

NOTICE

NOTICE is hereby given that the Forty Seventh Annual General Meeting (“AGM”) of the Members of Chembond Chemicals Limited (CIN: L24100MH1975PLC018235) will be held on Friday, 5th August, 2022, at 3.30 p.m. through Video Conferencing (“VC”)/ Other Audio-Visual Means (“OAVM”) to transact the following business:

ORDINARY BUSINESS

1. To consider and adopt

- (a) the audited financial statements of the Company for the financial year ended 31st March, 2022 together with the reports of the Board of Directors and Auditors thereon; and
- (b) the audited consolidated financial statements of the Company for the financial year ended 31st March, 2022 together with the report of the Auditors thereon.

2. To declare final dividend on equity shares for the financial year ended 31st March, 2022.

3. To appoint a Director in place of Mr. Nirmal V. Shah (DIN: 00083853), who retires by rotation and, being eligible, offers himself for re-appointment.

SPECIAL BUSINESS

4. To approve re-appointment of Mr. Sameer V. Shah (DIN: 00105721) as the Chairman and Managing Director

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

“**RESOLVED THAT** pursuant to Section 196, 197, 198, 203 and all other applicable provisions of the Companies Act, 2013 (“the Act”), read with Schedule V of the Act, and the Companies (Appointment and Remunerations of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and subject to approval(s) from the appropriate authorities, if required, consent of the members of the Company be and is hereby accorded for re-appointment of Mr. Sameer V. Shah (DIN: 00105721) as Chairman and Managing Director of the Company for a period of three consecutive years with effect from 1st August, 2022 on the terms and conditions as set out in the Explanatory Statement annexed hereto;

RESOLVED FURTHER THAT the Board be and is hereby authorised to alter, vary and modify the said terms including salary, allowances, perquisites and designation in such manner as may be agreed to between the Board and Mr. Sameer V. Shah within and in accordance with and subject to the limits prescribed

in Schedule V of the Act, and if necessary, as may be stipulated by the concerned authorities and as may be agreed to between the Board and Mr. Sameer V. Shah;

RESOLVED FURTHER THAT notwithstanding anything hereinabove stated where in any financial year, during the currency of the tenure of service of Mr. Sameer V. Shah as the Chairman and Managing Director, the Company has no profits or its profits are inadequate, he shall be paid the remuneration stated in the Explanatory Statement annexed hereto as “Minimum Remuneration” in the respective financial year(s) notwithstanding that the same may exceed the ceiling limit laid down in Section 197 and Schedule V of the Act, subject to such approvals, as may be required;

RESOLVED FURTHER THAT the Board be and is hereby authorized to execute all such documents, writings and agreements and to do all such acts, deeds, matters and things as may be considered necessary or expedient for giving effect to the aforesaid resolution.”

5. To approve re-appointment of Mr. Nirmal V. Shah (DIN: 00083853) as the Vice Chairman and Managing Director

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

“**RESOLVED THAT** pursuant to Section 196, 197, 198, 203 and all other applicable provisions of the Companies Act, 2013 (“the Act”), read with Schedule V of the Act, and the Companies (Appointment and Remunerations of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and subject to the approval(s) from the appropriate authorities, if required, consent of the members be and is hereby accorded for the re-appointment of Mr. Nirmal V. Shah (DIN: 00083853) as Vice Chairman and Managing Director of the Company for a period of three consecutive years with effect from 1st August, 2022 on the terms and conditions as set out in the Explanatory Statement annexed hereto;

RESOLVED FURTHER THAT the Board be and is hereby authorised to alter, vary and modify the said terms including salary, allowances, perquisites and designation in such manner as may be agreed to between the Board and Mr. Nirmal V. Shah within and in accordance with and subject to the limits prescribed in Schedule V of the Act, and if necessary, as may be stipulated by the concerned authorities and as may be agreed to between the Board and Mr. Nirmal V. Shah;

RESOLVED FURTHER THAT notwithstanding anything hereinabove stated where in any financial year, during the currency of the tenure of service of Mr. Nirmal V. Shah as the Vice Chairman and Managing Director, the

Company has no profits or its profits are inadequate, he shall be paid the remuneration stated in the Explanatory Statement annexed hereto as “Minimum Remuneration” in the respective financial year(s) notwithstanding that the same may exceed the ceiling limit laid down in Section 197 and Schedule V of the Act, subject to such approvals, as may be required;

RESOLVED FURTHER THAT the Board be and is hereby authorized to execute all such documents, writings and agreements and to do all such acts, deeds, matters and things as may be considered necessary or expedient for giving effect to the aforesaid resolution.”

6. To approve remuneration of Cost Auditors

To consider and, if thought fit, to give ASSENT/DISSENT to the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to Section 148 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), M/s Jitendrakumar and Associates, Cost & Management Accountants, Mumbai, (Firm Registration No. 101561/ Membership No. 30106), appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the F.Y. ended 31st March, 2023 be paid a remuneration of ₹66,000 (Rupees Sixty Six Thousand only), plus Goods and Services Tax and reimbursement of out of pocket expenses incurred by them in connection with the aforesaid audit;

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

By Order of the Board of Directors
of **Chembond Chemicals Limited**

Suchita Singh
Company Secretary

Mumbai
14th May, 2022

REGISTERED OFFICE:

Chembond Centre, EL-71,
Mahape, MIDC,
Navi Mumbai- 400 710
Maharashtra, India.
Tel: +91 22 6264 3000
Fax: +91 22 2768 1294
Email: cs@chembondindia.com
Website: www.chembondindia.com
CIN: L24100MH1975PLC018235

NOTES:

1. In view of the continuing COVID pandemic, the Ministry of Corporate Affairs (“MCA”) has vide its Circular dated 5th May, 2020 read with circulars dated 8th April, 2020, 13th April, 2020, 13th January, 2021 and 5th May, 2022 (“MCA Circulars”) and Securities and Exchange Board of India (SEBI), vide its circulars dated 12th May, 2020 and 15th January, 2021 (“SEBI Circulars”) permitted the holding of the Annual General Meeting (“AGM”) through VC / OAVM, without the physical presence of the Members at a common venue.

