2013)

Dear Members,

Notice is hereby given pursuant to Section 110 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”), read together with the Companies (Management and Administration) Rules, 2014, including any statutory modification or re-enactment thereof for the time being in force, that the resolutions given below are proposed to be passed as special resolutions by way of postal ballot / e-voting.

The Explanatory Statement pertaining to the resolutions proposed in this notice setting out all the material facts concerning each item and reasons thereof is annexed hereto along with a postal ballot form (**the “Form”**) for your consideration.

The Board of Directors of the Company (**“the Board”**) has appointed Mr. Pradip C. Shah of M/s P. P. Shah & Co., Practicing Company Secretaries, Mumbai as the Scrutinizer for conducting the postal ballot process in a fair and transparent manner.

You are requested to carefully read the instructions printed on the Form, record your ASSENT (for) or DISSENT (against) therein by filling necessary details and affixing your signature at the designated place in the Form and return the same in original duly completed in the attached self-addressed, postage pre-paid envelope (if posted in India) so as to reach the Scrutinizer at the Company’s Registrar and Transfer Agent at Bigshare Services Pvt.Ltd. Unit : ACRYSIL LIMITED E-2/3, Ansa Industrial Estate, Sakivihar Road, Saki Naka, Andheri (E), Mumbai - 400072. on or before 06.00 P.M. on December 20, 2014.

Members desiring to opt for e-voting as per facilities arranged by the Company are requested to read the notes to the notice and instructions overleaf the Form. References to Postal Ballot(s) in this notice include votes received electronically.

The Scrutinizer after completion of the scrutiny will submit his report to the Chairman & Managing Director / Director of the Company. Thereafter, the results of the postal ballot will be declared by a Director or the Company Secretary of the Company at the Registered Office of the Company on December 24, 2014. The aforesaid result would be displayed at the registered office of the Company, intimated to the Stock Exchanges where the shares of the Company are listed and displayed along with the Scrutinizer’s report on the Company’s website www.acrysilcorporateinfo.com.

The Resolutions, if approved, will be taken as passed effectively on the date of declaration of the results.

RESOLUTIONS:

ITEM NO. 1

TO RATIFY, CONFIRM AND APPROVE THE PAYMENT OF REMUNERATION TO MR. CHIRAG A. PAREKH, CHAIRMAN & MANAGING DIRECTOR:

To consider and, if thought fit, to give **ASSENT** or **DISSENT** to pass the following resolution as a **Special Resolution**:

“RESOLVED THAT in partial modification of the Resolution No.8 passed at the Annual General Meeting of the Company held on 26th September, 2013 and pursuant to the provisions of Sections 196, 197, 198 and all



other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), and subject to approval of Central Government, if applicable, and pursuant to a resolution passed by the Nomination and Remuneration Committee of Directors of the Company and subject to such other approvals as may be necessary, the payment of revised remuneration, as set out in the Explanatory statement annexed to this notice, to Mr. Chirag A. Parekh, Chairman and Managing Director of the Company with effect from 1st April, 2014, for the remainder of his term up to 31st October, 2016 be and is hereby ratified, confirmed and approved.

RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year(s), during the currency of tenure of Mr. Chirag A. Parekh, as Chairman and Managing Director of the Company, the above mentioned remuneration be paid to Mr. Chirag A. Parekh, as minimum remuneration subject to the approval of Central Government, if necessary.

RESOLVED FURTHER THAT save and except as aforesaid, the special resolution dated 26th September, 2013 shall remain in full force and effect.

RESOLVED FURTHER THAT the Board of Directors (which term shall always be deemed to include any Committee as constituted or to be constituted by the Board to exercise its powers including the powers conferred under this resolution) be and is hereby authorised to vary or increase the remuneration specified above from time to time to the extent the Board of Directors may deem appropriate, provided that such variation or increase, as the case may be, is within the overall limits as specified under the relevant provisions of the Companies Act, 2013 and/ or as approved by the Central Government or such other competent authority.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to settle any question, difficulty or doubt, that may arise in giving effect to this resolution, do all such acts, deeds, matters and things as may be necessary and sign and execute all documents or writings as may be necessary, proper or expedient for the purpose of giving effect to this resolution and for matters concerned therewith or incidental thereto.”

