



Punjab Alkalies & Chemicals Limited

Regd. Office : S.C.O. 125-127, Sector 17-B, Chandigarh - 160 017 (INDIA)
Phone : 0172-4072508-569, E- mail : info@punjabalkalies.com Fax : 0172-2704797
CIN : L24119CH1975PLC003607, Website : www.punjabalkalies.com



PACL:SEC:2021: 1352

08.06.2021

BSE Limited,
1st Floor, New Trading Ring,
Rotunda Building, P.J.Towers,
Dalal Street, Fort,
MUMBAI-400 001.

Sub.: Notice of Extra Ordinary General Meeting.

Dear Sir,

Notice is hereby given that the Extra Ordinary General Meeting of the Company will be held on Wednesday, the 30th June, 2021 at 12.30 hours through Video Conferencing (VC) or other Audio Visual Means (OAVM).

Notice is further given that the Company has fixed 25th June, 2021 as the Cut-off date (Record Date) for the purpose of entitlement for remote E-Voting (including m-voting) in respect of said Extra Ordinary General Meeting (EOGM) and E-Voting at the EOGM. Please find attached herewith the copy of EOGM Notice.

Thanking you,

Yours faithfully,
For PUNJAB ALKALIES & CHEMICALS LIMITED

Sugandha Kukreja
Company Secretary

Encl: As above



Punjab Alkalies & Chemicals Limited

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NOTICE

Notice is hereby given that the **Extra Ordinary General Meeting** of the Members of **Punjab Alkalies & Chemicals Limited** will be held on Wednesday, the **30th June, 2021** at **12.30 hours** through Video Conferencing ("VC")/Other Audio Visual Means ("OAVM"), to transact the following business:-

As Special Business

1. To consider and, if thought fit, to pass with or without modifications, the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to Regulation 31A and other relevant provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the applicable provisions of the Companies Act, 2013 ('Act') read with the Rules framed thereunder ('the Act') and successful completion of open offer by the "Acquirers" under SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2015, and subject to necessary approvals from the Stock Exchange and other appropriate regulatory authorities, as may be necessary, the consent of the members of the Company be and is hereby accorded for re-classification of Punjab State Industrial Development Corporation Limited ("PSIDC") ("Selling Shareholder"), forming part of the existing Promoters of the Company, from Promoter category to Public category.

RESOLVED FURTHER THAT that post completion of acquisition of management and control of Punjab Alkalies and Chemicals Limited by the Acquirers and PACs pursuant to the open offer, which closed on 8th October, 2020, PSIDC has confirmed that they:

- a) do not hold any shares in PAAL;
- b) do not exercise control over the affairs of the company, directly or indirectly;
- c) do not have any special rights with respect to the company through formal or informal arrangements including through any shareholder agreements;
- d) is not being represented on the board of directors (including not having a nominee director) of the Company;
- e) do not have any representative appointed as/ to act as a key managerial person of the Company;
- f) is not 'wilful defaulter' as per the Reserve Bank of India Guidelines;
- g) is not fugitive economic offender; and
- h) there is no pending regulatory w.r.t. securities market action against us.

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.

RESOLVED FURTHER THAT subject to applicable law, the Directors of the Company and Company Secretary of the Company be and are hereby severally authorised to do all such acts, deeds, matters and things as may be deemed necessary or desirable for the purpose of giving effect to the above resolutions, file necessary forms and returns with the Ministry of Corporate Affairs, Stock Exchanges and other concerned authorities,

delegate all or any of the powers conferred by the aforesaid resolutions on it to any committee of directors or any director(s) or officer(s) of the Company and to revoke and substitute such delegation from time to time, as deemed fit by the Board, to give effect to the above resolutions and also to initiate all necessary actions for and to settle all such questions, difficulties or doubts whatsoever that may arise and take all such steps and decisions in this regard.”

2. To consider and, if thought fit, to pass with or without modifications, the following resolution as Special Resolution:

“RESOLVED THAT the consent of the members of the Company be and is hereby accorded to take on record the valuation report obtained by the Company from Er. Jasvinder S. Josan, Registered Valuer (Registration No. CC/CHD/TECH/ Valuer-513/05-06/05) for the issue and allotment of 75,00,000 equity shares by the Company to Durva Infratech LLP for consideration other than cash and approved by the members in their previous Extra Ordinary General Meeting held on 12th April, 2021.

RESOLVED FURTHER THAT all actions taken by the Board in connection with any matter(s) referred to or contemplated in any of the foregoing resolution or resolution passed in the Extra Ordinary General Meeting of the Company held on 12th April, 2021 be and are hereby approved, ratified and confirmed in all respects.”

3. To consider and, if thought fit, to pass with or without modifications, the following resolution as Special Resolution:

“RESOLVED THAT pursuant to the provisions of Section 54, 196, 197 and Schedule V of the Companies Act 2013, SEBI (Issue of Sweat Equity) Regulations 2002, Rule 8 of Companies (Share Capital and Debenture) Rules 2014, such other provisions of law as may be applicable from time to time, on recommendation of the Nomination and Remuneration Committee, approval be and is hereby accorded to the Board of Directors to issue and allot 45,00,000 Sweat Equity Shares for non cash consideration in recognition of contribution towards value addition made by Shri Naveen Chopra, based on the valuation report dated 15th May, 2021 of Sundae Capital Advisors Private Limited, a Category I Merchant Banker.

