

NOTICE

Notice is hereby given that the 36th Annual General Meeting of the Members of Punjab Alkalies & Chemicals Limited will be held in National Institute of Technical Teachers' Training and Research Auditorium, NITTTR Complex, Sector 26, Chandigarh on Saturday, the 24th September, 2011 at 10.30 hours to transact the following business:-

As Ordinary Business

- To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2011 and the Profit and Loss Account for the year ended on that date and the Reports of the Directors and Auditors thereon.
- To appoint a Director in place of Shri J.S. Saraon, who retires by rotation and being eligible offers himself for reappointment.
- To appoint a Director in place of Shri D.C. Mehandru, who retires by rotation and being eligible offers himself for reappointment.
- To appoint Auditors for the current year and to fix their remuneration and in this connection, to consider and, if thought fit, to pass with or without modifications, the following resolution as a Special Resolution:
"RESOLVED that M/s. S. Tandon & Associates, Chartered Accountants, Chandigarh and M/s. A.K. Sood & Associates, Chartered Accountants, Chandigarh, be and are hereby re-appointed Auditors of the Company from the conclusion of this meeting until the conclusion of the next Annual General Meeting and that their remuneration be fixed by the Board of Directors of the Company."

As Special Business

- To consider and, if thought fit, to pass with or without modifications, the following resolution as an Ordinary Resolution:
"RESOLVED that pursuant to the provisions of Section 269 and Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, approval be and is hereby accorded to the appointment of Shri Sukhjit Singh Bains, IAS, as Managing Director of the Company for a period of five years with effect from 30th November, 2010 at the remuneration to be decided later within the limits specified in Schedule XIII of the Companies Act, 1956.
RESOLVED FURTHER that the Board of Directors of the Company be and is hereby authorised to do all acts, deeds and things as may be necessary to give effect to this resolution."
- To consider and, if thought fit, to pass with or without modifications, the following resolution as an Ordinary Resolution:
"RESOLVED that the consent of the Company be and is hereby accorded in terms of Section 293(1)(a) and other applicable provisions, if any, of the Companies Act, 1956 to mortgaging and/or charging by the Board of Directors of the Company of all the immovable and movable properties of the Company, wheresoever situate, present and future, and/or conferring of power to enter upon and to take possession of assets of the Company in certain events, to or in favour of Punjab National Bank (PNB) to secure:
(a) Funded Interest Term Loan not exceeding Rs.26.98 Lakhs (Rupees Twenty Six Lakhs Ninety Eight Thousand only) lent and advanced/agreed to be lent and advanced by PNB to the Company;
(b) Funded Interest Term Loan not exceeding Rs.30.28 Lakhs (Rupees Thirty Lakhs Twenty Eight Thousand only) lent and advanced/agreed to be lent and advanced by PNB to the Company;
together with interest thereon at the agreed rates, compound interest, additional interest, liquidated damages, commitment charges, premia on prepayment or on redemption, costs, charges, expenses and other monies payable by the Company to PNB under the respective Loan Agreements/Letters of Sanction/Memoranda of Terms and Conditions entered into/to be entered into by the Company in respect of the said Funded Interest Term Loans.
RESOLVED FURTHER that the Board of Directors of the Company be and is hereby authorised to finalise with PNB the documents for creating the aforesaid mortgage and/or charge and to do all such acts and things as may be necessary for giving effect to the above resolution."
- To consider and, if thought fit, to pass with or without modifications, the following resolution as an Ordinary Resolution:
"RESOLVED that the consent of the Company be and is hereby accorded in terms of Section 293(1)(a) and other applicable provisions, if any, of the Companies Act, 1956 to mortgaging and/or charging by the Board of Directors of the Company by way of a first/second charge o/on all the movable properties of the Company and by way of a second charge o/on all the immovable properties of the Company, wheresoever situate, present and future, to or in favour of the following, namely:
(a) Punjab National Bank (PNB); and
(b) Punjab & Sind Bank (PSB),
to secure the Working Capital Facilities not exceeding Rs.1250.00 Lakhs (Rupees One Thousand Two Hundred Fifty Lakhs only) lent and advanced/agreed to be lent and advanced by PNB and PSB in such proportion as may be agreed to between them, together with interest thereon at the respective agreed rates, compound interest, additional interest, liquidated damages, costs, charges, expenses and other monies payable by the Company to PNB and PSB, respectively under the respective Agreements/Letters of Sanction/Memoranda of Terms and Conditions entered into/ to be entered into by the Company in respect of the said Working Capital Facilities.
RESOLVED FURTHER that the Board of Directors of the Company be and is hereby authorised to finalise with PNB and PSB, the documents for creating the aforesaid mortgage and/or charge and to do all such acts and things as may be necessary for giving effect to the above resolution."