ITEM NO. 2

TO APPROVE RELATED PARTY TRANSACTIONS WITH M/S ACRYLIL STEEL LIMITED:

To consider and, if thought fit, to give **ASSENT** or **DISSENT** to pass the following resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of Clause 49 of Listing Agreement, as amended from time to time, read together with Section 188 of the Companies Act, 2013 and Rule 15 of Companies (Meetings of Board and its Powers) Rules, 2014 and other applicable provisions (if any) of the Companies Act, 2013 (including any statutory modifications or re-enactments thereof for the time being in force), subject to compliances of all applicable laws and regulations, the consent of members of the Company by means of Special Resolution be and is hereby accorded to the Board of Directors (herein after called “the Board” which term shall be deemed to include any Committee which the Board may constitute for this purpose) to enter into contracts and/or arrangements with M/s. Acrysil Steel Limited, to sell, purchase or supply of any goods or materials and to render or avail any service of any nature whatsoever, as the Board in its discretion deem proper, up to an amount not exceeding an aggregate of **Rs. 30 Crores** (Rupees Thirty Crores only) per financial year of the Company as per the terms and conditions set out in the draft agreement placed before the meeting and initialed by the Chairman for the purpose of identification and in such form and manner as it may deem fit.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to take such steps as may be necessary for obtaining approvals, statutory, contractual or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto, to sign and execute all deeds, applications, documents, and writings that may be required, on behalf of the Company and generally to do all acts, deeds, matters and things that may be necessary, proper, expedient or incidental thereto for purpose of giving effect to this Resolution.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to determine the actual sums to be involved in the proposed transactions and the terms and Conditions related thereto and all other matters arising out of or incidental to the proposed transactions and generally to do all acts, deeds, matters, and things that may necessary, proper, expedient or incidental thereto for the purpose of giving effect to this Resolution”.



ITEM NO. 3

TO APPROVE RELATED PARTY TRANSACTIONS WITH M/S ACRYLIL GMBH, GERMANY.

To consider and, if thought fit, to give **ASSENT** or **DISSENT** to pass the following resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of Clause 49 of Listing Agreement read together with Section 188 of the Companies Act, 2013 and Rule 15 of Companies (Meeting of Board and its Power) Rule, 2014 and other applicable provisions (if any) of the Companies Act, 2013 (including any statutory modifications or re-enactments thereof for the time being in force), subject to compliances of all applicable laws and regulations, the consent of members of the Company by means of Special Resolution be and is hereby accorded to the Board of Directors (herein after called “the Board” which term shall be deemed to include any Committee which the Board may constitute for this purpose) to enter into contracts and/or arrangements with M/s. Acrysil GmbH, Germany, to sell, purchase or supply of any goods or materials and to render or avail any service of any nature whatsoever, as the Board in its discretion deem proper, up to an amount not exceeding an aggregate of **Rs. 2 Crore** (Rupees Two Crores only) per financial year of the Company as per the terms and conditions set out in the draft agreement placed before the meeting and initialed by the Chairman for the purpose of identification and in such form and manner as it may deem fit.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to take such steps as may be necessary for obtaining approvals, statutory, contractual or otherwise , in relation to the above and to settle all matters arising out of and incidental thereto, to sign and execute all deeds, applications, documents, and writings that may be required , on behalf of the Company and generally to do all acts, deeds, matters and things that may be necessary, proper, expedient or incidental thereto for purpose of giving effect to this Resolution.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to determine the actual sums to be involved in the proposed transactions and the terms and Conditions related thereto and all other matters arising out of or incidental to the proposed transactions and generally to do all acts, deeds, matters, and things that may necessary, proper, expedient or incidental thereto for the purpose of giving effect to this Resolution”

ITEM NO. 4

TO APPROVE RELATED PARTY TRANSACTIONS WITH M/S. ACRYCOL MINERALS LIMITED

To consider and, if thought fit, to give **ASSENT** or **DISSENT** to pass the following resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of Clause 49 of Listing Agreement read together with Section 188 of the Companies Act, 2013 and Rule 15 of Companies (Meetings of Board and its Powers) Rules, 2014 and other applicable provisions (if any) of the Companies Act, 2013 (including any statutory modifications or re-enactments thereof for the time being in force) , subject to compliances of all applicable laws and regulations, the consent of members of the Company by means of Special Resolution be and is hereby accorded to the Board of Directors (herein after called “the Board” which term shall be deemed to include any Committee which the Board may constitute for this purpose) to enter into contracts and/or arrangements with M/s. Acrycol Minerals Limited, to sell, purchase or supply of any goods or materials and to render or avail any service of any nature whatsoever, as the Board in its discretion deem proper, up to an amount not exceeding an aggregate of **Rs. 30 Crores** (Rupees Thirty Crores only) per financial year of the Company as per the terms and conditions set out in the draft agreement placed before the meeting and initialed by the Chairman for the purpose of identification and in such form and manner as it may deem fit.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to take such steps as may be necessary for obtaining approvals, statutory, contractual or otherwise , in relation to the above and to settle all matters arising out of and incidental thereto, to sign and execute all deeds, applications, documents, and writings that may be required , on behalf of the Company and generally to do all acts, deeds, matters and things that may be necessary, proper, expedient or incidental thereto for purpose of giving effect to this Resolution.



RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to determine the actual sums to be involved in the proposed transactions and the terms and Conditions related thereto and all other matters arising out of or incidental to the proposed transactions and generally to do all acts, deeds, matters, and things that may necessary, proper, expedient or incidental thereto for the purpose of giving effect to this Resolution”

By Order of the Board of Directors

ACRYSIL LIMITED

Sd/-
Damodar Sejpal

COMPANY SECRETARY

Date: November 10, 2014

Place: Mumbai

NOTES:

1. An explanatory statement pursuant to Section 102 of the Act, setting out the material facts and reasons for the proposed special resolutions at Item Nos. 1 to 4 above, are appended herein below along with Form for your consideration.
2. The Company has appointed Mr. Pradip C. Shah of M/s P. P. Shah & Co., Practicing Company Secretaries, Mumbai, to act as the Scrutinizer, for conducting the postal ballot process in a fair and transparent manner.
3. The Notice is being sent to all the Members, whose names appear in the Register of Members/list of Beneficial Owners as received from National Securities Depository Limited (“NSDL”)/Central Depository Services (India) Limited (“CDSL”) as on the close of business hours on Friday, November 14, 2014.
4. In compliance with the provisions of Sections 108 and 110 and other applicable provisions of the Act, read with the Companies (Management and Administration) Rules, 2014 and the Listing Agreement entered into with the Stock Exchanges, the Company is pleased to offer e-voting facility as an option to all the Members of the Company. The Company has entered into an agreement with CDSL for facilitating e-voting to enable the Members to cast their votes electronically instead of dispatching Form. E-voting is optional.
5. Kindly note that the Members can opt for only one mode of voting i.e., either by post or e-voting. If the Members opt for e-voting, then they should not vote by post and vice versa. However, in case Members cast their vote by post and e-voting, then voting done through e-voting shall prevail and voting done by post will be treated as invalid.
6. As per Section 110 of the Act, read with Rule 22 of the Companies (Management and Administration) Rules, 2014, Notice of Postal Ballot may be served on the Members through electronic means. Members who have registered their e-mail IDs with depositories or with the Company are being sent this Notice of Postal Ballot by e-mail and the members who have not registered their e-mail IDs will receive Notice of Postal Ballot along with physical Form through post/courier.

In case a Member is desirous of obtaining Postal Ballot in printed form or a duplicate one, the Member may write to the Company or send an e-mail to cs.al@acrysil.com. The Company shall forward the same along with self-addressed pre-paid postage Envelope to the Member.
7. All documents referred to in this Postal Ballot Notice and Explanatory Statement setting out material facts and other statutory registers are open for inspection by the Members at the Registered Office of the Company between 10.00 a.m. and 4.00 p.m. on all working days except Saturdays, Sundays and national holidays, from the date hereof up to December 20, 2014.
8. Voting rights shall be reckoned on the paid up value of equity shares registered in the name of the shareholders as on the cut-off date i.e. November 14, 2014.



The instructions for members for voting electronically are as under:-

In case of members receiving e-mail:

- (i) Log on to the e-voting website www.evotingindia.com
- (ii) Click on “Shareholders” tab.
- (iii) 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.
- (iv) Next enter the Image Verification as displayed and Click on Login.
- (v) 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.
- (vi) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none">• Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 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.
DOB#	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details#	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. <ul style="list-style-type: none">• Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field.

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



- (xiii) 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.
- (xiv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xvi) 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.
- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.com> and register themselves as Corporates.
 - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.
 - After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

In case of members receiving the physical copy:

- (A) Please follow all steps from sl. no. (i) to sl. no. (xvi) above to cast vote.
- (B) The voting period begins on November 21, 2014 from 09.00 A.M. and ends on December 20, 2014 till 06.00 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 November 14, 2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (C) 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.