RESOLVED FURTHER THAT such Equity shares, upon allotment shall rank pari-passu with the existing equity shares of the Company in all respects.

RESOLVED FURTHER THAT such Equity shares, upon allotment shall be locked-in for 3 (three) years or such period as may be provided under the applicable provisions of law.

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the Directors of the Company and Company Secretary of the Company be and are hereby severally authorised to do all such acts, deeds, matters and things as may be necessary or expedient in this regard at any stage without requiring the Board to secure any further consent or approval of the members of the Company in this regard.”

4. To consider and, if thought fit, to pass with or without modifications, the following resolution as Special Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 203, 196, 197 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 and the applicable provisions of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), on recommendation of Nomination and Remuneration Committee of the Company, approval be and is hereby accorded to the increase in remuneration payable to Shri Naveen Chopra, Managing Director of the Company, for the financial year 2021-22, on account of issue and allotment of

45,00,000 equity shares as sweat equity and the other terms & conditions of appointment shall remain same.

RESOLVED FURTHER THAT there is no further change in the remuneration of Shri Naveen Chopra, except for the allotment of sweat equity shares to him pursuant to this resolution.

RESOLVED FURTHER THAT the perquisite value of the 45,00,000 sweat equity shares proposed to be issued to Shri Naveen Chopra, alongwith the tax liability on such non-monetary perquisite shall be deemed to be part of the remuneration payable to him for the financial year 2021-22 in accordance with 196 and 197 read with Item (B) of the Section II of Part II of the Schedule V of the Companies Act, 2013 and the applicable provisions of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and other applicable provisions.

RESOLVED FURTHER THAT where in the financial year 2021-22, the Company is having no profits or inadequate profits as contemplated under the provisions of Item (B) of the Section II of Part II of the Schedule V to the Companies Act, 2013, the remuneration already approved by the members in their Extra Ordinary General Meeting held on December 01, 2020 and perquisites in form of sweat equity shares and perquisite tax thereon shall be paid as minimum remuneration for the financial year 2021-22.

RESOLVED FURTHER THAT all other terms of his appointment including tenure of appointment shall remain same.

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the Directors of the Company and Company Secretary of the Company be and are hereby severally authorised to do all such acts, deeds, matters and things as may be necessary or expedient in this regard at any stage without requiring the Board to secure any further consent or approval of the members of the Company in this regard.”

5. To consider and, if thought fit, to pass with or without modifications, the following resolution as Special Resolution:

RESOLVED THAT pursuant to the provisions of Section 186 of the Companies Act, 2013 (“the Act”) read with the Companies (Meetings of Board and its Powers) Rules, 2014 and other applicable provisions, if any, of the Act (including any modification or re-enactment thereof for the time being in force) and subject to such approvals, consents, sanctions and permissions as may be necessary, consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as “the Board”, which term shall be deemed to include, unless the context otherwise requires, any committee of the Board or any officer(s) authorized by the Board to exercise the powers conferred on the Board under this resolution), to (i) give any loan to any person or other body corporate; (ii) give any guarantee or provide any security in connection with a loan to any other body corporate or person and (iii) acquire by way of subscription, purchase or otherwise, the securities of any other body corporate, as they may in their absolute discretion deem beneficial and in the interest of the Company, subject however that the aggregate of the loans and investments so far made in and the amount for which guarantees or securities have so far been provided to all persons or bodies corporate along with the additional investments, loans, guarantees or securities proposed to be made or given or provided by the Company, from time to time, in future, shall not exceed a sum of Rs.200 Crores (Rupees Two Hundred Crores only) over and above the limit of 60% of the paid-up share capital, free reserves and securities premium account of the Company or 100% of free reserves and securities premium account of the Company, whichever is more, as prescribed under Section 186 of the Companies Act, 2013.

RESOLVED FURTHER THAT the Board of Directors (or a Committee thereof constituted for this purpose) be and is hereby authorized to take all such steps as may be necessary, proper and expedient to give effect to this Resolution.”

6. To consider and, if thought fit, to pass with or without modifications, the following resolution as Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of section 188 of the Companies Act, 2013 read with Companies (Meeting of Board and its Powers) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013 and provisions of Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirement), 2015 (including statutory modification(s) or re- enactment thereof for the time being in force) and subject to such other approvals, consents, permissions and sanctions of other authorities as may be necessary, consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include any committee of the Board), to enter into contracts/ arrangements/ agreements/ transactions (including any modifications, alterations or amendments thereto) in ordinary course of business and on arm's length basis with related parties within the meaning of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as more particularly enumerated in the explanatory statement annexed to this notice on such terms and conditions as defined in the related party contracts.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do or cause to be done all such acts, deeds and things, settle any queries, difficulties doubts that may arise with regard to any transactions with the related party, make such changes to the terms and conditions as may be considered necessary or desirable in order to give effect to this resolution in the best interest of the Company.”