In compliance with the provisions of the Companies Act, 2013 (“the Act”), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“the Listing Regulations”), MCA Circulars and SEBI Circulars, the 47th AGM is being held through VC / OAVM only. Hence Members can attend the AGM through VC/OAVM. The deemed venue for the AGM shall be the Registered Office of the Company. The Company has made arrangements through National Securities Depository Limited (“NSDL”), to provide VC/OAVM facility for the AGM and for conducting of the e-AGM. The Members can join the e-AGM 15 minutes before the scheduled time of the AGM following the procedure mentioned in the Notice.

2. The Explanatory Statement pursuant to Section 102 of the Act setting out material facts concerning the business under Item Nos. 4 and 5 of the Notice is annexed hereto. The relevant details, pursuant to Regulation 36(3) of the Listing Regulations and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Directors seeking appointment/re-appointment at this AGM are also annexed to this Report.
3. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the Proxy need not be a Member of the Company. Since this AGM is being held through VC/OAVM pursuant to MCA Circulars, physical attendance of the Members has been dispensed with. Accordingly, the facility for appointment of proxies shall not be available for AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice. Institutional / Corporate shareholders intending to depute their authorised representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting are requested to send a certified copy of its Board Resolution / authorisation letter, authorising its representative to attend the AGM through VC/OAVM on its behalf and to vote through remote e-voting. The said resolution / authorisation should be sent to cs@chembondindia.com mail to: evoting@nsdl.co.in or upload on the website of NSDL <http://www.evoting.nsdl.com>.

4. Since the AGM will be held through VC/OAVM, the Route Map is not annexed in this Notice.
5. The Members can join the AGM in the VC/OAVM mode 15 minutes before the scheduled time of the AGM and the facility shall be made available to the Members on first-cum-first served basis. The facility to join the AGM will close 15 minutes after the scheduled time or when the capacity is full whichever is earlier by following the procedure mentioned below. The facility of participation at the AGM through VC/OAVM will be made available to at least 1000 Members only on a first-cum-first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairperson of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first-cum-first served basis. In case of joint holders, attending the meeting, only such joint holder who is higher in order of names will be entitled to vote.
6. In accordance with the provisions of Section 152 of the Act, Mr. Nirmal V. Shah (DIN: 00083853) will retire by rotation at the AGM and being eligible, offers himself for re-appointment. Pursuant to Regulations 36(3) of the Listing Regulations, pursuant to Section 118(10) of the Act and Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, additional information in respect of Directors retiring by rotation and persons seeking appointment / re-appointment at the AGM is given in the Explanatory Statement attached to this Notice and in the Corporate Governance Section of this Annual Report.
7. Queries on financial statements and/ or operations of the Company, if any, may please be sent to the Company seven days in advance of the meeting so that the answers may be made available at the AGM.
8. The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of contracts or arrangements in which the Directors are interested under Section 189 of the Act and all other documents referred to in the Notice will be available for inspection in electronic mode by the Members from the date of circulation of this Notice upto the date of the 47th AGM.
9. The Register of Members and the Share Transfer books of the Company will remain closed from Tuesday, 19th July, 2022, to Friday, 29th July, 2022, (both days inclusive) in connection with the AGM.
10. The Board of Directors has recommended a Final Dividend of 100 % (i.e. ₹5.00/- per equity share of ₹5.00/- each) for the financial year ended 31st March, 2022, subject to approval of the Shareholders at

the ensuing AGM. The Dividend, if approved by the members at the ensuing AGM will be paid to those shareholders whose names stand registered:

- a. As beneficial owners at the end of business hours on Monday, 18th July, 2022, being the record date as per the list to be furnished by National Securities Depository Limited ("NSDL") and Central Depository Services (India) Limited ("CDSL") will be paid the Final Dividend for the financial year ended 31st March, 2022, as recommended by the Board, if approved at the AGM, on or after Monday, 8th August, 2022.
- b. As members in the Register of Members of the Company after giving effect to valid transmission/transposition in physical form lodged with the Company's Registrar and Share Transfer Agent (RTA) TSR Consultants Private Limited ("TCPL"), C-101, 1st floor, 247 Park, Lal Bahadur Shastri Marg, Vikhroli (West) Mumbai 400 083, on or before the record date. The transmission/transposition requests complete in all respects should reach the RTA well before the above date.

Members holding shares in physical mode are requested to send all the communications pertaining to shares of the Company including intimation of changes pertaining to their bank account details, mandates, nominations, change of address, e-mail id etc with the Company's RTA - (TCPL), at their Registered Address or e-mail at csg-unit@tcplindia.com along with the copy of the signed request letter mentioning the name and address of the Member, self-attested copy of the PAN card, and self-attested copy of any document (eg.: Aadhar Card, Driving License, Election Identity Card, Passport) in support of the address of the Member.

Members holding shares in electronic form must intimate the changes, if any, to their respective Depository Participants ("DPs").

In case of any queries / difficulties in registering the e-mail address or any other details, Members may write to cs@chembondindia.com.

- c. Members holding shares in single name are advised to avail the facility of nomination in respect of shares held by them pursuant to the provisions of Section 72 of the Act. Members holding shares in physical form desiring to avail this facility may send their nomination in the prescribed Form No. SH-13 duly filled in to the RTA of the Company. Members holding shares in electronic mode may contact their respective DPs for availing this facility.
- d. SEBI has mandated submission of Permanent Account Number ("PAN") by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to provide

their PAN details to their respective DPs with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the RTA.

- e. As per the provisions of Section 124 of the Act, dividends not en-cashed/ claimed by the Members of the Company, within a period of 7 (seven) years from the date of declaration of dividend, shall be transferred to the Investor Education and Protection Fund (IEPF) by the Company.

The details of Dividends declared and paid by the Company and the corresponding tentative due dates for transfer of such un-cashed / un-claimed dividend are given in the Corporate Governance Report under the heading 'Unpaid / Unclaimed Dividends'.

Details of shares transferred to the IEPF Authority are available on the website of the Company at <http://www.chembondindia.com/unclaimed-dividend.html>. The said details have also been uploaded on the website of the IEPF Authority and the same can be accessed through the link: www.iepf.gov.in. Members who have not encashed / claimed dividend warrant(s) so far in respect of the above financial years are requested to make their claims to the RTA of the Company well in advance of the above tentative dates.