Other Instructions:

- The e-voting period commences on Friday, the November 21, 2014 (09.00 a.m. IST) and ends on Saturday, the December 20, 2014 (6.00 p.m. IST). During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on November 14, 2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the Member, he shall not be allowed to change it subsequently.
- The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on November 14, 2014.
- Mr. Pradip Shah, Practicing Company Secretary (Membership No. FCS 1483) has been appointed as the Scrutinizer to scrutinize the e-voting process (including the Ballot Form received from the Members who do not have access to the e-voting process) in a fair and transparent manner.
- The Scrutinizer shall, within a period not exceeding three working days from the conclusion of the e-voting period, unblock the votes in the presence of at least two witnesses not in the employment of the Company and make a Scrutinizer’s Report of the votes cast in favour or against, if any, forthwith to the Chairman & Managing Director / Director of the Company.
- Members who do not have access to e-voting facility may send the duly completed Ballot Form so as to reach the Scrutinizer appointed by the Board of Directors of the Company, Mr. Pradip Shah, Practicing Company Secretary (Membership No. FCS 1483), at the Registered Office of the Company not later than 6:00 p.m. on Saturday, the December 20, 2014.



EXPLANATORY STATEMENT

(PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013)

As required by section 102 of the Companies Act, 2013 (“Act”), the following explanatory statement sets out all material facts relating to the business mentioned under Item Nos. 1,2,3 and 4 of the accompanying Notice:

ITEM NO. 1 OF THE NOTICE:

TO RATIFY, CONFIRM AND APPROVE THE PAYMENT OF REMUNERATION TO MR. CHIRAG A. PAREKH, CHAIRMAN & MANAGING DIRECTOR:

The members of the Company had at the 22nd Annual General Meeting held on 31st July, 2009 re-appointed Mr. Chirag A. Parekh as Managing Director of the Company for a period of five years with effect from 1st November, 2008. The Board of Directors of the Company had at its meeting held on 31st March, 2010, approved the proposal for increase in remuneration of Mr. Chirag A. Parekh, Managing Director of the Company for the remaining period of his tenure of office and approval of Central Government was accorded till 31st March, 2013. The Board of Directors of the Company had its meeting held on 13th February, 2012, approved re-designation of Mr. Chirag A. Parekh as Vice-Chairman and Managing Director of the Company.

As per provisions of Sections 198, 269, 309, 310, 311 and 317 read with Schedule XIII of the Companies Act, 1956, and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification(s) or re-enactment thereof for the time being in force) the Remuneration Committee, Board of Directors of the Company and Members of the Company at its Annual General Meeting held on 26th September, 2013 have, subject to approval of the central government, approved re-appointment and re-designation and revision in the remuneration payable to Mr. Chirag A. Parekh, as Chairman and Managing Director of the Company, effective from 1st November, 2013 more particularly described as under:

Name of the Director	Designation	Period for re-appointment / appointment	Shareholders' Approval Date
Mr. Chirag A. Parekh	Chairman & Managing Director	November 1, 2013 to October 31,2016	September 26,2013

Based on the abovementioned approvals of the shareholders, the Company made applications to the MCA for the remuneration payable to the under mentioned Director and got the following approvals:

Name of Director	Application made to the MCA for payment of remuneration of the Period	Date of Application	Approval Granted by the MCA for the period	Date of Approval
Mr. Chirag A. Parekh	November 1, 2013 to October 31,2016	January 24,2014	November 1, 2013 to March 31, 2014	August 29, 2014

Further referred to circular No. 32/2014 dated July 23, 2014 issued by the MCA, stating that the resolutions approved or passed by companies under applicable provisions of the Companies Act, 1956 (old Act) during the period from September 1, 2013 to March 31, 2014 can be considered subject to the condition that the implementation of the resolution actually commenced before April 1, 2014 and that the application made by the Company and the resolution submitted there under were passed during September 1, 2013 to March 31,2014 under the provisions of Companies Act, 1956 (the old Act)'. In respect of the application made by the Company for payment of remuneration to Mr. Chirag A. Parekh for the period November 1, 2013 to October 31,2016 , u/s. 269, 198, 309 of the Companies Act, 1956, and in order to be compliant with the Companies Act, 2013 the Company seeks approval of the shareholders for this resolution also.

In view of the above approval granted by MCA and in order to be compliant with the requirements of the said circular and with the provisions of Companies Act, 2013 (new Act), the Company is once again seeking approval of the shareholders of the Company on the resolutions which was approved earlier by the shareholders of the Company.