7. To consider and, if thought fit, to pass with or without modifications, the following resolution as Ordinary Resolution:

“RESOLVED that pursuant to the provisions of law, as applicable, including, Section 186, Section 188 of the Companies Act, 2013 (“Act”) read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“LODR Regulations”), each as amended from time to time and all other applicable laws, if any, and the Company’s policy on related party transaction(s), consent of the members be and is hereby accorded for transactions between the Company and shareholders of Flow Tech Chemicals Private Limited (“FTCPL”), a related party of the Company within the meaning of Section 2(76) of the Act and Regulation 2(1)(zb) of the LODR Regulations, in connection with purchasing of stake of upto 49%, in one or more tranches (by 30th June, 2022) and gradually upto 100% stake (by 31st December, 2022) in phased manner, with mutual consent, in FTCPL based on the valuation report dated 20th May, 2021 of Sundae Capital Advisors Private Limited, a Category I Merchant Banker through Share Purchase Agreement to be entered with the shareholders or subscription to fresh equity, for cash consideration or otherwise, and on such terms and conditions as the Board of Directors may deem fit, in compliance with any requirements of applicable laws and PACL will have the right to appoint Directors in FTCPL proportionate to its stake.

RESOLVED FURTHER THAT if there is no change in the valuation or the valuation is lower than the fair value report received by the Company from Sundae Capital Advisors Private Limited, Shri Naveen Chopra, Managing Director of the Company may further enter into agreement with FTCPL to increase the holding of the Company in Flow Tech Chemicals Private Limited upto 100%, without any further approval.

RESOLVED FURTHER THAT Shri Naveen Chopra, Managing Director and CS Sugandha Kukreja, Company Secretary of the Company be and are hereby authorized to do all acts and take such steps as may be considered necessary or expedient to give effect to the aforesaid resolution including without limitation execution of any and all documents, powers of attorney, letters of authority, applications, representations and to do all acts, deeds and things which are ancillary or incidental to any of the above and to delegate all or any of the powers conferred on them by or under this resolution.”

By Order of the Board of Directors

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


(SUGANDHA KUKREJA)
Company Secretary

CIN: L24119CH1975PLC003607

Dated: June 05, 2021

NOTES:

1. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020, Circular No. 20/2020 dated May 05, 2020 and Circular No. 39/2020 dated 31st December, 2020. The EOGM is being held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the EOGM through VC/OAVM.
2. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 and 31st December, 2020, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the EOGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the EOGM will be provided by CDSL.
3. The Members can join the EOGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the EOGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the EGM/AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the EOGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM/EGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body

corporate can attend the EOGM through VC/OAVM and cast their votes through e-voting.

6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the EOGM has been uploaded on the website of the Company at www.punjabkalies.com. The Notice can also be accessed from the websites of the Stock Exchange i.e. BSE Limited at www.bseindia.com. The EOGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the EOGM) i.e. www.evotingindia.com.

The EOGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.

8. Institutional investors, who are members of the Company are encouraged to attend and vote at the General Meeting through VC/OAVM facility. Corporate members intending to appoint their authorized representative pursuant to sections 112 and 113 of the Act, as the case may be, to attend the EOGM through VC or OAVM or to vote through remote e-voting are requested to send a certified copy of Board resolution to the scrutinizer by email at ajaykcs@gmail.com.
9. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of business at item Nos. 1 and 7 is annexed.
10. Members are requested to notify immediately changes, if any, in their registered address to the Company or its Registrars & Share Transfer Agents, M/s. Beetal Financial & Computer Services Private Limited, specifying full address in Block Capitals with PIN Code of the Post Office.
11. Members who have not registered their e-mail address and changes, if any, in the same, with the Company for the purpose of receiving notices, documents, Annual Reports and other shareholders' communications, etc., electronically, by e-mail, are requested to register their latest e-mail address, with (i) the Company or its Registrars & Share Transfer Agents in case of shares held in Physical Mode and (ii) the Company or its Registrars & Share Transfer Agents and/or their Depository through their Depository Participant in case of shares held in Dematerialised Mode; and send the 'Form for Registering E-mail Address' available on the Company's Website www.punjabkalies.com, duly completed and signed, to the Company or its Registrars & Share Transfer Agents.
12. Members are requested to submit their Income Tax Permanent Account Number (PAN) details alongwith a self-certified copy of their PAN Card to (a) the Company or its Registrars & Share Transfer Agents in case of shares held in Physical Mode and (b) their Depository through their Depository Participant in case of shares held in Dematerialised Mode; in view of the Securities and Exchange Board of India's mandate.
13. Since the EOGM will be held through VC/OAVM, the Route Map is not required to be annexed in this to the Notice.
14. Pursuant to the provisions of Sections 107 and 108, read with the Companies (Management and Administration) Rules, 2014 read with notification GSR 207(E) dated 19th March 2015, and as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020 the Company is pleased to offer the option of remote and EOGM E-Voting facility to all the Members of the Company. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL). The Members can vote electronically either in advance during the e-voting period ("remote e-voting") or on the day of EOGM. The Company has appointed Mr. Ajay Arora, Practicing Company Secretary, (FCS No. 2191; CP No. 993) as

Scrutinizer.

The Instructions for Shareholders For Remote E-Voting Are As Under:

- (i) The voting period begins on 27th June, 2021 at 10.00 a.m. onwards and ends on 29th June, 2021 at 5.00 p.m. During this period, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. 25th June, 2021 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already e-voted prior to the meeting date would not be entitled to e-vote at the meeting venue.
- (iii) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 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 advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to above-said SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	<ol style="list-style-type: none">1) Users of who have opted for CDSL's Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URLs for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on Login icon and select New System Myeasi.2) After successful login the Easi / Easiest user will be able to see the e-Voting Menu. On clicking the e-voting menu, the user will be able to see his/her holdings along with links of the respective e-Voting service provider i.e. CDSL/ NSDL/ KARVY/ LINK INTIME as per information provided by Issuer / Company. Additionally, we are providing links to e-Voting Service Providers, so that the user can visit the e-Voting service providers' site directly.3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi./Registration/EasiRegistration4) 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 & Email as recorded in the Demat Account. After successful authentication, user will be provided links for the respective ESP where the e-Voting is in progress during or before the AGM.

