



PUNJAB CHEMICALS AND CROP PROTECTION LIMITED

CIN: L24231PB1975PLC047063

Regd. Office: Milestone 18, Ambala Kalka Road, Village & P.O Bhankharpur, Derabassi, Dist.
SAS Nagar, Mohali (Punjab) - 140201, India

Tel Nos.: 01762- 280086, 522250; Fax Nos.: 01762-280070;

Website: www.punjabchemicals.com; e-mail: info@punjabchemicals.com

POSTAL BALLOT NOTICE

[Pursuant to Section 110 of the Companies Act, 2013, read with the Companies (Management and Administration) Rules, 2014]

Notice is hereby given pursuant to Section 110 and other applicable provisions of the Companies Act, 2013 (the "Act"), read with the Companies (Management and Administration) Rules, 2014 (Rules), including any statutory modification(s) or reenactment (s) thereof, for the time being in force, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time and all other applicable laws and regulations read with the various Circulars issued by the Ministry of Corporate Affairs ("MCA") (hereinafter collectively referred to as "MCA Circulars"), that the resolutions in relation to the following special businesses are proposed to be passed by the Members through Postal Ballot only by voting through electronic means (Remote e-voting):

- 1. Re-appointment of Shri Avtar Singh (DIN: 00063569) as the Whole Time Director of the Company and to fix his remuneration.**
- 2. Re-appointment of Shri Shalil Shashikumar Shroff (DIN: 00015621) as the Managing Director of the Company and to fix his remuneration.**

In compliance with the aforesaid MCA Circulars, this Postal Ballot Notice is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories. If your e-mail address is not registered with the Company/Depositories, please follow the process provided in the Notes to receive this Postal Ballot Notice and login ID and password for remote e-voting. The communication of the assent or dissent of the Members would only take place through the remote e-voting system.

The explanatory statement pertaining to the said resolutions setting out the material facts concerning the items and the reasons thereof, as required in terms of Section 102 of the Act, is appended to this Notice for your consideration.

Pursuant to Rule 22(5) of the Rules, the Board of Directors, at its meeting held on 9th November, 2020 has appointed Shri P.S. Dua of M/s P.S. Dua & Associates, Practicing Company Secretary, (Membership No. 4552, COP No. 3934) Ludhiana, as the Scrutinizer to conduct the Postal Ballot through remote e-voting process in a fair and transparent manner.



The remote e-voting period commences from 9.00 a.m. (IST) on Sunday, November 29, 2020 and ends at 5.00 p.m. (IST) on Monday, December 28, 2020. The Scrutinizer will submit his report to the Chairman of the Company, or any person authorized by Board of Directors upon completion of the scrutiny of the votes cast through remote e-voting. The result of the Postal ballot shall be announced by a Director or the Company Secretary or any person authorized by the Managing Director of the Company on or before Wednesday, 30th December, 2020 at or before 5.00 p.m. (IST) at the Registered Office of the Company.

The said results along with the Scrutinizer's Report would be displayed at the Registered Office of the Company, intimated to BSE Limited and National Stock Exchange of India Limited, where the equity shares of the Company are listed. Additionally, the results will also be uploaded on the Company's website <https://www.punjabchemicals.com> and on the website of Central Depository Services (India) Limited viz. <https://www.evotingindia.com>. The summary of results will also be published in the newspaper.

In the event, the proposed resolutions are assented to by a requisite majority of the members by means of Postal Ballot, it shall be deemed to have been passed on the last date specified for remote e-voting i.e. 28th December, 2020.

Item No. 1: Re-appointment of Shri Avtar Singh (DIN: 00063569) as the Whole Time Director of the Company and to fix his remuneration.

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

“RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and Rules made thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force), the relevant provisions of the Articles of Association of the Company and subject to such other approvals as may be required from time to time, and pursuant to the resolution passed by the Nomination and Remuneration Committee and the Board of Directors of the Company, the approval of the Company be and is hereby accorded to the reappointment of Shri Avtar Singh (DIN: 00063569) as the Whole Time Director of the Company for a period of three (3) years from 14.11.2020 to 13.11.2023, liable to retire by rotation, on the terms and conditions including remuneration as set out in the relevant explanatory statement annexed to the notice of this meeting.