Further, pursuant to the provisions of Section 124 of the Act and Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), all shares on which dividend has not been paid or claimed for seven consecutive years or more shall be transferred to IEPF.

Members are requested to note that no claim shall lie against the Company in respect of any amount of dividend remaining unclaimed / unpaid for a period of seven years from the dates they became first due for payment. However, Members may claim shares as well as unclaimed dividends transferred to IEPF Authority back from them after complying with the procedure prescribed under the IEPF Rules. The Member/Claimant is required to make an online application to the IEPF Authority in Form IEPF-5 (available on www.iepf.gov.in) along with requisite fees as decided by the IEPF Authority from time to time. The Member/Claimant can file only one consolidated claim in a financial year as per the IEPF Rules. Concerned members/investors are advised to visit the weblink: <http://iepf.gov.in/IEPFA/refund.html>.

Members are requested to claim any un-cashed dividends and for future opt for electronic clearing service, so that dividends paid by the Company are credited to the Members account on time.

11. In compliance with the MCA Circulars and SEBI Circulars, owing to the difficulties in dispatching of physical copies of the Financial Statements alongwith the Auditors Report and Boards Report and other documents due to the restrictions laid down on account of the ongoing Pandemic, such statements including Notice of the AGM along with the Annual Report 2021-22 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company/ DPs. The Annual Report is also uploaded on the website of the Company at www.chembondindia.com. Members may note that the Notice and Annual Report 2021-22 can also be accessed from websites of the Stock Exchanges i.e. BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) at www.bseindia.com and www.nseindia.com respectively. The AGM Notice is also disseminated on the website of NSDL (agency for providing the Remote e-voting facility and e-voting system during the AGM) i.e. www.evoting.nsdl.com.
12. Rule 18 of the Companies (Management and Administration) Rules, 2014 requires a Company to provide an advance opportunity at least once in a financial year, to the Member to register his e-mail address and changes therein and such request may be made by only those Members who have not got their e-mail id recorded or to update a fresh e-mail id and not from the Members whose e-mail ids are already registered. Members are requested to get their email ids registered with their DP or RTA. Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone/mobile numbers, PAN, mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number and type, MICR code, IFSC code, etc., to their DPs in case the shares are held by them in electronic form and to TCPL in case the shares are held by them in physical form quoting your folio no.
13. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised to not leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned DPs and holdings should be verified from time to time.
14. To support the 'Green Initiative', Members who have not yet registered their e-mail addresses are requested to register the same with their DPs in case the shares are held by them in electronic form and with the Company in case the shares are held by them in physical form.
15. Members / investors may contact the Company on the designated e-mail id: cs@chembondindia.com for faster action from the Company's end.

16. The final dividend once approved by the shareholders in the ensuing AGM will be paid through Electronic Clearing Service or any other means to those shareholders who have updated their Bank Account details. For shareholders who have not updated their bank account details dividend warrants / demand draft / cheques will be sent to their registered addresses. Shareholders are requested to update their KYC with their depositories (for shares held in Dematerialized form) and with the Company's RTA - TCPL (for shares held in Physical form) to receive the dividend into their account.
17. Members holding shares in physical form are requested to intimate any change of address and / or bank mandate to TCPL, Registrar and Share Transfer Agent of the Company or immediately by sending a request on e-mail at cs@chembondindia.com or contact TCPL at csg-unit@tcplindia.com. In case, the Company is unable to pay the dividend to any shareholder by the electronic mode, due to non-availability of the details of the bank account, the Company shall upon normalisation of the postal services, dispatch the dividend warrant to such shareholder by post.
18. The Income Tax Act, 1961 ('the IT Act') as amended by the Finance Act, 2020 mandated that dividend paid or distributed by a Company on or after 1st April, 2020 shall be taxable in the hands of the Members and the Company is required to deduct Tax at source ('TDS') from dividend paid to the Members at the prescribed rates at the time of making the final dividend. To enable compliance with TDS requirements, Members are requested to provide documents in accordance with the provisions of the IT Act. Members are also requested to complete and / or update Residential Status, PAN, category as per the IT act, with the Company / Registrar by sending documents through e-mail at cs@chembondindia.com by Friday, 8th July, 2022.
- The rate of Tax Deducted at Source ('TDS') will vary depending on the residential status of the Shareholder and documents registered with the Company.

1. IN CASE OF A RESIDENT SHAREHOLDER:

TDS rate	Category of shareholder and required documentation
10 per cent*	Resident shareholder whose valid Permanent Account Number ('PAN') is available on records of the Company. Update the PAN if not already done with depositories (in case of shares held in demat mode) and with the Company's Registrar and Transfer Agents – TSR Consultants Private Limited ('TCPL')(in case of shares held in physical mode).
20 per cent	Resident shareholder whose PAN is not registered / valid PAN is not registered against the folio no./ DP-ID Client ID in records of the Company/ Depositories.
Lower/Nil rate as specified in certificate issued under Section 197 of the Act	Resident shareholder who has obtained a certificate from the income-tax authorities under Section 197 of the Act for TDS at a lower / Nil rate. Tax will be deducted at the rate specified in the said certificate, subject to furnishing a self-attested copy of the same. The certificate should valid for FY 2022-23.
Nil	Individual shareholders: <ul style="list-style-type: none"> - If the total dividend to be received from the Company during FY 2022-23 does not exceed ₹5,000; or - If duly verified Form 15G or 15H (as may be applicable) is furnished along with self-attested copy of PAN, if not registered against the folio no./Dp id - client Id.
	Other shareholders: <ul style="list-style-type: none"> - <u>Mutual Funds</u>: Subject to a self-declaration that they are specified in Section 10(23D) of the IT Act along with self-attested copy of PAN card and registration certificate. - <u>Insurance companies</u>: Subject to a self-declaration that it has full beneficial interest with respect to shares owned along with self-attested copy of PAN card. - <u>Alternative Investment Fund ('AIF') established/incorporated in India</u>: Subject to a self-declaration that its income is exempt under Section 10 (23FBA) of the IT Act and they are governed by SEBI regulations as Category I or Category II AIF, alongwith self-attested copy of the PAN card and registration certificate issued by SEBI. - <u>Corporation established by or under a Central Act whose income is exempt from income-tax</u>: Subject to a self-declaration of the documentary evidence supporting the exemption status along with self-attested copy of PAN card. - Government - The Reserve Bank of India

Note:

- Recording of the PAN for the registered Folio/DP id-Client Id is mandatory. In absence of PAN, tax will be deducted at a higher rate of 20%, as per Section 206AA of the IT Act.