Individual Shareholders holding securities in demat mode with NSDL	<p>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsd.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting 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 name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p> <p>2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select “Register Online for IDeAS “Portal or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</p> <p>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.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 name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p>
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. After successful login, you will be able to see e-Voting option. Once you 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 name and you will be redirected to e-Voting service provider’s website 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. CDSL and NSDL

Login type	Helpdesk details
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 and 22-23058542-43.

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.
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- (iv) Login method for e-Voting and joining virtual meeting for shareholders other than individual shareholders & physical shareholders.

The shareholders should log on to the e-voting website www.evotingindia.com.

Click on “Shareholders” module.

Now enter your User ID

- For CDSL: 16 digits beneficiary ID,
- For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
- Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

OR

Alternatively, if you are registered for CDSL’s EASI/EASIEST e-services, you can log-in at <https://www.cdslindia.com> from [Login - Myeasi](#) using your login credentials. Once you successfully log-in to CDSL’s EASI/EASIEST e-services, click on e-Voting option and proceed directly to cast your vote electronically.

Next enter the Image Verification as displayed and Click on Login.

If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.

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

For Shareholders holding shares in Demat Form other than individual 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)

- Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.

Dividend Bank Details 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.

OR Date of Birth (DOB) • 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 (v).

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

- (ix) Click on the EVSN for the “Punjab Alkalies & Chemicals Limited” on which you choose to vote.
- (x) 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.
- (xi) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xii) 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.
- (xiii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

Facility for Non – Individual Shareholders and Custodians –Remote Voting

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
- 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 linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; secretarial@punjabalkalies.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

Instructions for Shareholders attending the AGM/EGM through VC/OAVM & E-Voting during meeting are as under:

1. The procedure for attending meeting & e-Voting on the day of the AGM/ EGM is same as the instructions mentioned above for Remote e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for Remote e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM/EGM.

4. Shareholder will be provided with a facility to attend the EOGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at <https://www.evotingindia.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.
5. Shareholders are encouraged to join the Meeting through Laptops/ iPads for better experience.
6. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
7. 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.
8. Shareholders who would like to express their views/ ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast 10 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at secretarial@punjabkalties.com. The shareholders who do not wish to speak during the EOGM but have queries may send their queries in advance 10 days prior to meeting mentioning their name, demat account number/ folio number, email id, mobile number at secretarial@punjabkalties.com. These queries will be replied to by the company suitably by email.
9. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
10. Only those shareholders, who are present in the AGM/EGM 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 available during the EGM/AGM.
11. If any Votes are cast by the shareholders through the e-voting available during the EGM/AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

Note for Non – Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
- 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 linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory

who are authorized to vote, to the Scrutinizer and to the Company at the email address secretarial@punjabalkalies.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

Process for those shareholders whose email addresses are not registered with the depositories for obtaining login credentials for E-voting for the RESOLUTIONS proposed in this Notice:

1. For Physical shareholders - please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to beetalrta@gmail.com.
2. For Demat shareholders - please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), 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 beetalrta@gmail.com.

In case you have any queries or issues regarding attending EOGM & e-voting from the e-voting system, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com or beetalrta@gmail.com or contact Mr. Nitin Kunder (022- 23058738) or Mr. Mehboob Lakhani (022-23058543) or Mr. Rakesh Dalvi (022-23058542).

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022- 23058542/43.

15. The Scrutiniser shall, immediately after the conclusion of voting at the General Meeting, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least 2 (two) witnesses not in the employment of the Company and make a consolidated Scrutiniser's report of the total votes cast in favour or against, if any, forthwith to the Chairman of the Company.
16. The Result shall be declared on or after the EOGM of the Company. The Results declared along with the Scrutiniser's Report shall be placed on the Company's website www.punjabalkalies.com and CDSL within 2 (two) days of passing of the resolution at the EOGM of the company and communicated to the BSE Limited.

EXPLANATORY STATEMENT

(Pursuant to Section 102 of the Companies Act, 2013)

ITEM NO. 1

The members may note that on 5th August, 2020, Flowtech Industrial Projects Private Limited, Flowtech Chemicals Private Limited, Shri Sukhbir Singh Dahiya, Shri Jagbir Singh Ahlawat, Shri Jatin Dahiya and Smt. Parerna Ahlawat (collectively known as "Acquirers") alongwith Smt. Dayawati Dahiya, Shri Mayank Ahlawat, Smt. Garima, Himalaya Alkalies and Chemicals Limited, Advance Chemicals and Tara Mercantile Private Limited (together known as "PACs") had given an Open Offer in accordance with Regulation 3 and 4 of the SEBI SAST Regulations to acquire substantial stake and control of our Company. Pursuant to the said Open Offer, PSIDC has tendered the equity shares held by them under the Open Offer and also sold certain shares in the open market. Post such sale of shares by PSIDC, they ceased to be the shareholder of the Company. On such completion of open offer, the Acquirers became the Promoters of our Company and acquired control over the Board and management.

