

NOTICE

NOTICE IS HEREBY GIVEN THAT THE THIRD ANNUAL GENERAL MEETING OF THE MEMBERS OF SAMRAT PHARMACHEM LIMITED WILL BE HELD AT THE SADANAND HOTEL, RAJPIPLA ROAD, ANKLESHWAR - 393 002, GUJARAT ON 27TH SEPTEMBER, 1995 AT 1.00 p.m. TO TRANSACT THE FOLLOWING BUSINESS.

ORDINARY BUSINESS

1. TO CONSIDER AND ADOPT THE PROFIT AND LOSS ACCOUNT OF THE COMPANY FOR THE YEAR ENDED 31ST MARCH, 1995 AND THE BALANCE SHEET AS AT THAT DATE. TOGETHER WITH DIRECTORS AND AUDITORS REPORT THEREON.
2. TO APPOINT A DIRECTOR IN PLACE OF SHRI SUMAN S. LAD WHO RETIRES BY ROTATION AND BEING ELIGIBLE OFFERS HIMSELF FOR RE-APPOINTMENT.
3. TO APPOINT A DIRECTOR IN PLACE OF SHRI JOSEPH V. VEDMUTHU WHO RETIRES BY ROTATION AND BEING ELIGIBLE OFFERS HIMSELF FOR RE-APPOINTMENT.
4. TO APPOINT AUDITORS AND FIX THEIR REMUNERATION.

SPECIAL BUSINESS

5. TO CONSIDER AND IF THOUGHT FIT PASS WITH OR WITHOUT MODIFICATION THE FOLLOWING RESOLUTION AS AN ORDINARY RESOLUTION OF WHICH NOTICE HAS BEEN RECEIVED BY THE COMPANY :

"RESOLVED THAT Shri Naresh H. Mankad, who holds office as director upto the date of the third Annual General Meeting, and who is eligible for appointment, and in respect of whom the company has received a notice in writing from some members together with a deposit of Rs. 500/- proposing his candidature for the office of director, be and is hereby appointed a director of the company whose period of office shall be liable to determination by retirement of directors by rotation."

6. TO CONSIDER AND IF THOUGHT FIT, PASS WITH OR WITHOUT MODIFICATION, THE FOLLOWING RESOLUTION AS AN "ORDINARY RESOLUTION".

"RESOLVED THAT pursuant to the provisions of

Section 198, 309, 310, 314, Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, approval of the members be and is hereby accorded to the increase in remuneration payable to Shri Lalit D. Mehta, Whole-time Director of the Company designated as the Managing Director, w.e.f. 1st October, 1995 to 31st August, 1998, being the remaining term of his appointment as provided in the Contract dated 26th October, 1993 entered into between the Company and Shri Lalit D. Mehta.

RESOLVED FURTHER THAT the salary be increased to Rs. 11,000 per month w.e.f. 1st October, 1995 together with commission, perquisites and allowances as enumerated in the Explanatory Statement to the Notice.

FURTHER RESOLVED THAT the Board of Directors of the Company be and is hereby authorised to modify/revise the remuneration of Shri Lalit D. Mehta as may be acceptable to him in accordance with such amendments as have been made or may be made in the Schedule XIII to the Companies Act, 1956 as existing or amended, modified, or re-enacted from time to time, and/or in accordance with such guidelines in Managerial Remuneration as may be stipulated by the Central Government.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to do all such acts, matters, deeds and things as may be necessary to implement this resolution."

7. TO CONSIDER AND IF THOUGHT FIT, PASS WITH OR WITHOUT MODIFICATION, THE FOLLOWING RESOLUTION AS AN "ORDINARY RESOLUTION".

"RESOLVED THAT pursuant to the provisions of Section 198, 309, 310, 314, Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, approval of the members be and is hereby accorded to the increase in remuneration payable to Shri Champak K. Parekh, Whole-time Director of the Company designated as the Joint Managing Director, w.e.f. 1st October, 1995 to 31st August, 1998, being the remaining term of his appointment as provided in the Contract dated 26th October, 1993 entered into between the Company and Shri Champak K. Parekh.

RESOLVED FURTHER THAT the salary be increased to Rs. 11,000 per month w.e.f. 1st October, 1995 together with commission, perquisites and allowances as enumerated in the Explanatory Statement to the Notice.

FURTHER RESOLVED THAT the Board of

Directors of the Company be and is hereby authorised to modify/revise the remuneration of Shri Champak K. Parekh as may be acceptable to him in accordance with such amendments as have been made or may be made in the Schedule XIII to the Companies Act, 1956 as existing or amended, modified, or re-enacted from time to time, and/or in accordance with such guidelines in Managerial Remuneration as may be stipulated by the Central Government.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to do all such acts, matters, deeds and things as may be necessary to implement this resolution."