2. *The Finance Bill, 2021 has brought in a new Section 206AB since 1st July, 2021 under the IT Act which provides for the higher rate of TDS where the Assessee is liable to deduct TDS under the IT Act for the dividend paid to 'specified persons'.

'Specified Person' as defined under Section 206AB of the IT Act means a person:

- Who has not filed income tax return for the assessment year relevant to the previous year immediately preceding the financial year in which tax is required to be deducted/collected. The previous year to be counted is required to be the one whose return filing date under sub-section (1) of Section 139 of the IT Act has expired.
- The aggregate of TDS and TCS in whose case is ₹50,000/- or more in that previous year.

Non-resident shareholders who do not have a permanent establishment in India are excluded from the scope of a 'Specified Person'.

TDS on dividend falls within the purview of proposed Section 206AB. Therefore, we request you to please give a written declaration along with copies of ITR acknowledgements of previous two assessment year for our records. If the said declaration along with ITR acknowledgements are not received before **Friday, 8th July, 2022**, then TDS will be deducted at higher of the following rates:

- twice the rate specified in the relevant provision of the Act; or
- twice the rate in force; or
- the rate of 5%

Further, Confirmation w.r.t the linking of Aadhar with PAN in compliance with Section 139AA of the IT Act is to be provided (**Applicable only for individual shareholders**).

2. IN CASE OF A NON-RESIDENT SHAREHOLDER:

TDS rate	Category of shareholder and required documentation
20 per cent (plus applicable surcharge and cess)	All non-resident shareholders, including Foreign Portfolio Investors ('FPIs')
Lower /Nil rate as specified in certificate under Section 197/195	Non-resident shareholder who has obtained a certificate from the income-tax authorities under Section 197/195 of the IT Act for lower / Nil rate of TDS, tax will be deducted at the rate specified in the said certificate, subject to furnishing a self-attested copy of the same. The certificate should valid for FY 2022-23.
Lower rate prescribed under the tax treaty which applies to the shareholder	<p>Non-resident shareholder can opt to be governed by the provisions of the tax treaty between India and the country of tax residence of the shareholder. Subject to the non-resident shareholder providing the below-mentioned documents, the Company will deduct tax at the rate prescribed in the tax treaty, wherever applicable:</p> <ul style="list-style-type: none"> - Self-attested copy of the PAN card allotted by the Indian Income Tax authorities - Self-attested copy of Tax Residency Certificate (TRC) applicable for the FY 2022-23 obtained from the tax authorities of the country of which the shareholder is resident - Self-declaration in Form 10F - Self-declaration for no permanent establishment / fixed base / business connection in India, place of effective management, beneficial ownership and eligibility to avail tax treaty benefit [on shareholder's letterhead] <p>In case of Foreign Institutional Investors (FII) and Foreign Portfolio Investors (FPI), taxes shall be withheld at 20% plus applicable surcharge and cess in accordance with provisions of Section 196D of the IT Act. However, if above mentioned documents are provided, then rates as per respective tax treaty shall be applied.</p> <p>TDS shall be recovered at 20% (plus applicable surcharge and cess) if any of the above-mentioned documents are not provided.</p> <p>The Company is not obligated to apply the tax treaty rates at the time of tax deduction/withholding on dividend amounts. Application of the beneficial rate of tax treaty for TDS is at the discretion of the company and shall depend upon completeness of the documentation and review of the same by the Company.</p>

Please note that the Company is not obligated to apply the beneficial DTAA rates at the time of tax deduction / withholding on dividend amounts. Application of beneficial DTAA Rate shall depend upon the completeness and submitted by Non-Resident shareholder. Accordingly, in order to enable us to determine the appropriate TDS / withholding tax rate applicable, we request you to provide these details and documents as mentioned above before Friday, 8th July, 2022.

Kindly note that the aforementioned documents are required to be submitted at cs@chembondindia.com on or before Friday, 8th July, 2022 in order to enable the Company to determine and deduct appropriate TDS / withholding tax rate. No communication on the tax determination / deduction shall be entertained post the given date. It may be further noted that in case the tax on said dividend is deducted at a higher rate in absence of receipt of the aforementioned details / documents from you, there would still be an option available with you to file the return of income and claim an appropriate refund, if eligible.

We shall arrange to e-mail the soft copy of TDS certificate to you at your registered e-mail id in due course. Also the TDS so deducted shall be reflected in Form 26AS against respective PAN, post payment of the said Dividend.

19. The Company vide its separate e-mail communication dated 1st July, 2022 had informed the Members regarding the change in the IT Act as well as the relevant procedure to be adopted by the Members to avail the applicable tax rate. The detailed process is also available on the website of the Company at www.chembondindia.com.
20. As per Regulation 40 of the Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from, 1st April, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, Members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or the Company's RTA in this regard.
21. The Securities and Exchange Board of India (SEBI) vide its notification dated 20th April, 2018, has mandated the submission of PAN and /or Bank Account details for updation of the same against their folio number. Members holding shares in electronic form are, therefore, requested to submit the PAN / Bank account details to their DPs with whom they are maintaining their demat accounts. The Company has sent reminder, through its RTA, to the Members whose details are incomplete. Members are requested to complete their KYC at the earliest.
22. As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. The said form can be downloaded from the Company's website <http://www.chembondindia.com/pdf/unclaimed-dividend/Nomination%20Form%20SH%2013&%2014%20for%20Shareholders.pdf>. If a Member who desires to cancel the earlier nomination and record a fresh nomination, may submit the same in Form No. SH-14. Members holding shares in physical form are requested to obtain the nomination forms from the Company's RTA. Members are requested to submit the said details to their DP in case the shares are held by them in electronic form and to TCPL in case the shares are held in physical form, quoting your folio no.
23. Members holding shares in physical form in identical order of names in more than one folio are requested to send to the Company or TCPL, the details of such folios together with the original share certificates for consolidating their holding in one folio. A consolidated share certificate will be returned to such Members after making requisite changes thereon.