Subsequent to the sale of shares by PSIDC and completion of open offer formalities, the Company has received a letter dated 13th January, 2021 from PSIDC for reclassification /

removal of their name from Promoter of the Company. Neither PSIDC holds any share in our Company nor do they exercise any control on the Company. Further, PSIDC has also confirmed that they:

- a) do not hold any shares in PACL;
- b) do not exercise control over the affairs of the company, directly or indirectly;
- c) do not have any special rights with respect to the company through formal or informal arrangements including through any shareholder agreements;
- d) is not being represented on the board of directors (including not having a nominee director) of the Company;
- e) do not have any representative appointed as /to act as a key managerial person of the Company;
- f) is not 'wilful defaulter' as per the Reserve Bank of India Guidelines;
- g) is not fugitive economic offender; and
- h) there is no pending regulatory w.r.t. securities market action against us.

The Board in its meeting held on 3rd February, 2021, has approved the intention of reclassification of PSIDC to non-promoter and the same was informed to the BSE Limited on 3rd February, 2021.

The Directors recommend the Resolution at Item No.1 for the approval of the members as an Ordinary Resolution.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives are concerned or interested in the Resolution mentioned at Item No. 1 of the Notice except to the extent of their individual shareholding in the Company, if any.

ITEM NO. 2

The Company, in its Extra Ordinary General Meeting held on 12th April, 2021 had approved issue and allotment of 75,00,000 equity shares at a price of Rs.60 per equity share, aggregating to Rs.4500 lakhs, to Durva Infratech LLP against part consideration for purchase of plant and machinery on EPC basis for setting up of captive power plant by the Company.

In this regard, the Company had filed an application with BSE Limited for obtaining in-principle listing approval prior to allotment of above-mentioned shares. The in-principle listing approval was received from BSE Limited vide their letter no. DCS/PREF/PB/PRE/1230/2021-22 dated 7th May, 2021.

The valuation report obtained by the Company from Er. Jasvinder S. Josan, Registered Valuer (Registration No. CC/CHD/TECH/ Valuer-513/05-06/05) for valuation of the plant and machinery was open for inspection by the members till the date of declaration of results by the Company. This being issue of shares for non cash consideration, for better corporate governance and more transparent disclosure, as advised by BSE, the Company has undertaken to place details of the said valuation report of Er. Jasvinder S. Josan in the next general meeting of the Company before seeking listing approval for the shares so allotted and ratify the same by the shareholders.

In view of the same, the disclosure under Para (j) to the explanatory statement to Item No. 3 of the Notice of the Extra ordinary General Meeting held on April 12, 2021, we hereby disclose as under:

The justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer:

The said valuation has been obtained by the Company for purchase of 35MW captive power plant. The basis of arriving at the valuation of plant and machinery is as under:

“Approximate price of the machinery in the year of purchase is appreciated considering concerned price index and then depreciated considering the age, expected balance / residual life (with regular maintenance), wear and tear, obsolescence /change in technology, existing condition, market trend, present potential aspect of the industry, demand and supply study, etc. to arrive at present value. The some of the figures are rounded off to the market value. Recent available quotations/ price list /catalogue of manufacturers, dealers were also considered and relied upon wherever possible to arrive at the price. Observed Deterioration method of depreciation was also used.”

A copy of the Valuation report from the Registered Valuer, for consideration other than cash shall be open for inspection at the Registered Office of the Company on all working days upto the date of declaration of EOGM results and will also be available during the Extra Ordinary General Meeting.

The Directors recommend the Resolution at Item No.2 for the approval of the members as Special Resolution by way of ratification.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives are concerned or interested in the Resolution mentioned at Item No. 2 of the Notice except to the extent of their individual shareholding in the Company, if any.

ITEM NOS. 3 & 4

Shri Naveen Chopra was re-designated by the Company as Managing Director w.e.f. 29.10.2020 and also allotted 40,00,000 equity shares as sweat equity which constituted 14.78% of the capital prior to such allotment and 12.87% of the capital post such allotment of sweat equity shares.

Subsequent to Shri Naveen Chopra taking full operational control of the Company as Managing Director, he has successfully transformed the Company's operations and vision for future growth and shareholders value enhancement. The Company has placed order for purchase of captive power plant and its operations.

In view of the same, the Board, on recommendation of the Nomination and Remuneration Committee, has in its meeting held on 21st May, 2021 decided to issue 45,00,000 (Forty five lakh thousand) Equity Shares as sweat equity to Shri Naveen Chopra, constituting 10.23% of the capital prior to such allotment and 9.28% of the capital post such allotment.

The 40,00,000 equity shares allotted as sweat equity by the Company on 3rd February, 2021 and the proposed allotment of 45,00,000 equity shares as sweat equity shall collectively constitute 19.33% of the capital prior to this proposed allotment and 17.54% of the capital post such proposed allotment.

Further, since no equity shares have been allotted as sweat equity in the financial year 2021-22, the Company is in compliance with the requirement of Rule 8(4) of the Companies (Share Capital and Debentures) Rules, 2014.

It is submitted that based on the issue and allotment of 45,00,000 equity shares as sweat equity, the overall managerial remuneration for the financial year 2021-22 may exceed the limits specified in Section 197 of the Companies Act, 2013. The members are requested to consider the approval of increase in the remuneration of Shri Naveen Chopra, Managing Director of the Company as a result of issue and allotment of sweat equity shares and the perquisite tax liability on the same being borne by the Company.