8. TO CONSIDER AND IF THOUGHT FIT, PASS WITH OR WITHOUT MODIFICATION, THE FOLLOWING RESOLUTION AS AN "ORDINARY RESOLUTION".

"RESOLVED THAT pursuant to the provisions of Section 198, 309, 310, 314, Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, approval of the members be and is hereby accorded to the increase in remuneration payable to Shri Rajesh L. Mehta, Whole-time Director of the Company designated as the Executive Director (Finance), w.e.f. 1st October, 1995 to 31st August, 1998, being the remaining term of his appointment as provided in the Contract dated 26th October, 1993 entered into between the Company and Shri Rajesh L. Mehta.

RESOLVED FURTHER THAT the salary be increased to Rs. 9,000 per month w.e.f. 1st October, 1995 together with commission, perquisites and allowances as enumerated in the Explanatory Statement to the Notice.

FURTHER RESOLVED THAT the Board of Directors of the Company be and is hereby authorised to modify/revise the remuneration of Shri Rajesh L. Mehta as may be acceptable to him in accordance with such amendments as have been made or may be made in the Schedule XIII to the Companies Act, 1956 as existing or amended, modified, or re-enacted from time to time, and/or in accordance with such guidelines in Managerial Remuneration as may be stipulated by the Central Government.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to do all such acts, matters, deeds and things as may be necessary to implement this resolution."

9. TO CONSIDER AND IF THOUGHT FIT, PASS WITH OR WITHOUT MODIFICATION, THE FOLLOWING RESOLUTION AS AN "ORDINARY RESOLUTION".

"RESOLVED THAT pursuant to the provisions of Section 198, 309, 310, 314, Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, approval of the members be and is hereby accorded to the increase in remuneration payable to Shri Hitesh C. Parekh, Whole-time Director of the Company designated as the Executive Director (Technical), w.e.f. 1st October, 1995 to 31st August, 1998, being the remaining term of his appointment as provided in the Contract dated 26th October, 1993 entered into between the Company and Shri Hitesh C. Parekh.

RESOLVED FURTHER THAT the salary be increased to Rs. 9,000 per month w.e.f. 1st October, 1995 and the other terms and conditions of the contract dated 26th October, 1993 remain unaltered.

FURTHER RESOLVED THAT the Board of Directors of the Company be and is hereby authorised to modify/revise the remuneration of Shri Hitesh C. Parekh as may be acceptable to him in accordance with such amendments as have been made or may be made in the Schedule XIII to the Companies Act, 1956 as existing or amended, modified, or re-enacted from time to time, and/or in accordance with such guidelines in Managerial Remuneration as may be stipulated by the Central Government.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to do all such acts, matters, deeds and things as may be necessary to implement this resolution."

NOTES :

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy or proxies to attend and vote instead of himself and the proxy or proxies so appointed need not be a member or members, as the case may be, of the company.
2. Proxies, if any, in order to be effective, must be received at the Registered Office of the Company at Plot No. A2/3445, GIDC Phase IV, Ankleshwar - 393 002, Gujarat, not less than 48 hours before the commencement of the meeting. Proxies shall not have any right to speak at the meeting.
3. The Register of Members and the Share Transfer Books of the Company will remain closed for a period of nine days from 19th September, 1995 to 27th September, 1995 (both days inclusive).
4. Members are requested to kindly notify to The Share & Secretarial Department, Samrat Pharmachem Limited, Saroj Bhuvan, Ground floor, Near Bhangwadi Shopping

Arcade, Kalbadevi Road, Bombay 400 002, immediately of any change in their addresses.

5. Members are requested to quote their Folio Numbers in all their correspondence.

6. Members desirous of having any information regarding accounts are requested to write to the Company at least 7 days in advance of the date of Annual General Meeting so as to enable the Management to keep the information ready.

7. Members are requested to bring their copies of the Annual Report to the Meeting.

8. Members are requested to bring with them the attendance slip and hand it over at the entrance duly signed by them.

BY ORDER OF THE BOARD

LALIT D. MEHTA **CHAMPAK K. PAREKH**
MANAGING DIRECTOR *JT MANAGING DIRECTOR*

Place : Bombay
Dated : 26th August, 1995

ANNEXURE TO NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956.

Item No. 5

Shri Naresh H. Mankad was appointed a Director of the Company on 1st October, 1994 by the Board of Directors. He holds office upto the date of the Third Annual General Meeting of the Company. The Company has received a notice together with Rs. 500/- as required under section 257 of the Act from some Members signifying their intention to propose Shri Mankad as a candidate for the office of Director.

He is a 52 year old science graduate & technocrat having 29 years experience in pharmaceutical bulk drugs & fine chemicals industry.

It will be in the interest of the Company that Shri Mankad be appointed a Director of the Company.

No other director except Shri Mankad is concerned or interested in the said Resolution.