RESOLVED FURTHER THAT the remuneration payable to Shri Avtar Singh as detailed in the explanatory statement shall be payable as minimum remuneration in case of absence or inadequacy of profit in any financial year but not exceeding the limits specified under Section II of Part II of Schedule V to the Act (including any statutory modification or re-enactment thereof, for the time being in force or as applicable from time to time), or such other limits as may be prescribed from time to time as minimum remuneration.

RESOLVED FURTHER THAT the Board of Directors (which term shall be deemed to include the Nomination and Remuneration Committee) be and is hereby authorised to alter and vary the terms and conditions of the said re-appointment including revision in the remuneration as it



may deem fit, in case of adequate/sufficient profits during any financial year of the tenure of this appointment, subject to the same not exceeding the limits specified under Section 197 read with Schedule V to the Act (including any statutory modifications or re-enactment (s) thereof).

RESOLVED FURTHER THAT during such time as Shri Avtar Singh holds and continues to hold the office of the Whole Time Director, he shall be liable to retirement by rotation as a Director.

RESOLVED FURTHER THAT the Board of Directors of the Company or any person authorised by the Board be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient or desirable and to settle any question or doubt that may arise in relation thereto and to comply with the above mentioned applicable provisions and to give effect to the foregoing resolutions.”

Item No. 2: Re-appointment of Shri Shalil Shashikumar Shroff (DIN: 00015621) as the Managing Director of the Company and to fix his remuneration.

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

“RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and Rules made thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force), the relevant provisions of the Articles of Association of the Company and subject to such other approvals as may be required from time to time, and pursuant to the resolution passed by the Nomination and Remuneration Committee and the Board of Directors of the Company, the approval of the Company be and is hereby accorded to the reappointment of Shri Shalil Shashikumar Shroff (DIN: 00015621) as the Managing Director of the Company for a period of three (3) years from 15.01.2021 to 14.01.2024 on the terms and conditions including remuneration as set out in the relevant explanatory statement annexed to the notice of this meeting.

RESOLVED FURTHER THAT the remuneration payable to Shri Shalil Shashikumar Shroff as detailed in the explanatory statement shall be payable as minimum remuneration in case of absence or inadequacy of profit in any financial year but not exceeding the limits specified under Section II of Part II of Schedule V to the Act (including any statutory modification or re-enactment thereof, for the time being in force or as applicable from time to time), or such other limits as may be prescribed from time to time as minimum remuneration.

RESOLVED FURTHER THAT the Board of Directors (which term shall be deemed to include the Nomination and Remuneration Committee) be and is hereby authorised to alter and vary the terms and conditions of the said re-appointment including revision in the remuneration as it may deem fit, in case of adequate/ sufficient profits during any financial year of the tenure of this appointment, subject to the same not exceeding the limits specified under Section 197 read with Schedule V to the Act (including any statutory modifications or re-enactment (s) thereof).



RESOLVED FURTHER THAT pursuant to Article 94 (a) of the Articles of Association of the Company, the Directorship of Shri Shalil Shashikumar Shroff shall not be subject to retirement by rotation during his tenure as the Managing Director of the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company or any person authorised by the Board be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient or desirable and to settle any question or doubt that may arise in relation thereto and to comply with the above mentioned applicable provisions and to give effect to the foregoing resolutions.”

By order of the Board
For Punjab Chemicals and Crop Protection Limited

Punit K Abrol
Sr. VP (Finance) & Secretary

Place: Derabassi
Date: 20th November, 2020
CIN: L24231PB1975PLC047063
Website: www.punjabchemicals.com
Regd. Office: Milestone 18, Ambala Kalka Road,
Village & P.O Bhankharpur, Derabassi,
Dist. SAS Nagar, Mohali (Punjab) - 140201, India

NOTES:

1. The Explanatory Statement pursuant to the provisions of Sections 102 and 110 of the Companies Act, 2013 (“Act”) read with Rule 22 of the Companies (Management and Administration) Rules, 2014 (“Rules”) stating material facts and reasons for the proposed resolutions is annexed hereto.
2. In compliance with the Circular No. 14/2020 dated April 8, 2020, Circular No. 17/2020 dated April 13, 2020 and Circular No. 33/2020 dated September 28, 2020 issued by the Ministry of Corporate Affairs (“MCA”) (hereinafter collectively referred to as “MCA Circulars”), this Postal Ballot Notice is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories. Hence, Members who have not registered their e mail IDs so far with their depository participants are requested to register their email ID for receiving all the communications including Postal Ballot Notice, Annual Reports etc., in electronic mode.
3. The process for those shareholders whose email addresses are not registered with the depositories for obtaining login credentials for e-voting on the resolutions proposed in this Postal Ballot Notice is as follows:
 - a. 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 at investorhelp@punjabchemicals.com /RTA email id at rt@alankit.com.