The Board further resolved that in the financial year 2021-22, if the Company is having no profits or inadequate profits, the remuneration payable to him, including perquisite value of sweat equity shares and the tax liability thereon, shall be paid as minimum remuneration to the extent the same does not exceed the limits specified under Companies Act, 2013.

Information pursuant to Clause (iv) of Section II of Schedule V to the Companies Act, 2013, the following statement is given:

I.	General Information	
(1)	Nature of Industry	Manufacturing Industry
(2)	Date or expected date of commencement of commercial production	Not Applicable. (The Company is an existing Company)
(3)	In case of new company, 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	Performance in FY 2020-21: Gross Revenue : Rs.281.43 crores Profit after tax : Rs.8.23 crores Dividend : Nil EPS : Rs.2.97
(5)	Foreign investment or collaborations, if any	Not Applicable.
II.	Information about the appointee	
(1)	Background details	Shri Naveen Chopra has done B.E. (Chemical) and MBA from Punjab University. He is not related to the Promoter Group.
(2)	Past Remuneration	Remuneration as approved in the Extra-Ordinary General Meeting held on 01.12.2020.
(3)	Recognition and awards	Not Applicable.
(4)	Job profile and his suitability	He has been employed with the Company since 1998 and has successfully led the growth of the business of the Company.
(5)	Remuneration proposed	There is no change in the remuneration of Shri Naveen Chopra as approved in the Extra-Ordinary General Meeting held on 01.12.2020 except allotment of sweat equity shares to him pursuant to this resolution.
(6)	Comparative remuneration profile with respect to Industry, Size of the Company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	Considering the responsibilities shouldered by him of the enhanced business activities of the Company, proposed remuneration is commensurate with /less than the Industry standards and board level positions held in similar sized and similarly positioned businesses. In order to retain Shri Naveen Chopra, and reward him for his services, it becomes imperative for the Company to retain him for long term and therefore the said current situation relating to grant of sweat equity shares may not be comparable with another company.
(7)	Pecuniary relationship directly or indirectly with the Company or relationship with the Managerial Personnel, if any	Not applicable.
III.	Other Information	
(1)	Reason of loss or inadequate profits	The proposed remuneration is not falling within the limit specified under Section 197 of the Companies

		Act, 2013 for the year 2021-22 primarily because of the issue and allotment of 45,00,000 sweat equity shares and discharge of tax liability thereon by the Company.
(2)	Steps taken or proposed to be taken for improvement	Not applicable.
(3)	Expected increase in productivity and profits in measurable terms	Not applicable.

Further, the additional disclosures to be given in accordance with Regulation 6(3) of the SEBI (Issue of Sweat Equity) Regulations, 2002 are as under:

(1)	Total number of shares to be issued as sweat equity	45,00,000 (Forty five lacs)
(2)	The market price of the shares of the Company as per Regulation 7(1)	Rs. 87.85 (i.e. closing market price as on May 31, 2021, being the Relevant Date). Further, the price, being highest of 2 weeks and 26 weeks, in terms of Regulation 7(1) is Rs. 89.05
(3)	The value of the intellectual property rights or technical know-how or other value addition to be received from the employee or director along with the valuation report / basis of valuation	Rs.100.47 crores As per the report of Sundae Capital Advisors Private Limited, Category I Merchant Banker.
(4)	The names of the employees or directors or promoters to whom the sweat equity shares shall be issued and their relationship with the company	Shri Naveen Chopra, Managing Director of the Company. He has been employed with the Company since 1998 and has successfully led the growth of the business of the Company.
(5)	The consideration to be paid for the sweat equity	The shares are to be allotted in recognition of contribution towards value addition made by Shri Naveen Chopra. Out of the total value addition, the shares are to be allotted to him for Rs. 4,007.25 lakhs (i.e. 45,00,000 equity shares at a price of Rs. 89.05 per equity share). Further, this being non-monetary perquisite, to avoid hardship on the Managing Director towards cash outflow on account of perquisite tax under Income Tax Act, 1961, the Nomination and Remuneration Committee has recommended and the Board of Directors has approved that the Company do bear and pay the applicable tax liability arising on such non-monetary perquisite. The indicative amount of the same is Rs. 1,712.86 lakhs.
(6)	The price at which the sweat equity shares shall be issued	Rs. 89.05 or such higher price, if any, as may be determined in accordance with applicable laws (as calculated in accordance with Regulation 7 of the SEBI Sweat Equity Regulations)
(7)	Ceiling on managerial remuneration, if any, which will be affected by issuance of such sweat equity	The allotment of sweat equity shares will result in breach of ceiling of managerial remuneration as specified under Section 197 of the Companies Act, 2013 for the financial year 2021-22. Accordingly, the approval of the members of the Company is sought through special resolution in terms of the provisions of Item (B) of the Section II of Part II of the Schedule V to the Companies Act, 2013.

