

NOTICE

NOTICE is hereby given that the **FORTY FOURTH ANNUAL GENERAL MEETING OF THIRUMALAI CHEMICALS LIMITED** will be held at THE MYSORE ASSOCIATION AUDITORIUM, Mysore Association, 393, Bhaudaji Road, Matunga C-Rly., Mumbai – 400 019 on Saturday, July 22, 2017 at 3.00 p.m. to transact the following business:

ORDINARY BUSINESS

1. To consider and adopt the Audited Financial Statements (including the Consolidated Financial Statements) of the Company for the financial year ended March 31, 2017, together with the Reports of the Board of Directors and the Auditors thereon.
2. To declare dividend for the Financial Year ended March 31, 2017.
3. To appoint a Director in place of Mr. R.Sampath (DIN: 00092144), who retires by rotation and, being eligible, offers himself for re-appointment.
4. To ratify appointment of M/s. Walker Chandiook & Co LLP, Chartered Accountants (Firm Registration No. 001076N/N500013) as Statutory Auditors for the financial year 2017-2018 and fix their remuneration.

SPECIAL BUSINESS

5. To appoint Mr. Arun Ramanathan (DIN 00308848) as an Independent Director and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:
“RESOLVED that pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions 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 IV to the Companies Act, 2013, Mr. Arun Ramanathan (DIN 00308848), Additional Director of the Company, who is retiring at this meeting, be and is hereby appointed as an Independent Director of the Company to hold office for a term of five consecutive years from the conclusion of this meeting.”
6. To reappoint Mrs. Ramya Bharathram (DIN 06367352), as a Whole-time Director of the Company and in this regard to consider and if thought fit, to pass with or without modifications, the following resolution as a Special resolution.
“RESOLVED THAT pursuant to the section 196 of the Companies Act, 2013 and other applicable provisions of the Act and Articles of Association of the Company, Mrs. Ramya Bharathram (DIN 06367352), be and is hereby reappointed as a Whole-time Director of the Company under section 196 of the Companies Act, 2013 with effect from 03.11.2017 for a period of three years and is liable to retire by rotation, upon remuneration and benefits as detailed below and be designated as “Executive Director”.

Remuneration:

- 1) Basic Salary: (Effective from 3-11-2017): With a minimum of ₹ 400,000 per month and up to maximum of ₹ 750,000 per month with the power to Managing Director to fix the basic within these limits. The Managing Director may increase suitably the Basic Salary within this band based on performance.

- 2) Company's contributions to PF, Gratuity, Superannuation Fund, Encashment of Leave, and Insurance as per Rules. These shall not be included in the computation of limits/restrictions for remuneration or perquisites as prescribed aforesaid under section II of part II of the schedule V of the Companies Act, 2013 and Mrs. Ramya Bharathram shall be entitled to the same.
- 3) Allowances and Benefits: including HRA, LTA, CCA, medical benefits and allowances, Travel or Car allowances, and other Allowances and Benefits, up to and not to exceed 100% percent of the Annual Basic salary, as above.
- 4) Commission up to 2% of net profits of the Company calculated in accordance with the provisions of Sections 198 of the Companies Act, 2013, but subject to the Annual Basic salary of the relevant year for which she is eligible and paid, as defined in item 1 above. The actual percentage of commission will be decided by the Board, for each financial year on completion.

FURTHER RESOLVED THAT within the overall limits as specified above, the Board has the power to determine individual component(s) of remuneration.

RESOLVED FURTHER THAT in any financial year during the currency of the tenure of Mrs. Ramya Bharathram, the Company has no profits or its profits are inadequate, the Company will pay remuneration by way of salary and perquisites as specified above, as permissible under Section-II, Part-II of Schedule V to the Companies Act, 2013 (including any statutory modification(s) or re-enactment (s) thereof, for the time being in force) or up to such other limits as may be prescribed by the Government from time to time as minimum remuneration ; or if required subject to obtaining of Central Government approval as required under sec. 197 or other applicable provisions of the Companies Act, 2013 or any re-enactments thereof.”

FURTHER RESOLVED THAT the appointment of Mrs. Ramya Bharathram shall be subject to the approval of the Shareholders of the Company by way of special resolution

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to take all such steps as may be necessary, proper and expedient to give effect to this resolution.”

7. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:
“RESOLVED THAT subject to approval as may be required from the Central Government the appointment of Mr. G. Sundaresan, Cost Accountant (M 11733), as Cost Auditor to issue Compliance Certificate and to audit the Cost Accounts of the Company for the Financial Year 2017-18 for a remuneration of ₹25,000/- in addition to reimbursement of out of pocket expenses, be and is hereby ratified.”

NOTES:

1. The Register of Members and the Share Transfer books of the Company will remain closed from Sunday, July 16, 2017 to Saturday, July 22, 2017 (both days inclusive) for the purpose of Annual General Meeting and for

- determining members eligible for dividend, if declared by the shareholders.
2. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, which sets out details relating to Special Business at the meeting, is annexed hereto.
 3. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY/ PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF. SUCH A PROXY/ PROXIES NEED NOT BE A MEMBER OF THE COMPANY.
 4. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company. A member holding more than ten percent of the total share capital of the Company may appoint a single person as proxy. However, such person shall not act as a proxy for any other person or shareholder. The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. A Proxy form is sent herewith. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution/authority, as applicable.
 5. Pursuant to the provisions of Section 124 of the Companies Act, 2013, the Company has transferred the unpaid or unclaimed dividend, if any, up to the financial year 2009-2010 to the Investor Education and Protection Fund (The IEPF) established by the Central Government. Likewise, Debentures/Fixed Deposits repayment warrants/ interest warrants which remain unclaimed /unpaid for a period of 7 years from the dates they first became due for payment have been transferred to the Investor Education and Protection Fund. All persons are requested to note that no claims shall lie against the Company or the said fund in respect of any amounts which were unclaimed and unpaid for a period of 7 years from the dates that they first became due for payment and no payment shall be made in respect of any such claims.
 6. Details under Clause 36 of the Listing Obligation with the Stock Exchanges in respect of the Director seeking appointment/re-appointment at the Annual General Meeting, forms integral part of the notice. The Director has furnished the requisite declarations for their appointment/re-appointment.
 7. Electronic copy of the Annual Report for 2016-17 is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email addresses, physical copies of the Annual Report for 2016-17 are being sent in the permitted mode.
 8. Electronic copy of the Notice of the 44th Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email addresses, physical copies of the Notice of the 44th Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form are being sent in the permitted mode.
 9. Members may also note that the Notice of the 44th Annual General Meeting and the Annual Report for 2016-17 will also be available on the Company's website www.thirumalaichemicals.com for their download.
 10. Members desiring any clarification on accounts are requested to write to the Company at an early date so as to enable the Company to keep the information ready.
 11. The Equity shares of the Company are mandated for trading in the compulsory demat mode. The ISIN No. allotted for the Company's shares is INE338A01016.
 12. Members / Proxies are requested to bring attendance-Slip along with their copy of Annual Report to the Meeting.
 13. Voting through electronic means
 - l. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is providing facility to the Members to exercise their right to vote at the 44th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services (India) Limited (CDSL). A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again in the meeting.
- The instructions for shareholders voting electronically are as under:**
- (i) The voting period begins on July 18, 2017 at 3.00 pm (IST) and ends on July 21, 2017 at 5.00 p.m. (IST). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of July 15, 2017, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting after 5.00 p.m. (IST) on July 21, 2017.
 - (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
 - (iii) Click on Shareholders.
 - (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
 - (v) Next enter the Image Verification as displayed and Click on Login.
 - (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any Company, then your existing password is to be used.

(vii) If you are a first time user follow the steps given below:

	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 10 digits sequence number printed on the address slip in the PAN field.
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 (iv).

(viii) After entering these details appropriately, click on "SUBMIT" tab.

(ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other Company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xi) Click on the EVSN for THIRUMALAI CHEMICALS LIMITED to vote.

(xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

(xvii) If demat account holder has forgotten the changed password then Enter the User ID and the image verification

code and click on Forgot Password & enter the details as prompted by the system.

(xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.

(xix) Note for Non – Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
- The list of accounts should be mailed linked in the login to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(xx) 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.

II. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company.

III. The Board of Directors has appointed Mr. Manoj Mimani of M/s. R.M. Mimani & Associates LLP, Company Secretaries (Membership No. ACS 17083) and failing him Mrs. Ranjana Mimani, Practicing Company Secretary (Membership No. FCS 6271) as the Scrutinizer to scrutinize the voting at the meeting and remote e-voting process in a fair and transparent manner.

IV. The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) 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 of the Company.