- b. For Demat shareholders - please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-8 Character DP ID followed by 8 Digits Client ID), 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.
4. Members may note that this Postal Ballot Notice will also be available on the Company's website, www.punjabchemicals.com, websites of the Stock Exchanges where the equity shares of the Company are listed i.e. BSE Limited, www.bseindia.com and National Stock Exchange of India Limited, www.nseindia.com and on the website of Central Depository Services (India) Limited viz. <https://www.evotingindia.com>.
5. The documents referred to in the Postal Ballot Notice and the Explanatory Statement shall be available for inspection at the Registered Office of the Company from 11:00 a.m. to 1:00 p.m. during business hours on any working day except Saturday and Sunday till the last date of remote e-voting i.e. Monday, December 28 2020.
6. Resolution passed by the requisite majority by the Members through Postal Ballot shall be deemed to have been duly passed at a General Meeting convened in that behalf. The Resolution, if passed by requisite majority, will be deemed to have been passed on the last date of remote e-voting i.e. Monday, December 28, 2020.
7. **The instructions for remote e-voting are as under:**
 - i. In compliance with the provisions of Sections 108 and 110 of the Act and Rules 20 and 22 of the Rules, Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and MCA Circulars, the Company has provided the facility of remote e-voting to all Members, to enable them to cast their votes electronically. **The Company has engaged the services of CDSL to provide remote e-voting facility to its Members.**
 - ii. Voting rights of the Members shall be in proportion to the shares held by them in the paid-up equity share capital of the Company as on Friday, November 20, 2020 ("Cut-off date"). Only those Members whose names are recorded in the Register of Members of the Company or in the Register of Beneficial Owners maintained by the Depositories as on the Cut-off date will be entitled to cast their votes by remote e-voting. A person who is not a Member as on the Cut-off date should treat this Postal Ballot Notice for information purposes only. The remote e-voting period commences from 9.00 a.m. (IST) on Sunday, November 29, 2020 and ends at 5.00 p.m. (IST) on Monday, December 28, 2020. The e-voting module shall be disabled by CDSL thereafter. Once the vote on the resolution is cast by the Member, he/she shall not be allowed to change it subsequently.
 - iii. The Board of Directors of the Company has appointed Shri P.S. Dua of M/s P.S. Dua & Associates, Practicing Company Secretary, (Membership No. 4552, COP No. 3934)



Ludhiana, as the Scrutinizer to conduct the Postal Ballot through remote e-voting process in a fair and transparent manner.

iv. The details of the process and manner for remote e-voting are explained herein below:

- (i) The shareholders should log on to the e-voting website www.evotingindia.com.
- (ii) Click on “Shareholders” module.
- (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. 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.

- (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 e-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 Shareholders 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)
Dividend Bank Details OR Date of Birth (DOB)	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. <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 (iii).

- (vii) After entering these details appropriately, click on “SUBMIT” tab.



- (viii) 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.
- (ix) For shareholders 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 of Punjab Chemicals and Crop Protection Limited.
- (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 if you decide to vote on them, 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 a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xvi) 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.
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.
- (xvii) **Note for Institutional Shareholders:**
- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.



- After receiving the login details, a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
 - 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; investorhelp@punjabchemicals.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.
- (xviii) 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 or contact Mr. Nitin Kunder (022-23058738) or Mr. Mehboob Lakhani (022-23058543) or Mr. Rakesh Dalvi (022-23058542). All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022-23058542/43.
8. Once the vote on a resolution is casted by e-voting, the shareholder shall not be allowed to change it subsequently.
 9. The voting rights of shareholders shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date i.e. 20th November, 2020.
 10. Member requiring any clarification may contact Shri Punit K Abrol, Sr. V.P. (Finance) & Company Secretary at Telephone: 01762- 280086/ E-mail: info@punjabchemicals.com.
 11. The Scrutinizer shall, immediately after the conclusion of voting through remote e-voting unblock the votes cast through remote e-voting and make, not later than 48 hours of conclusion of the remote e-voting, a scrutinizer’s report of the total votes cast in favour and against, if any, to the Chairman of the Company or any person authorised by the Board of Directors.
 12. The said results along with the Scrutinizer’s Report would be intimated to National Stock Exchange of India Limited and BSE Limited, where the equity shares of the



Company are listed. Additionally, the results will also be uploaded on the Company's website www.punjabchemicals.com and on the website of CDSL www.evotingindia.com.