(8)	Diluted Earnings Per Share pursuant to the issue of securities to be calculated in accordance with International Accounting Standards / standards specified by the Institute of Chartered Accountants of India.	(Rs.10.10) (Based on the profit after tax for the financial year ended March 31, 2021 and the present paid up capital increased by the allotment of sweat equity shares)
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Particulars in respect in terms of Rule 8(2) of Companies (Share Capital and Debenture) Rules, 2014:

(1)	The date of the Board meeting at which the proposal for issue of sweat equity shares was approved	21.05.2021
(2)	The reasons or justification for the issue	Subsequent to Shri Naveen Chopra taking full operational control of the Company as Managing Director, he has successfully transformed the Company's operations and vision for future growth and shareholders value enhancement. The Company has placed order for purchase of captive power plant and its operations.
(3)	The class of shares under which sweat equity shares are intended to be issued	Equity Shares
(4)	The total number of shares to be issued as sweat equity	45,00,000 (Forty five lacs)
(5)	The class or classes of directors or employees to whom such equity shares are to be issued	Shri Naveen Chopra, Managing Director of the Company.
(6)	The principal terms and conditions on which sweat equity shares are to be issued, including basis of valuation	1. The Sweat Equity Shares to be issued will be treated as a part of managerial remuneration for the purpose of applicable provisions of the Companies Act, 2013. 2. The Sweat Equity Shares shall be Lock-in for a period of 3 years from the date of allotment. 3. Valuation as per the report of Sundae Capital Advisors Private Limited, Category I Merchant Banker
(7)	The time period of association of such person with the company	Shri Naveen Chopra has been associated with the Company since 1998 and has successfully led the growth of the business of the Company.
(8)	The names of the directors or employees to whom the sweat equity shares will be issued and their relationship with the promoter or/and Key Managerial Personnel	Shri Naveen Chopra, Managing Director of the Company. He is a Professional Director on the Board of the Company and is not related to the Promoters or Key Managerial Personnel of the Company.
(9)	The price at which the sweat equity shares are proposed to be issued	Rs. 89.05 or such higher price, if any, as may be determined in accordance with applicable laws (as calculated in accordance with Regulation 7 of the SEBI Sweat Equity Regulations)
(10)	The consideration including consideration other than cash, if any to be received for the sweat equity	The shares are allotted towards value addition of Shri Naveen Chopra. Out of the total value addition, the shares are allotted to him for Rs. 4,007.25 lakhs (i.e. 45,00,000 equity shares at a price of Rs 89.05

		per equity share). Further, this being non-monetary requisite, to avoid hardship on the Managing Director towards cash outflow on account of requisite tax under Income Tax Act, 1961, the Nomination and Remuneration Committee has recommended and the Board of Directors has approved that the Company do bear and pay the applicable tax liability arising on such non-monetary requisite. The indicative amount of the same is Rs. 1,712.86 lakhs.
(11)	The ceiling on managerial remuneration, if any, be breached by issuance of such sweat equity and how it is proposed to be dealt with.	The allotment of sweat equity shares will result in breach of ceiling of managerial remuneration as specified under Section 197 of the Companies Act, 2013 for the financial year 2021-22. Accordingly, the approval of the members of the Company is sought through special resolution in terms of the provisions of Item (B) of the Section II of Part II of the Schedule V to the Companies Act, 2013
(12)	Diluted Earnings Per Share pursuant to the issue of sweat equity shares, calculated in accordance with the applicable accounting standards.	(Rs.10.10) (Based on the profit after tax for the financial year ended March 31, 2021 and the present paid up capital increased by the allotment of sweat equity shares)

Further, the Company shall conform to the accounting policies as specified by Securities and Exchange Board of India and as under the Companies Act, 2013.

Keeping in view the rich and varied experience that Shri Naveen Chopra has and his long association with the Company, it would be in the interest of Company to allot further sweat equity shares to him.

Shri Naveen Chopra has done B.E. (Chemical) and MBA from Punjab University. He joined the Company in 1998. He has over 30 years of total experience.

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 at Item Nos 3 & 4 for the approval of the members as Special Resolution.

None of the Directors, Key Managerial Personnel and their relatives, is in any way, concerned or interested in the Resolution except Shri Naveen Chopra to the extent his shareholding in the Company.

This Explanatory Statement together with the Resolution set out at Item No. 3 & 4 of the accompanying Notice is and should also be treated as an abstract of the terms and memorandum of interest under Section 190 and other applicable provisions of the Companies Act, 2013.

ITEM NO. 5

The Company is proposing to make investments in, giving loans and guarantees to and providing securities in connection with loans to various persons and bodies corporate from time to time, in compliance with the applicable provisions of the Act for the expansion of its business operations.

The provisions of Section 186 of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014, as amended to date, provides that no company is permitted to, directly or indirectly, (a) give any loan to any person or other body corporate; (b) give any guarantee

or provide security in connection with a loan to any other body corporate or person; and (c) acquire by way of subscription, purchase or otherwise, the securities of any other body corporate, exceeding sixty percent of its paid-up share capital, free reserves and securities premium account or one hundred per cent of its free reserves and securities premium account, whichever is more. Further, the said Section provides that where the giving of any loan or guarantee or providing any security or the acquisition as provided under Section 186(2) of the Act, exceeds the limits specified therein, prior approval of Members by means of a Special Resolution is required to be passed at a general meeting. As per the latest audited Balance Sheet of the Company as on 31st March, 2021, sixty per cent of the paid-up share capital, free reserves and securities premium account amounts to Rs.36.25 crores while one hundred per cent of its free reserves and securities premium account amounts to Rs.29.36 crores. Therefore, the maximum limit available to the Company under Section 186(2) of the Act for making investments or giving loans or providing guarantees / securities in connection with a loan, as the case may be, is Rs.36.25 crores. As on March 31, 2021, the aggregate value of investments and loans made and guarantee and securities issued by the Company, as the case may be, amounts to Rs. Nil.