The remuneration payable to the abovementioned Director is given below:



I. SALARY

Rs.6,00,000/- per month (in the scale of Rs.6,00,000 – Rs.8,00,000)

The Board will grant annual increments and revise the Salary within the aforesaid range by granting one or more increments in the above scale, having regard to the merits and the Company's performance.

II. PERQUISITES

- (a) Perquisites like accommodation (furnished or otherwise) or house rent allowance in lieu thereof, house maintenance allowance, together with utilities such as gas, electricity, water furnishings and repairs; medical reimbursement, leave travel concession for himself and his family, club fees, medical insurance etc.; in accordance with the Rules of the Company or as may be agreed to by the Board of Directors and Mr. Chirag A. Parekh; such perquisites for each year not to exceed Rs.8,00,000.

For the purpose of calculating the above ceiling, perquisites shall be evaluated as per Income-tax Rules, wherever applicable. In the absence of any such Rules, perquisites shall be evaluated at actual cost.

Provision of the Company's car and telephone at residence for official duties shall not be included in the computation of perquisites for the purpose of calculating the said ceilings.

- (b) Company's contribution to Provident Fund and Superannuation or Annuity Fund to the extent these either singly or together are not taxable under the Income tax Act, gratuity payable as per the Rules of the Company and encashment of leave at the end of his tenure as per the Rules of the Company applicable to senior executives and the same shall not be included in the computation of limits for the remuneration or perquisites aforesaid.

III. COMMISSION

A sum calculated at the rate of 2% of the net profits of the Company in a particular financial year.

In response to the application with respect to approval for increase in remuneration and perquisites payable to Mr. Chirag A. Parekh, Chairman and Managing Director, made to the Central Government i.e. Ministry of Corporate Affairs (MCA), in line with the abovesaid approval of the members of the Company for a period of three years, the MCA has granted its approval, dated 29th August, 2014, for payment of remuneration @ Rs. 84,00,000/- (Rupees Eighty Four Lacs only) per annum for the period from 1st November, 2013 to 31st March, 2014 only.

Hence, the approval by the MCA for the payment of remuneration is accorded only for a period of 5 months only as against application sought for three years. Further the approval accorded by the MCA for payment of remuneration is much below what has been approved by Board of Directors of the Company, Remuneration Committee of Board of Directors of the Company and also by Shareholders of the Company at 26th Annual General Meeting of the Company held on 26th September, 2013.

The said order seems reflection of the applicable provisions of the Companies Act, 2013 pertaining to managerial remuneration, which were made effective from 1st April, 2014.

The Nomination and Remuneration Committee and the Board of Directors of the Company at their respective meetings held on 10th November, 2014 have, subject to approval of the members and other necessary approvals, ratified, confirmed and approved the payment of remuneration to Mr. Chirag A. Parekh on the existing rates of remuneration and terms and conditions approved by the shareholders of the Company at the 26th Annual General Meeting held on 26th September, 2013.

Hence, it is deemed expedient to obtain approval of the members of the Company again for revision in the remuneration payable to Mr. Chirag A. Parekh, as Chairman and Managing Director of the Company, effective from 1st April, 2014, for the remainder of his term up to 31st October, 2016 on the existing rates of remuneration and terms and conditions approved by the shareholders of the Company at the 26th Annual General Meeting held on 26th September, 2013 on the salary, allowances and perquisites as under:



I. SALARY

Rs.6,00,000/- per month (in the scale of Rs.6,00,000 – Rs.8,00,000)

The Board will grant annual increments and revise the Salary within the aforesaid range by granting one or more increments in the above scale, having regard to the merits and the Company's performance.

II. PERQUISITES

(a) Perquisites like accommodation (furnished or otherwise) or house rent allowance in lieu thereof, house maintenance allowance, together with utilities such as gas, electricity, water furnishings and repairs; medical reimbursement, leave travel concession for himself and his family, club fees, medical insurance etc.; in accordance with the Rules of the Company or as may be agreed to by the Board of Directors and Mr. Chirag A. Parekh; such perquisites for each year not to exceed Rs.8,00,000.

For the purpose of calculating the above ceiling, perquisites shall be evaluated as per Income-tax Rules, wherever applicable. In the absence of any such Rules, perquisites shall be evaluated at actual cost.

Provision of the Company's car and telephone at residence for official duties shall not be included in the computation of perquisites for the purpose of calculating the said ceilings.

(b) Company's contribution to Provident Fund and Superannuation or Annuity Fund to the extent these either singly or together are not taxable under the Income tax Act, gratuity payable as per the Rules of the Company and encashment of leave at the end of his tenure as per the Rules of the Company applicable to senior executives and the same shall not be included in the computation of limits for the remuneration or perquisites aforesaid.