13. Information required under Regulation 36 of SEBI Listing Regulations, Directors seeking re-appointment is furnished as annexure to this Notice. The Directors have furnished consent/declarations for their re-appointment as required under the Act and rules made thereunder.

EXPLANATORY STATEMENT UNDER SECTION 102 OF THE COMPANIES ACT, 2013

Item No.1:

Re-appointment of Shri Avtar Singh (DIN: 00063569) as the Whole Time Director of the Company and to fix his remuneration.

The Nomination and Remuneration Committee and the Board of Directors of the Company at their respective meetings held on 9th November, 2020 in accordance with the provisions of Sections 196, 197 and any other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (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 the Members of the Company or / and any other regulatory approvals, if required, have reappointed Shri Avtar Singh (the 'Appointee') as the Whole Time Director of the Company for a period of three (3) years w.e.f. 14.11.2020 to 13.11.2023 on the terms and conditions including remuneration as reproduced below:

1 Salary:

- a) Rs. 6,05,000/- per month in the pay scale of Rs. 4,00,000 - Rs. 12,00,000.
- b) The annual increment will be effective from 1st April each year and the amount of increment shall be fixed taking into account the Company's performance and as decided by the Nomination and Remuneration Committee and the Board of Directors, but subject to the overall limit prescribed under Schedule V and the provisions of the Companies Act, 2013.

2. Commission:

Commission on net profits of the Company as may be determined and fixed by the Board of Directors subject to a limit of ½ (half) % of the net profits of each financial year.

3. 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 the Appointee and the 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 Shri Avtar Singh. All perquisites for each year not to exceed the annual salary of the Appointee. For the purpose of calculating the above ceiling, perquisites shall be evaluated as per the Income Tax Rules, wherever applicable. In absence of any such Rules, perquisites shall be evaluated at the actual cost.



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

b) The Appointee shall be entitled for the following perquisites which shall not be included in the computation of the ceiling on remuneration:

i) Company's contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent these either singly or together are not taxable under the Income Tax Act.

ii) Gratuity payable as per the rules of the Company.

iii) Encashment of leave at the end of his tenure as per the rules of the Company and as applicable to the senior executives.

4. Other Terms:

a) Leave: On full pay and allowance, 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 in performance of duties.

c) The appointment may be terminated by either party giving to the other party ninety days' notice in writing or such shorter notice as may be mutually agreed between the Appointee and the Company.

d) In the event of any dispute or difference arising at any time between Shri Avtar Singh and the Company in respect of the terms of his appointment 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.

5. Minimum Remuneration:

If, in any financial year, the Company has no profits or its profits are inadequate, then in such event, the remuneration by way of salary and perquisites as specified above will be paid as minimum remuneration, subject to the ceilings and the conditions set out in Section II of Part II of Schedule V of the Companies Act, 2013 and shall be subject to any other approval as may be required.

The above mentioned remuneration may be altered, amended, varied, enhanced or modified from time to time by the Board of Directors of Company and/or the Nomination and Remuneration Committee as it may deem fit, within the maximum amount permissible to be paid to the Managing and Whole time Director in accordance with the provisions of the Companies Act, 2013, including those of Schedule V or any amendments thereto made hereafter in this regard.

Other details required to be disclosed in terms of the provisions of Schedule V of the Companies Act, 2013 form part of this Notice.

The Draft of Agreement to be entered into between the Company and Shri Avtar Singh for remuneration is available for inspection by the Members at the Registered Office of the Company from 11:00 a.m. to 1:00 p.m. during business hours on any working day except Saturday and Sunday till the last day of remote e-voting.