V. The Results shall be declared on or after the AGM of the Company. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.thirumalaichemicals.com and on the website of CDSL within two (2) days of passing of the resolutions at the AGM of the Company and communicated to the Stock Exchanges, where the shares are listed.

14. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours (9.00 am to 5.00 pm) on all working days except Saturdays, up to and including the date of the Annual General Meeting of the Company.

II. a) Re-appointment of retiring Director: (item no. 3)

Mr. R. Sampath is the Director and Chairman of Ultramarine & Pigments Ltd, one of the promoters of our Company. He has nearly 50 years of experience in business operations and management in the US and in India.

Mr.R.Sampath holds 214,547 equity shares of the Company.

Apart from Mr.R.Sampath, Mr. R. Parthasarathy, Managing Director and Mrs. Ramya Bharathram Whole-time Director being relatives, are interested in the resolution set out at Item No. 3 of the Notice. The other relatives of Mr.R.Sampath may be deemed to be interested in the resolution set out at Item No. 3 of the Notice, to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the said resolution.

b) Ratification of appointment of Statutory Auditors for the financial year 2017-2018 and fix their remuneration: (item no. 4)

M/s. Walker Chandio & Co LLP, Chartered Accountants (Firm Registration No. 001076N/N500013) were appointed as the statutory auditors of the Company for a period of five years at the Annual General Meeting (AGM) of the Company held on July 29, 2016, to hold office from the conclusion of the Forty Third AGM till conclusion of the Forty Eighth AGM to be held in the year 2021.

As per provisions of Section 139(1) of the Act, their appointment for the above tenure is subject to ratification by members at every AGM.

Accordingly, ratification of the members is being sought for appointment of statutory auditors and fixing of their remuneration as per the proposal set out at item no. 4 of the Notice.

The Board commends the Resolution at item No. 4 for approval by the Members.

None of the Directors or Key Managerial Personnel (KMP) or relatives of Directors and KMPs is concerned or interested in the Resolution at Item No. 4 of the accompanying Notice.

III. EXPLANATORY STATEMENT AS REQUIRED UNDER SECTION 102 OF THE COMPANIES ACT, 2013.

ITEM No.5

Mr. Arun Ramanathan was appointed as Additional Director at the Board Meeting held on October 19, 2016 and retiring at this AGM. The Company has received notice in writing (together with a deposit as required under section 160 of the Companies Act, 2013) from a member signifying his intention to propose

the appointment of Mr. Arun Ramanathan (DIN 00308848) as Director of the Company in accordance with Section 152 of the Companies Act, 2013.

Mr. Arun Ramanathan is a retired IAS Officer of the Tamil Nadu Cadre (1973). 36 years in the IAS. Mr. Arun Ramanathan had held assignments in diverse areas with about half of the above in promotion or management of the industry. In GOI, his assignments included Secretary (Department of Chemicals, Petrochemicals and Pharmaceuticals), Secretary (Financial Services) and the Union Finance Secretary.

Mr. Arun Ramanathan holds Masters Degrees in Nuclear Physics from Andhra University, Business Administration from Madras University and Development Economics from Cambridge University. He is an Associate Member of the Institute of the Cost and Works Accountants of India.

Mr. Arun Ramanathan (DIN 00308848) has served on the Boards of over 35 companies including the State Bank of India, IDBI, LIC, ICICI, IIFCL, IDFC, ONGC, Shipping Corporation of India, National Textiles Corporation, ONGC Videsh, Titan Industries, Indian Clearing Corporation.

He is currently an Independent Director on the Board of Equitas Holdings Ltd, and Non-Executive Chairman of L&T Infra Debt Fund Ltd, and of Equitas Small Finance Bank.

Mr. Arun Ramanathan is not holding any shares of the Company.

The Board is of the opinion that Mr. Arun Ramanathan will be a valuable addition to your Board and he fulfills the conditions specified in the Companies Act, 2013 for his appointment as an Independent Director.

The Directors recommend the resolution set out at item.no. 5 of the accompanying notice for your approval.

Except Mr. Arun Ramanathan, none of the Directors and Key Managerial Personnel of the Company and their relatives is, in any way, concerned or interested, financially or otherwise in the resolution set out at Item no.5.