24. Members seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to write to the Company on or before Monday, 18th July, 2022 through e-mail on cs@chembondindia.com. The same will be replied by the Company suitably.
25. The instruction for remote e-voting, attending the AGM through VC/OAVM and e-voting during the AGM are given as follows:

PROCESS AND MANNER FOR MEMBERS OPTING FOR VOTING THROUGH ELECTRONIC MEANS (E-VOTING):

- a. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended), Regulation 44 of the Listing Regulations (as amended), and the Circulars issued by MCA your Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, your Company has entered into an agreement with National Securities Depository (India) Limited ("NSDL") as the authorised e-voting agency for facilitating voting through electronic means. The facility of casting votes by members using remote e-voting as well as e-voting system on the date of the AGM will be provided by NSDL.
- b. Members whose names are recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the Cut-off date i.e. Friday, 29th July, 2022, shall be entitled to avail the facility of remote e-voting as well as e-voting system on the date of the AGM. Any recipient of the Notice, who has no voting rights as on the Cut-off date, shall treat this Notice as intimation only.
- c. A person who has acquired the shares and has become a Member of the Company after the dispatch of the Notice of the AGM and prior to the Cut-off date i.e. Friday, 29th July, 2022, shall be entitled to exercise his/her vote either electronically i.e. remote e-voting or e-voting system on the date of the AGM by following the procedure mentioned in this part.
- d. The voting rights of the Members shall be in proportion to their share in the paid up equity share capital of the Company as on the Cut-off date.
- e. The remote voting period begins on Tuesday, 2nd August, 2022 at 9.00 a.m. and ends on Thursday, 4th August, 2022 at 5.00 p.m. During this period Members of the Company, holding shares either in physical form or in dematerialized form, as on the Cut-off date of Friday, 29th July, 2022 may cast their vote electronically. The Members will not be able to cast their vote electronically beyond the date and time mentioned above and the remote e-voting module shall be disabled for voting by NSDL thereafter.

f. Members who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

g. INSTRUCTIONS FOR SHAREHOLDERS FOR REMOTE E-VOTING ARE AS UNDER:




How do I vote electronically using NSDL e-voting system?

The way to vote electronically on NSDL e-voting system consists of “Two Steps” which are mentioned below:

Step 1: Access to NSDL e-voting system

A. Login method for e-voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated 9th December, 2020 on “e-voting facility provided by Listed Companies”, e-voting process has been enabled to all the Individual demat account holders, by way of single login credential, through their demat account maintained / website of Depositories / DP in order to increase the efficiency of the voting process. Shareholders are advised to update their mobile number and e-mail id in their demat accounts in order to access e-voting facility.

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> Existing IDeAS user can visit the e-Services website of NSDL viz. https://eservices.nsdl.com either on a personal computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-voting services under Value added services. Click on “Access to e-voting” under e-voting services and you will be able to see e-voting page. Click on company name or e-voting service provider i.e. NSDL and you will be re-directed to e-voting website of NSDL for casting your vote during the remote e-voting period or joining virtual meeting & voting during the meeting. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDeAS Portal” or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp. Visit the e-voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a personal computer or on a mobile. Once the home page of e-voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-voting page. Click on company name or e-voting service provider i.e. NSDL and you will be redirected to e-voting website of NSDL for casting your vote during the remote e-voting period or joining virtual meeting & voting during the meeting. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience. <div style="text-align: center;"> <p>NSDL Mobile App is available on</p>    </div>

Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. After successful login of Easi/Easiest the user will be also able to see the e-voting Menu. The Menu will have links of e-voting service provider i.e. NSDL. Click on NSDL to cast your vote. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration. Alternatively, the user can directly access e-voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & E-mail as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-voting is in progress.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-voting facility upon logging in, you will be able to see e-voting option. Click on e-voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-voting feature. Click on company name or e-voting service provider i.e. NSDL and you will be redirected to e-voting website of NSDL for casting your vote during the remote e-voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 022-23058542-43

B) Login Method for e-voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-voting website?

- Visit the e-voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
- Once the home page of e-voting system is launched, click on the icon “Login” which is available under ‘Shareholder/ Member’ section.
- A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:

- a) If you are already registered for e-voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'?
 - (i) If your e-mail id is registered in your demat account or with the Company, your 'initial password' is communicated to you on your e-mail id. Trace the e-mail sent to you from NSDL from your mailbox. Open the e-mail and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your e-mail id is not registered, please follow steps mentioned below in **process for those shareholders whose e-mail ids are not registered**.

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

- a) Click on **"Forgot User Details/Password?"**(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
- b) **"Physical User Reset Password?"** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
- c) If you are still unable to get the password by aforesaid two options, you can send a request at

evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.

- d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-voting system of NSDL.
- 7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
- 8. Now, you will have to click on "Login" button.
- 9. After you click on the "Login" button, Home page of e-voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-voting system.

How to cast your vote electronically and join General Meeting on NSDL e-voting system?

- 1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
- 2. Select "EVEN" of **Chembond Chemicals Limited** to cast your vote during the remote e-voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".
- 3. Now you are ready for e-voting as the Voting page opens.
- 4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
- 5. Upon confirmation, the message "Vote cast successfully" will be displayed.
- 6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

- Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

- Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to bhattvirendra1945@yahoo.co.in with a copy marked to evoting@nsdl.co.in.
- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “**Forgot User Details/Password?**” or “**Physical User Reset Password?**” option available on www.evoting.nsdl.com to reset the password.
- In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on **toll free no.: 1800 1020 990 and 1800 22 44 30** or send a request to Mr. Sanjeev Yadav, Assistant Manager-NSDL at sanjeevy@nsdl.co.in

Process for those shareholders whose e-mail ids are not registered with the depositories for procuring user id and password and registration of e-mail ids for e-voting for the resolutions set out in this notice:

- In case shares are held in physical mode please provide 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 e-mail to cs@chembondindia.com.
- In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary 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 cs@chembondindia.com. If you are an Individual shareholder holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**
- Alternatively, shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
- In terms of SEBI circular dated 9th December, 2020 on e-voting facility provided by Listed Companies, Individual shareholders holding securities in demat

mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and e-mail id correctly in their demat account in order to access e-voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR E-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-