None of the Directors, except Shri Avtar Singh himself, or any Key Managerial Personnel or their relatives, are, in any way, concerned or interested, financially or otherwise, in the special resolution as set out at Item no. 1 of the Notice except to the extent of their shareholding, if any, in the Company.

The Board recommends the resolution set forth in Item No. 1 for the approval of the Members.

Item No. 2

Re-appointment of Shri Shalil Shashikumar Shroff (DIN: 00015621) as the Managing Director of the Company and to fix his remuneration.

The Nomination and Remuneration Committee and the Board of Directors of the Company at their respective meetings held on 9th November, 2020 in accordance with the provisions of Sections 196, 197, 203 and any other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (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 the Members of the Company and/ or any other regulatory approvals, if required, have reappointed Shri Shalil Shashikumar Shroff (the 'Appointee') as the Managing Director of the Company for a period of three (3) years w.e.f. 15.01.2021 to 14.01.2024 on the terms and conditions including remuneration as reproduced below:

1. Salary:

- a) Rs. 7,70,000/- per month in the pay scale of Rs. 4,00,000 - Rs. 12,00,000.
- b) The annual increment will be effective from 1st April each year and the amount of increment shall be fixed taking into account the Company's performance and as decided by the Nomination and Remuneration Committee and the Board of Directors, but subject to the overall limit prescribed under Schedule V and the provisions of the Companies Act, 2013.

2. Commission:

Commission on net profits of the Company as may be determined and fixed by the Board of Directors subject to a limit of 1 (one) % of the net profits of each financial year.

3. 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 the Appointee and the 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 the Appointee. All perquisites for each year not to exceed the annual salary of the Appointee. For the purpose of calculating the above ceiling, perquisites shall be evaluated as per the Income Tax Rules, wherever applicable. In absence of any such Rules, perquisites shall be evaluated at the actual cost.

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

- b) The Appointee shall be entitled for the following perquisites which shall not be included in the computation of the ceiling on remuneration:



- i) Company's contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent these either singly or together are not taxable under the Income Tax Act.
- ii) Gratuity payable as per the rules of the Company.
- iii) Encashment of leave at the end of his tenure as per the rules of the Company and as applicable to the senior executives.

4. Other Terms:

- a) Leave: On full pay and allowance, 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 in performance of duties.
- c) The appointment may be terminated by either party giving to the other party ninety days' notice in writing or such shorter notice as may be mutually agreed between the Appointee and the Company.
- d) In the event of any dispute or difference arising at any time between the Appointee and the Company in respect of the terms of his appointment 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.

5. Minimum Remuneration:

If, in any financial year, the Company has no profits or its profits are inadequate, then in such event, the remuneration by way of salary and perquisites as specified above will be paid as minimum remuneration, subject to the ceilings and the conditions set out in Section II of Part II of Schedule V of the Companies Act, 2013 and shall be subject to any other approval as may be required.

The above mentioned remuneration may be altered, amended, varied, enhanced or modified from time to time by the Board of Directors of Company and/or the Nomination and Remuneration Committee of the Company as it may deem fit, within the maximum amount permissible to be paid to the Managing and Whole time Director in accordance with the provisions of the Companies Act, 2013, including those of Schedule V or any amendments thereto made hereafter in this regard.

Other details required to be disclosed in terms of the provisions of Schedule V of the Companies Act, 2013 form part of this Notice.

The Draft of Agreement to be entered into between the Company and Shri Shalil Shashikumar Shroff for remuneration is available for inspection by the Members at the Registered Office of the Company from 11:00 a.m. to 1:00 p.m. during business hours on any working day except Saturday and Sunday till the last day of remote e-voting.

None of the Directors, except Shri Shalil Shashikumar Shroff himself and Capt. S.S Chopra (Retd.), being relative of Shri Shalil Shashikumar Shroff, or any Key Managerial Personnel or their relatives, are, in any way, concerned or interested, financially or otherwise, in the special resolution as set out at Item no. 2 of the Notice except to the extent of their shareholding, if any, in the Company.



The Board recommends the resolution set forth in Item No. 2 for the approval of the Members.