III. COMMISSION

A sum calculated at the rate of 2% of the net profits of the Company in a particular financial year.

IV. MINIMUM REMUNERATION

In the event of loss or inadequacy of profits in any financial year(s), during the currency of tenure of Mr. Chirag A. Parekh as Chairman and Managing Director of the Company, the remuneration as mentioned in the resolution, shall be paid to Mr. Chirag A. Parekh, as minimum remuneration, subject to the approval of Central Government, if necessary.

V. OTHER TERMS

(a) Leave: On full pay and allowances, as per the Rules of the Company, but not exceeding one month's leave for every 11 months of service.

(b) Reimbursement of entertainment and/or travelling, hotel and other expenses actually incurred by him in the performance of duties.

(c) Mr. Chirag A. Parekh shall not be entitled for sitting fees for attending meetings of the Board of Directors of the Company or Board Committees so long as he functions as the Executive Director of the Company.

(d) Subject to the provisions of the Companies Act, 1956, Mr. Chirag A. Parekh shall not, while he continues to hold office, be subject to retirement by rotation of Directors and he shall not be reckoned as a Director for the purpose of determining the rotation or retirement of Directors or in fixing the number of Directors to retire.

(e) The re-appointment may be terminated by either party giving to the other party ninety days' notice in writing.

(f) In the event of any dispute or difference arising at any time between Mr. Chirag A. Parekh and the Company in respect of the Agreement or the construction thereof, the same will be submitted to and be decided by Arbitration in accordance with the provisions of the Arbitration and Conciliation Act, 1996.

This may also be considered and treated as Abstract and Memorandum of Interest under respective provisions of the Companies Act, 2013.

As per the Sub-clause B (iv) of Part II Section II of Schedule V, the company is required to furnish the following information in the Explanatory Statement;



I. GENERAL INFORMATION:

No	PARTICULARS		
1.	Nature of Industry	Manufacturing of Quartz Kitchen Sinks	
2.	Date or expected date of commencement of Commercial Production.	The company is manufacturing and selling kitchen sinks since 1987.	
3.	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus.	Not Applicable	
4.	Financial performance based on given indications. Sales (Net of Excise) Net Profit before Tax Net Profit After Tax	31-03-2014 (Rs. in lakhs)	31-03-2013 (Rs. in lakhs)
		10370.96	7844.93
		1052.08	716.16
		798.11	550.46
5.	Export performance	FOB Value of Exports Sales: Rs. 7398.84	
6.	Foreign investments or collaborators, if any.	Not Applicable	

II. INFORMATION ABOUT THE APPOINTEE:

No	PARTICULARS	
1.	Background Details	<p>Mr. Chirag A. Parekh is the son of the Company Promoter and is associated since inception; having a family background in manufacturing of Kitchen Sinks.</p> <p>Mr. Chirag A. Parekh had joined the Company as Promoter Director having experience of more than 20 years in manufacturing of Kitchen Sinks.</p>
2.	Past Remuneration / Perquisites	<p>I. SALARY</p> <p>Mr. Chirag A. Parekh has been paid Basic Salary of Rs.3,00,000/- per month (in the scale of Rs.3,00,000 - Rs.4,00,000). The Board has granted annual increments and revised the Salary within the aforesaid range, having regard to the merits and the Company's performance.</p> <p>II. PERQUISITES</p> <p>In addition to the salary Mr. Chirag A. Parekh has been also availed following perquisites.</p> <p>(a) Perquisites like accommodation (furnished or otherwise) or house rent allowance in lieu thereof, house maintenance allowance, together with utilities such as gas, electricity, water furnishings and repairs; medical reimbursement, leave travel concession for himself and his family, club fees, medical insurance etc.; in accordance with the Rules of the Company or as may be agreed to by the Board of Directors and Mr. Chirag A. Parekh; such perquisites for each year not to exceed Rs. 6,00,000.</p> <p>For the purpose of calculating the above ceiling, perquisites have been evaluated as per Income-tax Rules, wherever applicable. In the absence of any such Rules, perquisites have been evaluated at actual cost.</p> <p>Provision of the Company's car and telephone at residence for official duties have not been included in the computation of perquisites for the purpose of calculating the said ceilings.</p>