- The procedure for e-voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
- Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system in the AGM.
- Members who have voted through remote e-voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
- The details of the person who may be contacted for any grievances connected with the facility for e-voting on the day of the AGM shall be the same person mentioned for remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

- Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-voting system. Members may access by following the steps mentioned above for access to NSDL e-voting system. After successful login, you can see link of “VC/OAVM link” placed under “**Join General meeting**” menu against Company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/ Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the remote e-voting instructions mentioned in the notice to avoid last minute rush.
- Members are encouraged to join the Meeting through Laptops for better experience.
- Further Members will be required to allow camera and use internet with a good speed to avoid any disturbance during the meeting.
- Please note that participants connecting from Mobile Devices or Tablets or through laptop connecting via mobile hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, e-mail id, mobile number at cs@chembondindia.com. The same will be replied by the Company suitably.
- 6. Registration of Speaker –**
- a. Shareholders who would like to speak during the meeting must register their request at least 3 days in advance i.e. on or before Monday, 1st August, 2022, mentioning their name, demat account number/folio number, e-mail id, mobile number at cs@chembondindia.com.
 - b. Shareholders will get confirmation on first-cum-first served basis depending upon the provision made by the client.
 - c. Shareholders will receive “speaking serial number” once they mark attendance for the meeting.
 - d. Please remember speaking serial number and start your conversation with panelist by switching on video mode and audio of your device.
 - e. Shareholders are requested to speak only when moderator of the meeting/ management will announce the name and serial number for speaking.
 - f. Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
 - g. The Company reserves the right to restrict the number of questions and number of speakers, as appropriate for smooth conduct of the AGM.
 - h. The Members who do not wish to speak during the AGM but have queries may send their queries in advance at least 10 days prior to meeting, mentioning their name, demat account number/folio number, e-mail id, mobile number at cs@chembondindia.com. These queries will be replied to by the Company suitably by e-mail.
 - i. Members are encouraged to join the Meeting through laptops / tablets for better experience.
 - j. Further, Members will be required to allow camera and use Internet with a good speed to avoid any disturbance during the meeting.
- the User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the remote e-voting instructions mentioned in the Notice. Further, Members can also use the OTP based login for logging into the e-voting system.
- ii. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Act.
 - iii. Submission of Questions / queries prior to e-AGM: Members desiring any additional information with regard to Accounts/ Annual Reports or has any question or query are requested to write to the Company Secretary on the Company’s email-id cs@chembondindia.com at least 5 days before the date of the 47th AGM, so as to enable the Management to keep the information ready. Please note that, member’s questions will be answered only if they continue to hold the shares as of Cut-off date.
 - iv. Members who need technical assistance before or during the AGM, can contact NSDL. Corporate Members intending to send their authorized representatives to attend the AGM through VC / OAVM pursuant to the provisions of Section 113 of the Act are requested to send a certified copy of the relevant Board Resolution to the Company.
 - v. The Company has appointed Mr. Virendra Bhatt, (Membership No. ACS-1157, CP no. 124) and in his absence Ms. Indumati Zaveri (Membership No.2209, CP no.7245), as the Scrutinizer to scrutinize the remote e-voting as well as the e-voting at the time of AGM in a fair and transparent manner.
 - vi. The Scrutinizer shall, immediately after the conclusion of AGM, count the votes cast at the AGM and thereafter, unblock the votes cast through remote e-voting in the presence of at least two witnesses, who are not in the employment of the Company. The Scrutinizer shall submit a consolidated Scrutinizer’s Report of the total votes cast in favour of or against, if any, within the prescribed time limit after the conclusion of the AGM to the Chairman or the Company Secretary or a person authorised by the Chairman. The Chairman or the Company Secretary or any other person authorised by him shall declare the result of the voting forthwith.
 - vii. The resolution(s) will be deemed to be passed on the AGM date subject to receipt of the requisite number of votes in favour of the resolution(s). The Results declared along with the Scrutinizer’s Report(s) will be available on the website of the Company at www.chembondindia.com Service Provider’s website and the communication will be sent to the BSE and NSE.

OTHER INFORMATION:

- i. Attending the e-AGM: Members will be able to attend the AGM through VC/OAVM. Members who do not have

STATEMENT ANNEXED TO THE NOTICE AND SETTING OUT THE MATERIAL FACTS CONCERNING EACH ITEM OF SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 AND SECRETARIAL STANDARD ON GENERAL MEETINGS.

ITEM NO. 4 & 5

The Members of the Company had accorded their approval for re-appointment of Mr. Sameer V. Shah and Mr. Nirmal V. Shah as the Chairman and Managing Director and Vice Chairman and Managing Director of the Company, respectively, for a period of 3 years with effect from 1st August, 2019 till 31st July, 2022 and the remuneration payable to them, by passing a Special Resolution at its 44th Annual General Meeting held on 3rd August 2019. The tenure of Mr. Sameer V. Shah and Mr. Nirmal V. Shah as the

Chairman and Managing Director and Vice Chairman and Managing Director is expiring on 31st July, 2022. The Board of Directors, on the basis of recommendation of Nomination and Remuneration Committee, after careful consideration and deliberation on their qualifications, experience, expertise and responsibilities shouldered by them and volume of Company's business and profits and the practice prevailing in the Industry, thought it prudent and in the best interest of the Company that Mr. Sameer V. Shah and Mr. Nirmal V. Shah be re-appointed as Chairman and Managing Director and Vice Chairman and Managing Director of the Company respectively for the tenure of 3 (three) years with effect from 1st August, 2022 till 31st July, 2025, on the terms and conditions and remuneration as detailed hereinbelow, subject to approval of its Members by a Special Resolution.