ADDITIONAL INFORMATION ON DIRECTORS BEING APPOINTED / RE-APPOINTED AS REQUIRED UNDER REGULATION 36(3) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND SECRETARIAL STANDARD ON GENERAL MEETINGS ISSUED BY THE INSTITUTE OF COMPANY SECRETARIES OF INDIA, IN THE ORDER OF THE ITEMS MENTIONED IN THE NOTICE:

Name of the Director	Shri Avtar Singh
DIN	00063569
Date of Birth	October 4, 1958
Age	62 years
Date of first appointment	November 14, 1996
Qualifications	B.Sc from Panjab University, Chandigarh
Expertise in specific functional areas	<p>He started working in the company in the year 1981 at the operational level and handled plants in various capacities. Keeping in view his technical expertise, dedication and knowledge of Company's products, innovative ideas, starting of new products in the Company, the Board of Directors elevated him to the post of Additional Director and Whole Time Director of the Company w.e.f.14.11.1996.</p> <p>His 41 years of expertise and experience in the Chemicals, Pharmaceuticals and Agrochemical products of the Company is an asset to the Company. Presently he is incharge of operations of Agro Chemicals and Specialty Chemicals Division situated at Derabassi and Lalru, District Mohali, Punjab.</p> <p>He started many products and improved raw material efficiency and reduced cost of production of the existing products. His knowledge and experience in chemistry and interest in Quality Control, has helped the Company to sustain its presence in the International market by matching the international standard of quality and price competitiveness. His prime responsibility for these two divisions has been to look after Production, R&D, New Product Development, commencement of the commercial production of new products, manpower, management, purchases, Govt. Liaison and other local issues.</p>
Directorship in other Public Limited	Saurav Chemicals Limited



Companies (excluding foreign companies, private companies & Section 8 companies)	
Membership of Committees/ Chairmanship in other Public Limited Companies	Saurav Chemicals Limited Audit Committee Member CSR Committee Member Nomination & Remuneration Committee Member Independent Director Committee Member
No. of Board Meetings attended during the year 2020-2021(held till 20 th November, 2020)	5
No. of shares held	7011 (0.06%)
Relationships between Directors inter-se	N.A.
Terms and conditions of appointment or re-appointment of Director	Re-appointment as Director (Operations) & Business Development for 3 years from 14.11.2020 to 13.11.2023.
Remuneration last drawn (including Sitting fees, if any)	The remuneration drawn during the financial year 2019-2020 is Rs. 140.72 lakh. He was also paid Commission of Rs. 10 lakh for the financial year 2018-19 paid in the financial year ending 31st March, 2020.

Name of the Director	Shri Shalil Shashikumar Shroff
DIN	00015621
Date of Birth	December 11, 1964
Age	56 years
Date of first appointment	15.01.1998
Qualifications	Management Diploma from the University of Deopage - USA
Expertise in specific functional areas	<p>He is associated with the Company since 1992 and worked at various levels. After successful training and handling of various corporate affairs, he was appointed as the Executive Director of the Company w.e.f. 15th January, 1998. He was elevated to the position of the Managing Director in 2003.</p> <p>His prime responsibility includes overall management and handling of all affairs of the Company under the superintendence and control of the Board of Directors. He is directly looking after Export marketing, general administration, liaisons with Financial Institutions, new customers, exploring new products and public relations. He is fully involved in the overall working of the Company including supervising the fund flow</p>



	and cash management.
Directorship in other Public Limited Companies (excluding foreign companies, private companies & Section 8 companies)	Nil
Membership of Committees/ Chairmanship in other Public Limited Companies	N.A.
No. of Board Meetings attended during the year 2020-2021(held till 20 th November, 2020)	5
No. of shares held	2,30,581 (1.88%)
Relationships between Directors inter-se	He is also related to Capt. S.S Chopra (Retd.), who is a Director on the Board of the Company.
Terms and conditions of appointment or re-appointment of Director	Re-appointment as the Managing Director of the Company for 3 years from 15.01.2021 to 14.01.2024.
Remuneration last drawn (including Sitting fees, if any)	The remuneration drawn during the financial year 2019-2020 is Rs. 186.65 lakh. He was also paid Commission of Rs. 20 lakh for the financial year 2018-19 paid in the financial year ending 31st March, 2020.