Items 6,7,8,9

The Company had approved the appointment from 1st September, 1993 vide contracts dated 26th October, 1993 for a period of 5 years. The salary payable to the whole-time directors and the proposed revisions are as follows :

Name of Director	Existing Salary	Revised Salary w.e.f. 01/10/95
Shri Lalit D. Mehta	Rs. 7,000/- p.m.	Rs. 11,000/- p.m.
Shri Champak K. Parekh	Rs. 7,000/- p.m.	Rs. 11,000/- p.m.
Shri Rajesh L. Mehta	Rs. 6,000/- p.m.	Rs. 9,000/- p.m.
Shri Hitesh C. Parekh	Rs. 6,000/- p.m.	Rs. 9,000/- p.m.

All other terms and conditions of their respective contracts remain unaltered.

The material terms and conditions of appointment and remuneration of all these whole-time directors are as follows:

1. Period :
Five years with effect from 1st September, 1993.
2. Remuneration :
 - (a) Salary
As stated above
 - (b) Commission
Not exceeding 1% of net profit subject to a ceiling of 50% of salary or Rs. 4,50,000/- whichever is less.
 - (c) Perquisites
As follows subject to the condition that their monetary value shall be restricted to an amount equal to Rs. 4,50,000/- p.a. or annual salary, whichever is less.
 - (i) Residential Accomodation/House Rent Allowance :
Expenditure by the Company on hiring furnished accomodation for the appointee will be subject to 60% of the salary over and above 10% payable by the appointee.

In case no accomodation is provided by the Company, the appointee shall be entitled to house rent allowance, subject to the above ceiling.

In case the accomodation is owned by the Company, 10% of the salary of the appointee shall be deducted by the Company.

The expenditure incurred by the Company on gas, electricity, water and furnishings shall

be valued as per the Income-tax Rules, 1962 and be subject to a ceiling of 10% of the salary of the appointee.

(ii) Medical benefits for self and family:

Re-imbursment of expenses incurred for the appointee and the family subject to a ceiling of one month's salary in a year or three months salary over a period of three years.

(iii) Leave Travel Concession :

For the appointee and his family once in a year incurred in accordance with any rules specified by the Company.

(iv) Club Fees :

Fees of clubs subject to a maximum of two clubs but not including admission and life membership fees.

(v) Personal Accident Insurance :

Premium not to exceed Rs. 4,000/- per annum.

(vi) Provident Fund, Superannuation Fund, Gratuity :

They shall also be entitled to the benefit of Provident Fund, Superannuation Fund, Annuity Fund and Gratuity as per Company's rules, provided that the Gratuity payable shall not exceed half month's salary for each completed year of service. Contribution to Provident Fund, Superannuation Fund, Annuity Fund or Gratuity will not be included in the computation of ceiling on perquisites to the extent, either single or put together, they are not taxable under the Income-tax Act, 1961.

(vii) Leave encashment :

Encashment of Leave at the end of the tenure

(viii) Car :

Provision of Company maintained car for use on Company's business. The use of car as aforesaid not to be considered as a perquisite. Use of car for private purposes to be billed by the Company.

(ix) Telephone :

Provision of telephone at the residence. The use of telephone not to be treated as a perquisite. Long distance personal calls to be recovered by the Company.

[d] The appointee shall be entitled to re-imbursment of expenses incurred in connection with the business of the Company.

[e] Minimum salary as mentioned in 2[a] above and perquisites as indicated in 2[c] shall be paid in the event of absence or inadequacy of profits in any year.

3. Other Conditions :

[a] No sitting fees will be paid to the appointee for attending the meeting of the Board of Directors or committee thereof of the Company.

[b] The appointee shall not, so long as he functions as a Whole-Time Director of the Company, become interested or otherwise concerned directly or through his wife or minor children in any selling agency of the Company without the prior approval of the Central Government.

[c] The appointee shall not divulge or disclose any trade secrets or confidential information.

The contracts dated 26th October, 1993 between the Company and the aforesaid directors are open for inspection at the Registered Office of the Company between 10.30 a.m. and 1.30 p.m. on any working day except Saturday.

Shri Lalit D. Mehta, Managing Director, Shri Champak K. Parekh, Joint Managing Director, Shri Rajesh L. Mehta, Executive Director (Finance) and Shri Hitesh C. Parekh, Executive Director (Technical) may be deemed to be interested in the items of business at nos. 6,7,8 and 9 respectively since these items relate to the increase in their remuneration. No other Director of the Company is interested in the items of business at nos. 6,7,8 and 9.

BY ORDER OF THE BOARD

LALIT D. MEHTA
MANAGING DIRECTOR

CHAMPAK K. PAREKH
JT MANAGING DIRECTOR

Place : Bombay

Dated : 26th August, 1995