ITEM No.6

Mrs. Ramya Bharathram, whole-time Director of our Company, earlier handling the Speciality Chemicals businesses which she grew significantly in Size and Profitability, is presently managing New Projects and Strategic Initiatives. She is also handling corporate matters for the Company. She is 46 years. She has been working in these roles for the last nine years and has 19 years of experience in Marketing, Business Management, New Business Development, Customs & Excise and Trade Law.

She worked with M/s Lakshmi Kumaran & Sridharan, a leading Law firm in Direct Taxation and Antidumping & Safeguard and earlier worked in M/s Deloitte and Touche.

Mrs. Ramya Bharathram is a relative of Mr. R. Sampath – Director. She holds 23,696 equity shares of the Company. She is a Director on the Board of M/s Jasmine Limited, a NBFC Company registered with RBI, and a related Company.

The Directors recommend the resolution set out at item.no.6 of the accompanying notice for your approval.

Mrs. Ramya Bharathram and Mr. R. Sampath, Director and being a relative, are interested in the resolution set out at Item No. 6 of the Notice. The other relatives of Mrs. Ramya Bharathram may be deemed to be interested in the resolution set out at Item No.6 of the Notice, to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in the said resolution.

ITEM No. 7

The Board at its meeting held on May 20, 2017, as recommended by the Audit Committee, appointed Mr. G. Sundaresan, Cost Accountant, as Cost Auditor to issue Compliance Certificate and to audit the Cost Accounts of the Company for the Financial Year 2017-18 for a remuneration of ₹25,000/- in addition to reimbursement of out of pocket expenses.

As per Rule 14(a) (ii) of Companies (Audit and Auditors) Rules 2014, the remuneration payable to the Cost Auditor has to be ratified by the Shareholders. Hence this resolution is placed for the consideration of the shareholders.

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at item No. 7.

The Directors recommend the resolution set out at item.no. 7 of the accompanying notice for your approval.

Statement to be given under Part II, Section II (B) (IV) of the Schedule V of the Companies Act, 2013
I. General Information

- (1) Nature of Industry: The Company is into manufacture of Chemicals.
- (2) Date or expected date of commencement of commercial production: The Company commenced operations in the year 1974.
- (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: The financial performance of the Company is mentioned in the Director's Report and the Audited Accounts.
- (5) Export performance and net foreign exchange collaborations: The FOB value of exports during the year 2016-2017 is ₹1088.8Mn and the Company do not have any foreign collaboration.
- (6) Foreign investments or collaborations, if any: US\$ 6 Mn

II. Information about the appointee(s)
(1) Background details

Mrs. Ramya Bharathram, whole-time Director of our Company, is presently heading the New Projects & Strategic Initiatives and handling corporate matters for the Company. She is 46 years. She has been working in this role, for the last seven years and is having 19 years of experience in Marketing, Business Management, new Business Development, Customs & Excise and Trade Law.

2) Past Remuneration (for the last three years)

₹ in Mn

Year	2016-17	2015-16	2014-15*
Amount	14.57	10.23	5.49

* Part of the year.

The above figures include Company's Contribution to Provident Fund, Superannuation Fund, Provision for Gratuity and commission on Profits.

(3) Recognition or Awards: Nil
(4) Job profile and suitability

Mrs. Ramya Bharathram has considerable knowledge and experience in the Chemical Industry which is compatible with the Organizational requirements and the Company would definitely benefit from her guidance.

(5) Remuneration proposed:

The proposed remuneration of the appointee(s) as mentioned in the Explanatory Statement is within the limits specified in Schedule V of the Companies Act, 2013.

(6) Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person:

The proposed remuneration of the whole-time Director is commensurate with the position he occupies, size of your Company and as per the industry standards.

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

Mr. R. Sampath is a relative of Mrs. Ramya Bharathram, whole-time Director of the Company, who may be deemed to be interested in the resolution relating to the appointment of Mrs. Ramya Bharathram as whole-time Director.

III. Other information

- (1) Reasons of loss or inadequate profit: *There is no inadequacy of profit for the financial year 2016-17.*
- (2) Steps taken or proposed to be taken for improvement: *Increased sales margins, cost control & reduction, focus on working capital and interest management*
- (3) Expected increase in productivity and profits in measurable terms: *Productivity and profits are expected to increase in the coming years, subject to unforeseen circumstances.*

By Order of the Board
For Thirumalai Chemicals Ltd.

T.RAJAGOPALAN
Company Secretary

Registered Office:

Thirumalai House, Road No.29,
Sion-East Mumbai - 400 022.

May 20, 2017