A STATEMENT PURSUANT TO SCHEDULE V, PART II, SECTION II, CLAUSE (B) PROVISIO (IV) OF THE COMPANIES ACT, 2013 W.R.T. ITEM NO. 1 AND 2 OF THE NOTICE IS AS STATED BELOW:

I. GENERAL INFORMATION:

1)	Nature of industry	:	Manufacturers and dealers in Performance Chemicals including Agro Chemicals, Specialty Chemicals and Industrial Chemicals.		
2)	Date or expected date of commencement of commercial production	:	In production since 1978		
3)	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	:	Not Applicable		
4)	Financial performance based on given indicators (Standalone Basis)	:	(Rs. In lac)		
				2018-19 (Audited)	2019-20 (Audited)
			1. Sales Turnover		



		a) Domestic	22,923	20,646
		b) Export	41,114	34,104
		Total	64,037	54,750
		2. Profit/(Loss) before tax (PBT)	3221	2711
		3. Profit/ (Loss) after tax (PAT)	2,025	1,578
		4. Gross Block	18617	19611
		5.Net Block	15715	15865
		6. Paid-Up Capital	1,226	1,226
		7. Reserves & Surplus	8,894	10,224
		8. Net Worth	10,120	11,450
		9. EPS (in Rs.)	16.51	12.87
5)	Foreign investments or collaborations, if any.	:	The Company has a wholly owned overseas subsidiary Company namely SD AgChem (Europe) NV, Belgium.	

II. INFORMATION ABOUT THE APPOINTEES:

	Avtar Singh	Shalil Shashikumar Shroff
Background details.	<p>Shri Avtar Singh, aged about 62 years, is B.Sc from Panjab University, Chandigarh. He started his career with Gharda Chemicals (P) Ltd., Mumbai as Junior Chemist.</p> <p>He started working in the company in the year 1981 at the operational level and handled plants in various capacities. Keeping in view his technical expertise, dedication and knowledge of Company's products, innovative ideas, starting of new products in the Company, the Board of Directors elevated him to the post of Additional Director and Whole Time Director of the Company w.e.f 14.11.1996.</p> <p>His 41 years of expertise and experience in the Chemicals, Pharmaceuticals and Agrochemical products of the Company is an asset</p>	<p>Shri Shalil Shashikumar Shroff, aged 56 years, having Management Diploma from the University of Deopage - USA, is the Promoter of the Company. He has the working experience of more than 30 years.</p> <p>He is associated with the Company since 1992 and worked at various levels. After successful training and handling of various corporate affairs, he was appointed as the Executive Director of the Company w.e.f. 15th January, 1998. He was elevated to the position of the Managing Director in 2003.</p> <p>His prime responsibility includes overall management and handling of all affairs of the Company under the superintendence and control of the Board of Directors. He is directly looking after Export marketing, general administration, liaisoning</p>



	<p>to the Company.</p> <p>Presently he is incharge of operations of Agro Chemicals and Specialty Chemicals Division situated at Derabassi and Lalru, District Mohali, Punjab. He started many products and improved raw material efficiency and reduced cost of production of the existing products. His knowledge and experience in chemistry and interest in Quality Control, has helped the Company to sustain its presence in the International market by matching the international standard of quality and price competitiveness. His prime responsibility for these two divisions has been to look after Production, R&D, New Product Development, commencement of the commercial production of new products, manpower, management, purchases, Govt. Liaison and other local issues.</p> <p>Presently, he is on the Board of a Director in Saurav Chemicals Limited and SD Agchem (Europe) N.V.</p>		<p>with Financial Institutions, new customers, exploring new products and public relations. He is fully involved in the overall working of the Company including supervising the fund flow and cash management.</p> <p>Presently, he is on the Board of Hem-Sil Trading & Manufacturing Pvt. Ltd., SD Agchem (Europe) N.V., SSRS Trading & Manufacturing Pvt. Ltd. and Scarlett Enterprises Pvt, Ltd.</p>	
Past Remuneration	2018-19 (Rs. Lac)	2019-20 (Rs. Lac)	2018-19 (Rs. Lac)	2019-20 (Rs. Lac)
Total Annual Salary	112	140.72 Commission of Rs. 10 lakh for the financial year 2018-19 paid in the financial year ending 31st March, 2020	134	186.65 Commission of Rs. 20 lakh for the financial year 2018-19 paid in the financial year ending 31st March, 2020
Recognition or Awards	<p>The Company has received the following awards:</p> <p>A. State Award for Export Promotion in the Year 1990-91. B. Export House Recognition in the year 1999. C. Punjab State Safety Award in the year 2002. D. 2nd Chemexcil Award on Export performance for the year 2000-01. E. Chemexcil Gold Award for the outstanding export performance of Inorganic and Organic Chemicals during 2005-06.</p>			
Job Profile and his suitability.	He looks after the day to day management and affairs of the Agro		He is responsible for the overall management of the Company under	