Registered Office:
S.C.O.125-127,
Sector 17-B,
Chandigarh-160 017

Dated : August 12, 2011

By Order of the Board of Directors
Sd/-
(PRADEEP NAUHARIA)
Company Secretary &
Sr. Gen. Manager (Co. Affairs)

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING PROXY (BLANK FORM ENCLOSED) DULY STAMPED, COMPLETED AND SIGNED SHOULD, HOWEVER BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. The Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of business at Item Nos. 5 to 7 is annexed. The relevant details of the Directors proposed to be appointed/re-appointed at the Annual General Meeting, pursuant to Clause 49 of the Listing Agreement, are also annexed.
3. The Register of Members and the Share Transfer Books of the Company will remain closed from 10th September, 2011 to 24th September, 2011 (both days inclusive).
4. Members who have not yet paid the Allotment Money on their new equity shares are requested to remit the same together with interest thereon.
5. The unclaimed Dividends for the years 1989-90, 1990-91, 1991-92, 1992-93, 1993-94 and 1994-95 have been transferred to the General Revenue Account of the Central Government in terms of Section 205A of the Companies Act, 1956. Members who have not claimed their Dividends for the said years are requested to claim the same from the Registrar of Companies, Punjab, H.P. & Chandigarh, Corporate Bhawan, Plot No. 4-B, Sector 27-B, Madhya Marg, Chandigarh- 160 019. The unclaimed Dividends for the years 1995-96 and 1996-97 have been transferred to the Investor Education and Protection Fund established by the Central Government in terms of Section 205A read with Section 205C of the Companies Act, 1956.
6. Members are requested to notify immediately changes, if any, in their registered address to the Company specifying full address in Block Capitals with PIN Code of the Post Office.
7. Members are requested to bring with them the attendance slip sent with the Annual Report duly completed and signed and hand it over at the entrance.
8. Members who hold shares in dematerialised form are requested to bring their Client ID and DP ID numbers for easy identification of attendance at the meeting.
9. Members are requested to bring their copy of the Annual Report alongwith them to the Annual General Meeting.

EXPLANATORY STATEMENT

(Pursuant to Section 173(2) of the Companies Act, 1956)

ITEM NO. 5

The Punjab State Industrial Development Corporation Limited (PSIDC) had nominated Shri Sukhjit Singh Bains, IAS as a Director on the Board of Directors of the Company with effect from 29th November, 2010. The Board of Directors of the Company in its meeting held on 30th November, 2010 had pursuant to the provisions of Section 269 and Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 and subject to the approval of the Shareholders, appointed Shri Sukhjit Singh Bains, IAS as Managing Director of the Company for a period of five years with effect from 30th November, 2010 at the remuneration to be decided later within the limits specified in Schedule XIII of the Companies Act, 1956.

Shri Sukhjit Singh Bains, IAS has done M.Sc., M.Phil.(Chemistry). He belongs to the Indian Administrative Service. He has about 25 years of rich and varied administrative experience to his credit.

The approval of the members is sought for appointment of Shri Sukhjit Singh Bains, IAS as Managing Director of the Company for a period of five years with effect from 30th November, 2010.

Copies of the relevant documents are available for inspection by the members at the Registered Office of the Company during business hours on any working day and will also be available at the meeting.

The Directors recommend the Resolution for the approval of the members.

None of the Directors, is in any way, concerned or interested in the Resolution excepting Shri Sukhjit Singh Bains, IAS to the extent of remuneration payable to him.

This Explanatory Statement together with accompanying notice is and should also be treated as an abstract of the terms and memorandum of interest under Section 302 of the Companies Act, 1956.

ITEM NO. 6

At the request of the Company, the Corporate Debt Restructuring (CDR) Empowered Group of CDR Cell, had restructured the debt liabilities of the Company in January, 2003 and has thereafter revised, reworked and modified the same from time to time. In line with the Rework Proposal approved by the CDR Empowered Group in May-June, 2009 and modifications in the same approved by the CDR Empowered Group in June, 2010 and December, 2010, Punjab

National Bank (PNB) has sanctioned to the Company:

- (a) a Funded Interest Term Loan not exceeding Rs.26.98 Lakhs; and
- (b) a Funded Interest Term Loan not exceeding Rs.30.28 Lakhs for funding a part of the interest.

The aforesaid financial assistance has to be secured by a first mortgage of all the immovable and movable properties of the Company, present and future.

Section 293(1)(a) of the Companies Act, 1956 provides, inter alia, that the Board of Directors of a public company shall not, without the consent of such public company in general meeting, sell, lease or otherwise dispose of the whole, or substantially the whole, of the undertaking of the company, or where the company owns more than one undertaking, of the whole, or substantially the whole, of any such undertaking.