		<p>(b) Company's contribution to Provident Fund and Superannuation or Annuity Fund, as per the rules of the Company, gratuity payable as per the Rules of the Company and encashment of leave at the end of his tenure as per the Rules of the Company applicable to senior executives.</p> <p>III. COMMISSION</p> <p>A sum calculated at the rate of 2% of the net profits of the Company in a particular financial year.</p>
3.	Recognition or Awards	Mr. Chirag A. Parekh, Chairman & Managing Director of the Company received recognition for his contribution to manufacturing innovation and design at the industry 2.0 Manufacturing Innovation Conclave '12.
4.	Job Profile and her Suitability	Experience of more than 2 decades in Administration and Finance. Experience of 13 years in Marketing & Personnel.
5.	Remuneration/ perquisites proposed	<p>I. SALARY</p> <p>Mr. Chirag A. Parekh will be paid Basic Salary of Rs. 6,00,000/- per month (in the scale of Rs. 6,00,000 – Rs.8,00,000)</p> <p>The Board will grant annual increments and revise the Salary within the aforesaid range by granting one or more increments in the above scale, having regard to the merits and the Company's performance.</p> <p>II. PERQUISITES</p> <p>In addition to the salary, Mr. Chirag A. Parekh shall also be entitled to following perquisites.</p> <p>(a) Perquisites like accommodation (furnished or otherwise) or house rent allowance in lieu thereof, house maintenance allowance, together with utilities such as gas, electricity, water furnishings and repairs; medical reimbursement, leave travel concession for himself and his family, club fees, medical insurance etc.; in accordance with the Rules of the Company or as may be agreed to by the Board of Directors and Mr. Chirag A. Parekh; such perquisites for each year not to exceed Rs. 8,00,000.</p> <p>For the purpose of calculating the above ceiling, perquisites shall be evaluated as per Income-tax Rules, wherever applicable. In the absence of any such Rules, perquisites shall be evaluated at actual cost.</p> <p>Provision of the Company's car and telephone at residence for official duties have not been included in the computation of perquisites for the purpose of calculating the said ceilings.</p> <p>(b) Company's contribution to Provident Fund and Superannuation or Annuity Fund to the extent these either singly or together are not taxable under the Income tax Act, gratuity payable as per the Rules of the Company and encashment of leave at the end of his tenure as per the Rules of the Company applicable to senior executives and the same shall not be included in the computation of limits for the remuneration or perquisites aforesaid.</p> <p>III. COMMISSION</p> <p>A sum calculated at the rate of 2% of the net profits of the Company in a particular financial year</p>



6.	C o m p a r a t i v e remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of her origin)	The proposed remuneration is reasonable considering future growth of the Company.
7.	P e c u n i a r y relationship directly or indirectly with the company, or relationship with the managerial personnel, if any	Mr. Chirag A. Parekh is holding 16, 75,946 equity shares of the Company which is 35.98 % of the equity share capital of the Company.

III. OTHER INFORMATION:

No	PARTICULARS	
1.	Reasons of loss or inadequate profits	The Company has earned profits; however, as per sections 198 & 309 of the Companies Act 1956, the profits are not adequate to cover the remuneration/perquisite payable to Mr. Chirag A. Parekh. The increase in profitability on account of the expansion project will make the remuneration payable to him in line with the above mentioned sections.
2.	Steps taken or proposed to be taken for improvement.	The Company is making every effort to reduce cost and increase the overall efficiency, which will result increase in overall profitability of the Company.
3.	Expected increase in productivity and profits in measurable terms	The Company is expecting growth in the turnover and profit due to expansion of production capacities and expecting to do good Export turnover in future.

IV. DISCLOSURES:

No	PARTICULARS	
1.	All elements of remuneration package such as salary, benefits, bonuses, stock options, pension, etc., of all the directors	The information and disclosures of the remuneration package of the managerial personnel have been mentioned in the Annual Report in the Corporate Governance Report under the heading 'Remuneration in Rupees paid or payable to Directors for the year ended March 31, 2014.'
2.	Details of fixed component and performance linked incentives along with the performance criteria	The information and disclosures of the remuneration package of the managerial personnel have been mentioned in the Annual Report in the Corporate Governance Report under the heading 'Remuneration in Rupees paid or payable to Directors for the year ended March 31, 2014.'
3.	Service contracts, notice period, severance fees.	The information and disclosures of the remuneration package of the managerial personnel have been mentioned in the Annual Report in the Corporate Governance Report under the heading 'Remuneration in Rupees paid or payable to Directors for the year ended March 31, 2014.'