	<p>Chemicals Division and Specialty Chemicals Division of the Company, subject to the superintendence and control of the Board of Directors of the Company and the Managing Director.</p> <p>Considering his vast experience and knowledge in the Agrochemicals Chemistry, he is believed to be a suitable person for this profile.</p>	<p>the superintendence and control of the Board of Directors of the Company. He has been actively involved in the affairs of the Company and has played a key role in the growth of the Company.</p> <p>His experience of international marketing and knowledge in the agrochemical industry in which the Company is operating is an important requisite for conducting the affairs of the Company and continuity in the existing business.</p>
Remuneration proposed	As stated in the Explanatory Statement of item no. 1.	As stated in the Explanatory Statement of item no. 2.
Comparative remuneration profile w.r.t. industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin).	The remuneration proposed to be paid to Shri Avtar Singh, Whole-time Director, by the Board of Directors in consultation with the Nomination and Remuneration Committee of the Company is in tune with the remuneration in similar sized companies in the same segment of business. The proposed remuneration compares favourably with that being offered to similarly qualified and experienced professional in the industry. The remuneration being proposed is considered to be appropriate, having regard to the key factors such as experience, position held, contribution to the growth of the Company, its business and profitability.	The remuneration proposed to be paid to Shri Shalil Shroff, Managing Director, by the Board of Directors in consultation with the Nomination and Remuneration Committee of the Company is in tune with the remuneration in similar sized companies in the same segment of business. The proposed remuneration compares favourably with that being offered to similarly qualified and experienced professional in the industry with an entrepreneurial background. The remuneration being proposed is considered to be appropriate, having regard to the factors such as experience, position held, contribution to the growth of the Company, its business and profitability.
Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel, if any.	Other than the remuneration stated above, he has no other pecuniary relationship, either directly or indirectly with the Company or with any Managerial Personnel of the Company. He is holding 7011 equity shares (0.06%) of the Company.	Other than the remuneration stated above, he has no other pecuniary relationship, either directly or indirectly, with the Company, except that he is a Promoter of the Company holding along with his associates and relatives 39.22% of the Paid-up Equity Share Capital of the



		<p>Company, as on 30th September, 2020 whereas individually he is holding 2,30,581 equity shares (1.88%) of the Company.</p> <p>He is also related to Capt. S.S Chopra (Retd.), who is a Director on the Board of the Company.</p>
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III. OTHER INFORMATION:

(1)	Reasons of loss or inadequate profits.	:	The Company has not incurred loss in the preceding Financial Year 2019-20. However in the ever changing domestic and international market conditions and moreover due to COVID-19 pandemic, loss or inadequacy of profit cannot be ruled out. Hence, approval of the Shareholders by Special Resolutions is also being sought to pay minimum remuneration to Shri Avtar Singh, Whole-time Director and Shri Shalil Shroff, Managing Director, during their tenure of re-appointment as mentioned above.
(2)	Steps taken or proposed to be taken for improvement.		The Company continues to maintain Environment, Health, Safety (EHS) standards at the international levels. The Company is therefore optimistic of making substantial strides in developing this business segment and developing new products.
(3)	Expected increase in productivity and profits in measurable terms.		The Company has initiated many steps towards achieving operational efficiencies. Due to expansion of manufacturing capacity of certain existing products and introduction of certain new products by the Company, it is likely to increase the productivity and consequent increase in profits. The Company is able to provide its customers value addition due to the expertise in the existing products for many years and its Research & Development (R&D) capabilities. The Company has made strategic alliances with various parties to regularise and increase exports and consequently profitability.

By order of the Board
For Punjab Chemicals and Crop Protection Limited

Punit K Abrol
Sr. VP (Finance) & Secretary

Date: 20th November, 2020
Regd. Office: Milestone 18, Ambala Kalka Road,
Village & P.O Bhankharpur, Derabassi,
Dist. SAS Nagar, Mohali (Punjab) - 140201, India