It is necessary for the members to pass a resolution under Section 293(1)(a) of the Companies Act, 1956 before creation of the said mortgages/charges.

Copies of the Letters of Sanction received from the said Bank and copies of the relevant documents are available for inspection by the members at the Registered Office of the Company during business hours on any working day and will also be available at the meeting.

The Directors recommend the Resolution for the approval of the members.

None of the Directors, is in any way, concerned or interested in the Resolution.

ITEM NO. 7

At the request of the Company, Punjab National Bank (PNB) and Punjab & Sind Bank (PSB) have sanctioned to the Company the Revised Working Capital Facilities to the extent as mentioned below:

	Amount
PNB -	Rs. 938.00 Lakhs
PSB -	<u>Rs. 312.00 Lakhs</u>
Total -	<u>Rs.1250.00 Lakhs</u>

The aforesaid Working Capital Facilities have to be secured by a mortgage and/or charge by way of a first/second charge of/on the movable properties of the Company and by way of a second charge of/on the immovable properties of the Company, present and future.

Section 293(1)(a) of the Companies Act, 1956 provides, inter alia, that the Board of Directors of a public company shall not, without the consent of such public company in general meeting, sell, lease or otherwise dispose of the whole, or substantially the whole, of the undertaking of the company, or where the company owns more than one undertaking, of the whole, or substantially the whole, of any such undertaking.

It is necessary for the members to pass a resolution under Section 293(1)(a) of the Companies Act, 1956 before creation of the said mortgages/charges.

Copies of the Letters of Sanction received from the said Banks and copies of the relevant documents are available for inspection by the members at the Registered Office of the Company during business hours on any working day and will also be available at the meeting.

The Directors recommend the Resolution for the approval of the members.

None of the Directors, is in any way, concerned or interested in the Resolution.

Registered Office:
S.C.O.125-127,
Sector 17-B,
Chandigarh-160 017
Dated : August 12, 2011

By Order of the Board of Directors
Sd/-
(PRADEEP NAUHARIA)
Company Secretary &
Sr. Gen. Manager (Co. Affairs)

ANNEXURE TO NOTICE

Details of the Directors proposed to be appointed/re-appointed at the 38th Annual General Meeting on 24th September, 2011 (Pursuant to Clause 49 of the Listing Agreement)

Name of the Director	Shri J.S. Sarson	Shri D.C. Mehandru	Shri Sukhjit Singh Bains, IAS, Managing Director
Date of Birth	11th January, 1927	10th October, 1936	14th February, 1957
Date of Appointment	30th November, 1997	26th June, 2002	As Director: 29th November, 2010 As Managing Director: 30th November, 2010
Qualifications	M. Com., LL.B., P.G.D. Pub. Adm., Dip. Industrial Management	B.A. (Hons.) - Economics, M.A., CAIB, AMIA	M. Sc., M. Phil. - Chemistry
Expertise in specific functional areas	Human Resources and General Management Consultancy	Finance and General Management	Indian Administrative Service Officer- General Management and Administration
Directorships of other Companies as on 12 th August, 2011	-	<u>Director</u> ABC Paper Limited	<u>Director</u> Punjab Information & Communication Technology Corporation Limited Punjab Small Industries & Export Corporation Limited Punjab State Industrial Development Corporation Limited Punjab Financial Corporation Punjab Forest Development Corporation Limited Punjab Scheduled Castes Land Development & Finance Corporation Punjab Backward Classes Land Development and Finance Corporation
Chairmanships/Memberships of the Committees of the Board of Companies as on 12 th August, 2011	<u>Punjab Alkalies & Chemicals Limited</u> Audit Committee - Chairman Shareholders/Investors - Member Grievance Committee Captive Power Generation Project Committees - Member PACL Corporate Office Building Committee - Member Share Transfer Committee - Member	<u>Punjab Alkalies & Chemicals Limited</u> Shareholders/Investors - Chairman Grievance Committee Share Transfer Committee - Member Audit Committee - Member Management Review Committee - Member Remuneration Committee - Member PACL Managers and Officers Remuneration Revision Committee - Member <u>ABC Paper Limited</u> Audit Committee - Chairman Management - Member Remuneration Committee	<u>Punjab Alkalies & Chemicals Limited</u> Share Transfer Committee - Chairman Captive Power Generation Project Committee - Chairman Corporate Planning Committee - Chairman PACL Corporate Office Building Committee - Member Shareholders/Investors Grievance Committee - Member Management Review Committee - Member
Number of Equity Shares of Nil the Company held	Nil	Nil	Nil