4.	Stock option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable	The information and disclosures of the remuneration package of the managerial personnel have been mentioned in the Annual Report in the Corporate Governance Report under the heading 'Remuneration in Rupees paid or payable to Directors for the year ended March 31, 2014.'
----	--	--

Approval of the shareholders has sought for ratification of remuneration paid/remuneration payable for the remaining period commencing from 1st April, 2014, for the remainder of his term up to 31st October, 2016 as Chairman and Managing Director of the Company.

Mr. Chirag A. Parekh and his relatives shall be deemed to be concerned or interested in the resolution to the extent of remuneration payable to Mr. Chirag A. Parekh under the resolution.

With his vast experience, the Board of Directors considered it to be desirable to approve ratification and approval of remuneration payable to him for his current tenure of appointment as Chairman and Managing Director.

The Board of Director recommends the relevant resolution for your consideration and approval as a Special Resolution.

None of the Directors except Mr. Chirag A. Parekh himself and Mrs. Shetal C. Parekh, as a relative of Mr. Chirag A. Parekh, is concerned or interested in the resolution. No other Directors, Key Managerial Personnel or their relatives are concerned or interested in the resolution.

ITEM NO 2, 3 AND 4 OF THE NOTICE:

TO APPROVE RELATED PARTY TRANSACTIONS.

The Provision of Section 188 (1) of the Companies Act, 2013 that govern related party transactions require a company to obtain prior approval of the Board of Directors and in case the Paid up Share Capital of the Company is Rs. 10 Crores or more or where the value of transactions enter or to be entered into exceeds the threshold limits as mentioned in the said section, prior approval of Shareholders by way of Special Resolution.

Further third proviso of Section 188(1) provides that nothing in this sub-section shall apply to any transactions entered into by the company in its ordinary course of business other than transactions which are not on an arm's length basis.

The provisions of Section 188(3) also provide that any contract or arrangement entered into u/s 188(1) may be ratified by the Board or as the case may be, by the shareholders at a meeting within three months from the date on which such contract or arrangement was entered into.

In light of provisions of the Companies Act, 2013 the Audit Committee and Board of Directors of your Company have approved the proposed transactions along with the limits that the Company may enter into with its Related parties for the Financial year 2014-15 and beyond.

All the prescribed disclosure as required to be given under the provisions of the Companies Act, 2013 and the Companies (Meetings of Board and its Powers) Rules, 2014 are given here in below in tabular format for kind perusal of members:



PARTICULARS OF PROPOSED TRANSACTIONS FOR THE PURPOSE OF APPROVALS U/S 188 OF THE COMPANIES ACT, 2013

(Rs. In crores)

MAXIMUM VALUE OF CONTRACT/TRANSACTION		
Name and Nature of relationship with related parties:	Name of the Director or Key Managerial Personnel who is related, if any	Sale, purchase, job work or supply of any goods or materials, availing or rendering of any services
Acrysil Steel Limited , (subsidiary Company holding 93.84% stake)	1. Mr. Chirag A. Parekh, 2. Mrs. Shetal C. Parekh 3. Mr. Ashwin M. Parekh	30.00
Acrysil GmbH, Germany (wholly owned subsidiary)	1. Mr. Chirag A. Parekh	2.00
Acrycol Minerals Limited (Associate Company owned by Promoters)	1. Mr. Chirag A. Parekh, 2. Mrs. Shetal C. Parekh & 3. Mr. Ashwin M. Parekh	30.00

Members are hereby informed that pursuant to second proviso of Section 188(1) of the Companies Act, 2013 as well as clause 49 of the Listing Agreement, no members of the Company shall vote on such special resolution, to approve any contract or arrangements which may be entered into by the Company, if such member is related party.

The Audit Committee and Board of Director of your Company have approved these items in the Meeting held on November 10, 2014 and recommends the relevant resolution as set out in the accompanying notice for the approval of members of the Company as a Special Resolution.

None of the Directors, Key Managerial Personnel and their relatives except Mr. Chirag A. Parekh, Chairman and Managing Director, Mrs. Shetal C. Parekh, Director and relative of Mr. Chirag A. Parekh and Mrs. Shetal C. Parekh, are deemed to be concerned or interested, financial or otherwise in the proposed Special resolutions except of their Shareholding and interest mentioned herein above, in the Company.

By Order of the Board of Directors

ACRYSIL LIMITED

Sd/-

Damodar Sejpal

Company Secretary

Date: November 10, 2014

Place: Mumbai



THIS PAGE HAS BEEN INTENTIONALLY LEFT BLANK