In view of the above and considering the long term business plans of the Company, which requires the Company to make loans /investments and issue guarantees /securities to persons or bodies corporate, from time to time, prior approval of the Members is being sought for enhancing the said limits upto Rs.200 crores over and above the limit as prescribed under Section 186 of the Companies Act, 2013. Hence, the Special Resolution at Item No. 5 of the Notice, notwithstanding the fact that the same exceeds the limits provided under Section 186 of the Act.

The Directors recommend the Resolution at Item No.5 for the approval of the members as Special Resolution.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives are concerned or interested in the Resolution mentioned at Item No. 5 of the Notice except to the extent of their individual shareholding in the Company, if any.

ITEM NO. 6

Pursuant to provisions of Section 188 of the Companies Act, 2013, the Companies (Meeting of Board and its Powers) Rules, 2014, the Related Party Transactions as mentioned in clause (a) to (g) of the said section require a Company to obtain approval of the Board of Directors and subsequently the Shareholders of the Company by way of ordinary resolution in case the value of the Related Party Transactions exceeds the stipulated thresholds prescribed in Rule 15 of the said Rules and transactions other than in ordinary course of business and on arm's length basis.

As per regulation 23 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015, ("SEBI LODR") also requires that all material related party transactions shall require approval of the shareholders through resolution.

Accordingly, on recommendation of Audit Committee, the Board of Directors in their meeting held on 21st May, 2021 has approved related party transactions and now seek approval of the shareholders by way of Ordinary Resolution under Section 188 of the Companies Act, 2013, the Companies (Meeting of Board and its Powers) Rules, 2014 and SEBI (LODR) Regulations, 2015 to enable the Company to enter into following related Party Transactions in one or more tranches. The transactions under consideration, is proposed to be entered into by the Company with the following parties are in the ordinary course of business and at arm length basis.

S. No.	Name of Related Party	Nature of Relationship	Estimated Amount	Nature of Transactions
1	Flow Tech Chemicals Limited	Common Directors	Rs.5 crores	Purchase of HCL

2.	Flow Tech Chemicals Limited	Common Directors	Rs.25 crores	Sale of Chlorine and neutralisation charges
	Prayag Chemicals Private Limited	Common Directors	Rs.6 crores	
	V.S. Polymers Private Limited	Common Directors	Rs.6 crores	
3.	Flow Tech Chemicals Limited	Common Directors	Rs.13 crores	Normal Paraffin
	Prayag Chemicals Private Limited	Common Directors	Rs.2 crores	
	V.S. Polymers Private Limited	Common Directors	Rs.2 crores	
4.	Prayag Chemicals Private Limited	Common Directors	Rs.29 lacs	Tonnors Rent

The Directors recommend the Resolution at Item No.6 for the approval of the members as Ordinary Resolution.

None of the Directors, Key Managerial Personnel and their relatives, is in any way, concerned or interested in the Resolutions set out at Item No. 6 of the Notice excepting Shri Sukhbir Singh Dahiya, Shri Jagbir Singh Ahlawat, Smt. Parerna Ahlawat and Shri Jatin Dahiya.

ITEM NO. 7

Your Company proposes to enter into a transaction with shareholders of Flowtech Chemicals Private Limited ("FTCPL"), a related party within the meaning of Section 2(76) of the Companies Act, 2013 ("Act") and Regulation 2(1)(zb) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR Regulations"), for purchase of stake of upto 49%, in one or more tranches, at a price of Rs.1,441.31 per equity share, in terms of the valuation report dated 20th May, 2021 of Sundae Capital Advisors Private Limited, a Category I Merchant Banker, through Share Purchase Agreement to be entered with the shareholders or subscription to fresh equity, for cash consideration or otherwise, and on such terms and conditions as the Board of Directors may deem fit, in compliance with any requirements of applicable laws.

Further if there is no change in the valuation or the valuation is lower than the fair value report received by the Company from Sundae Capital Advisors Private Limited, Shri Naveen Chopra, Managing Director of the Company may further enter into agreement with FTCPL to increase the holding of the Company in Flow Tech Chemicals Private Limited upto 100%, without any further approval.

The existing shareholding of FTCPL is as follows:

S. No.	Name of shareholder	Number of shares	% of shareholding
1.	Parerna Ahlawat	1,96,684	25.79
2.	Dayawati Dahiya	1,70,214	22.32
3.	Sukhbir Singh Dahiya	1,36,090	17.85
4.	Jagbir Singh Ahlawat	1,09,620	14.37
5.	Mayank Ahlawat	75000	9.83
6.	Jatin Dahiya	75000	9.83

	Total	7,62,608	100.00
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The Directors recommend the Resolution at Item No.7 for the approval of the members as Ordinary Resolution.

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.

None of the Directors, Key Managerial Personnel and their relatives, is in any way, concerned or interested in the Resolutions set out at Item No. 7 of the Notice excepting Shri Sukhbir Singh Dahiya, Shri Jagbir Singh Ahlawat, Smt. Parerna Ahlawat and Shri Jatin Dahiya.

Registered Office:
S.C.O.125-127,
Sector 17-B,
Chandigarh-160 017
CIN: L24119CH1975PLC003607

Dated: June 05, 2021

By Order of the Board of Directors


(SUGANDHA KUKREJA)
Company Secretary