The salient features of the terms and conditions of appointment of Mr. Sameer V. Shah and Mr. Nirmal V. Shah are as follows:

Sr. no.	Particulars	Mr. Sameer V. Shah	Mr. Nirmal V. Shah
1.	Term of Appointment:	With effect from 1 st August, 2022 to 31 st July, 2025.	
2.	Remuneration:	Salary Basic + DA upto a maximum of ₹4,50,000/- per month (Annual ₹54,00,000/-) (individually) with increments as may be decided by the Board of Directors from time to time.	
3.	Perquisites and allowances:	<p>In addition to the salary, Mr. Sameer V. Shah and Mr. Nirmal V. Shah shall also be entitled to the perquisites and allowances like house rent allowance, rent free furnished accommodation, house maintenance allowance, gas, electricity, water and furnishing at residence, conveyance allowance, transport allowance, medical reimbursement, leave travel allowance, special allowance, use of company car for official purposes, telephone at residence, contribution to provident fund, superannuation fund, payment of gratuity, leave encashment at the end of tenure, if any, and such other perquisites and allowances in accordance with the rules of the Company upto a maximum of ₹8,00,000/- per month (Rupees Eight Lakh only) (Annual ₹96,00,000/-) (individually). The nature and break-up of the perquisites and allowances will be determined in accordance with the schemes/policies/rules of the Company or may be decided by the Chairman of the Company or Board of Directors from time to time.</p> <p>The Company's contribution to Provident Fund and Superannuation Fund or Annuity Fund to the extent these either singly or together are not taxable under the Income-tax Act, 1961, Gratuity payable as per the rules of the Company, use of Company's Car for official duties and telephone at residence (including payment for local calls and long distance calls) shall not be included in the computation of limits for the remuneration as per Schedule V of the Companies Act, 2013 ("the Act").</p>	
4.	Incentive/Performance Bonus	In addition to the salary, perquisites and allowances payable, a incentive / performance bonus, as may be decided by the Board of Directors at the end of each financial year calculated with reference to the net profits of the Company, subject to the overall ceiling stipulated in Sections 197, 198 read with Schedule V of the Act (including any subsequent amendment / modification in the Rules, Act and/or applicable laws in this regard) shall also be payable which shall not exceed ₹50,00,000/- (Rupees Fifty Lakhs only) (individually) for each financial year.	
5.	Medical Expenses	Expenditure incurred by the Chairman and Managing Director and Vice Chairman and Managing Director for themselves and their family.	
6.	Annual Increment	The Board will decide the annual increment based on merit which shall be within the limits approved.	
7.	Leave	As per Company Rules.	

8.	Overall Remuneration	The aggregate of salary, perquisites, allowances and commission in any one financial year, as may be decided by the Board of Directors, i.e. total remuneration may exceed 10% of the net profits of the Company (individually) as calculated under Section 198 of the Act, however the remuneration payable by the Company shall be within the prescribed limits of total managerial remuneration payable to all Managing Director / Whole-Time Director / Manager in aggregate under Section 197 read with Schedule V of the Act or such higher percentage of net profits of the Company as may be prescribed from time to time (including any subsequent amendment(s) and/or modification(s) in the Rules, Act and/or applicable laws in this regard). The total managerial remuneration payable by the Company, to the Directors, including Managing Director and Whole-Time Director and Manager in respect of any financial year may exceed 11% of the net profits of the Company as calculated under Section 198 of the Act, subject to necessary approvals as prescribed under Section 197 and Schedule V of the Act and Rules made thereunder and any subsequent amendment(s) and/or modification(s) in the Rules, Act and/or applicable laws in this regard.	
9.	Minimum Remuneration	In the event of absence or inadequacy of profits in any financial year during the currency of tenure of service of Managing Director(s), the appointee shall be paid the aforesaid remuneration as "Minimum Remuneration" in the respective financial year(s) notwithstanding that the same may exceed the ceiling limit laid down under Section 197 and Schedule V of the Act, subject to approval of any statutory authority, if required. However, in any event it shall not exceed the remuneration payable as provided in the Agreement when the profits of the Company are adequate."	
10.	Other Terms and Conditions: Sitting fees	No sitting fees will be paid to Mr. Sameer V. Shah and Mr. Nirmal V. Shah for attending the meetings of the Board of Directors or Committee thereof.	
	Retirement by Rotation	Mr. Sameer V. Shah shall not be liable to retire by rotation whilst he continues to hold office of Chairman and Managing Director.	Mr. Nirmal V. Shah shall be liable to retire by rotation whilst he continues to hold office of Vice Chairman and Managing Director.
	Reimbursement of Expenses	Mr. Sameer V. Shah and Mr. Nirmal V. Shah shall be entitled to the reimbursement of expenses actually and properly incurred by him, in the course of legitimate business of the Company and travelling, hotel and other expenses incurred by him in India and abroad, exclusively on the business of the Company.	
	Termination Clause	The Agreement may be terminated by either party by giving three months' notice from either side or as may be mutually agreed.	
		The terms and conditions of the said re-appointment and/or agreement may be altered, amended, varied and modified from time to time by the Board or Committee thereof as it may be permissible and if deemed fit, within the limits prescribed in Schedule V of the Act or any subsequent amendments or modifications made thereto.	

The information as required under Part II Section II (A)(iv) of Schedule V of the Act is given below:

I. General Information		
Sr. no.	Particulars	Information
1.	Nature of Industry	The Company is in the business of Speciality Chemicals.
2.	Date or expected date of commencement of commercial production.	The Company is an existing Company and carrying out business for more than 40 years since 22 nd March, 1975.
3.	In case of a new company, expected date of commencement of activities as per project approved by Financial Institutions appearing in the prospectus	Not Applicable

4.	Financial Performance (Standalone) based on given indicators	(₹ in lakhs)			
		Share Capital:	31-03-20	31-03-21	31-03-22
		Equity	672.41	672.41	672.41
		Reserves & Surplus	22,291.87	23,257.87	23,828.85
		Total Income	6,510.10	5,394.89	5,574.44
		Profit Before Tax	530.81	1,264.90	1,092.78
	Profit After Tax	554.16	967.32	874.37	
5.	Foreign Investments or Collaborations, if any.	Chembond Calvatis Industrial Hygiene Systems Limited in collaboration with Calvatis GmbH, Germany.			
II Information about the appointees					
1.	Background details	Mr. Sameer V. Shah	Mr. Nirmal V. Shah		
	Brief Profile	Mr. Sameer V. Shah is the Chairman and Managing Director of the Company, a position he has held since 1 st August, 2006. Mr. Sameer V. Shah joined Chembond in 1992 after receiving his education in chemical engineering and finance from the University of Texas State University and working over 6 years in America. Mr. Sameer V. Shah hails from promoter family of Chembond Chemicals Limited ("the Company") and has held various managerial positions in the Company and its joint ventures & subsidiaries.	Mr. Nirmal V. Shah is the Vice-chairman and Managing Director of the Company, a position he has held since 1 st August, 2006. Mr. Nirmal V. Shah hails from promoter family of Chembond Chemicals Limited and has held various managerial positions in the Company its joint ventures & subsidiaries.		
2.	Past Remuneration	Details of remuneration paid to Mr. Sameer V. Shah and Mr. Nirmal V. Shah during their tenure from 1 st August, 2019 till 31 st July, 2022 is as detailed hereinbelow: (₹ in lakhs)			
		Mr. Sameer V. Shah			
		Particulars	2019-20	2020-21	2021-22
		Basic Salary	20.68	30.75	36.00
		Perquisites	13.02	32.50	39.49
		Bonus/ Incentive Pay	9.13	6.15	7.20
		Total	46.35	69.40	82.69
		Mr. Nirmal V. Shah			
		Particulars	2019-20	2020-21	2021-22
		Basic Salary	19.20	18.39	21.00
		Perquisites	15.12	16.23	19.80
		Bonus/ Incentive Pay	3.84	3.67	4.20
		Total	38.16	38.30	45.00
3.	Recognition or Awards	Nil			

4.	Job Profile and Suitability	Mr. Sameer V. Shah	Mr. Nirmal V. Shah
		Mr. Sameer V. Shah has held various managerial positions in the Company and having rich business experience and exposure to managing diverse businesses.	Mr. Nirmal V. Shah has over 25 years of experience and exposure to managing diverse businesses. He has been in charge of the water treatment chemicals division for the past 18 years. His expertise is in organisational management.
5.	Comparative Remuneration Profile with respect to industry, size of Company, profile and position of the person.	Considering the experience and knowledge of Mr. Sameer V. Shah and Mr. Nirmal V. Shah, both are entitled to a higher remuneration in the similar nature of industry than recommended by the Board at present.	
6.	Pecuniary relationship directly or indirectly with the Company or relation with Managerial Personnel, if any.	Mr. Sameer V. Shah and Mr. Nirmal V. Shah are promoters of the Company and directly hold 16,45,493 & 17,53,887 equity shares of the Company respectively. Both are related to each other. Except proposed remuneration as stated above, they do not have any other pecuniary relationship with the Company.	
III.	Other Information		
1.	Reasons of loss or inadequate profit	Due to expansion of business, the Company has aggressively invested in quality work-force, which will bring a positive trend over the coming years. The slower growth of Indian as well as the global economy, increase in raw material costs are other factors impacting profits.	
2.	Steps taken or proposed to be taken for improvement	The Company has strengthened its sales & marketing departments and more focus is given on Research & Development. Price increases are also being negotiated in a sustainable manner.	
3.	Expected Increase in productivity and profits in measurement terms	Considering the market conditions prevailing globally and efforts made the management to develop new products and customers, the Company in measurement terms has conservatively set the following targets in terms of sales and profitability.	
		(₹ In Lakhs)	
		Particulars	31-03-23
			31-03-24
			31-03-25
		Gross Receipts	6,433.86
		PBT	1,476.94
		PAT	1,129.47
			7,207.56
			1,775.02
			2,197.27
			1,357.43
			1,680.34
IV.	Disclosures		
1.	Remuneration package of the appointee	Details of total remuneration comprising of Salary, Perquisites and other information which is proposed to be paid to Mr. Sameer V. Shah and Mr. Nirmal V. Shah for the period of their appointment is set out above.	
2.	Details of fixed component and performance linked incentive alongwith the performance criteria.	Disclosure on all elements of remuneration package of all the Directors of the company is given in Corporate Governance Section.	
3.	Service Contract, Notice Period, Severance Fees	Service Contract is for a period of 3 years w.e.f. 1 st August, 2022 till 31 st July, 2025. Notice Period – 3 months notice or as may be mutually agreed.	
4.	Stock Options 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.	NA	

Considering the qualifications, experience, expertise, responsibilities shouldered by Mr. Sameer V. Shah and Mr. Nirmal V. Shah, the rising volume of Company's business and profits earned by it, the proposed re-appointment and terms of remuneration can be considered as reasonable. Your Directors are of the opinion that the re-appointment of Mr. Sameer V. Shah and Mr. Nirmal V. Shah as the Chairman and Managing Director and Vice Chairman and Managing Director, respectively, is in the best interest of the Company.

The above Explanatory Statement shall be construed as an abstract of the terms of the appointment / reappointment / variations, together with a Memorandum of interest or concern of the interested Directors, as prescribed under Section 190 of the Act.

Except, Mr. Sameer V. Shah and Mr. Nirmal V. Shah, none of the other Directors / Key Managerial Personnel of the Company and their relatives is, in anyway, concerned or interested, financially or otherwise, in the Resolution.

The Board recommends passing of the special resolutions as set out at Item Nos. 4 & 5 of the accompanying Notice for approval of Members.

ITEM NO. 6

The Board of Directors, on the recommendation of the Audit Committee at its meeting held on 14th May, 2022, approved the appointment of M/s. Jitendrakumar & Associates, Cost & Management Accountants, (Firm Registration No. 101561/ Membership No. 30106), to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2023. The Board at its meeting held on 14th May, 2022 has approved their appointment for the FY ended 31st March, 2023, at a remuneration of ₹66,000/- (Rupees Sixty Six Thousand only) plus Goods and Services Tax and reimbursement of out of pocket expenses at actual. In accordance with the provisions of Section 148 of the Act

read with the Companies (Audit and Auditors) Rules, 2014, consent of the Members is sought by passing an Ordinary Resolution, as set out at Item No. 6 of the Notice, for the remuneration payable to the Cost Auditors for the financial year 2022-23.

In terms of Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration approved by the Board is subject to subsequent ratification by members of the Company.

None of the Directors, Key Managerial Personnel and their relatives are in any way, concerned or interested, financially or otherwise, in the aforesaid Ordinary Resolution.

The Board recommends passing of the Ordinary Resolution as set out in the Item No. 6 of the accompanying Notice for approval by the Members.

Mumbai
14th May, 2022

By Order of the Board of Directors
of **Chembond Chemicals Limited**

Suchita Singh
Company Secretary

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