



# INDIAN ACRYLICS LIMITED

Regd. Office & Works : Village Harkishanpura, Distt. Sangurur 148 026 (Punjab)

## ABSTRACT AND MEMORANDUM OF CONCERN OR INTEREST UNDER SECTION 302 OF THE COMPANIES ACT, 1956.

The Board of Directors of the Company has appointed Mr. H K Singhal as Financial Advisor (FA) of the Company with effect from 01<sup>st</sup> February, 2012 for a period of 3 years with the recommendation of Remuneration Committee through a resolution duly approved in the Board Meeting held on 13.02.2012

Mr. H K Singhal is Associated with the Company for more than two decade and has held various Managerial and Advisory positions in the Company. His valuable guidance and experience has contributed immensely to the growth of the Company. Accordingly, on his completion of term as finance Director, it was proposed to avail his services as a Financial Advisor on part time basis for a period of three years on remuneration specified hereinafter within the limits provided under Schedule XIII to the Companies Act 1956. Shri H K Singhal is also a Director on the Board of following Companies:.

SAB Industries Ltd. Steel Strips Infrastructures Ltd. Indlon Chemicals Ltd. Steel Strips Wheels Ltd. S.A.B. Udyog Ltd. S J Mercantile Pvt. Ltd. Steel Strips Mercantile Pvt. Ltd. Malwa Holdings Pvt. Ltd. Munak Financiers Pvt. Ltd. Munak Investments Pvt. Ltd. SAB Developers Pvt. Ltd. Steel Strips Ltd. Munak International Pvt. Ltd. and Malwa Chemtex Udyog Ltd.

As required under Section 302 of the Companies Act, 1956, (the Act) an abstract of the main terms and conditions of the appointment of Mr. H K Singhal as Financial Advisor together with the memorandum of concern or interest is as set out below:

- 1) **Period** : From 1<sup>st</sup> February, 2012 to 31<sup>st</sup> January, 2014
- 2) **Nature of Duties** : The FA shall devote his time and attention to the business of the Company and carry out such duties as may be entrusted to him by the Managing Director and/or the Board from time to time and separately communicated to him and such powers as may be assigned to him, subject to superintendence, control and directions of the Board in connection with and in the best interest of the business of the Company and the business of any one or more of its associated companies and/or subsidiaries, including performing duties as assigned by the Board from time to time by serving on the boards of associated companies and/or subsidiaries or any other executive body or any committee of such a company.
- 3) **Remuneration** :
  - I. Basic Salary: Rs. 80,000/- per month.
  - II. House Rent Allowance: 35%of Basic Salary. In case the accommodation is hired by the Company, rent will not exceed 35% of the salary over and above 15% payable by the Financial Advisor
  - III. Contribution to the provident Fund @ 12% of the basic salary
  - IV. Re-imbusement of Medical Bills up to 5% (five percent) of the basic salary in a year, cumulative upto three years.
  - V. Gratuity not exceeding half months salary for each completed year of service, subject to the maximum as prescribed under the Gratuity Act.
  - VI. Earned leave and its encashment as per Company rules.
  - VII. Chauffer Driven Car and Telephone at the residence for official use (the private use of Car and telephone shall be billed by the Company to the appointee).

The nomenclature of allowances/ reimbursement and corresponding amount thereof can be revised as per the rules of the company invogue.

The above remuneration payable to Mr. H K Singhal is subject to the condition that the total remuneration including perquisites shall not exceed 5% of the net profits individually and 10% of the net profits collectively payable to all the directors as calculated in accordance with section 198 and 309of the Act or any amendment thereto or any other provisions as applicable.

Notwithstanding anything to the contrary herein contained, in the event of losses or inadequate profits in any financial year during the term of office of Sh. H K Singhal as Financial Advisor, the aforesaid remuneration/perquisites are to be paid to the appointee as minimum remuneration subject to the ceiling laid down in Schedule XIII to the companies Act, 1956, as amended from time to time.

**8. Other Terms of appointment:**

- I. The FA shall not become interested or otherwise concerned directly or through his spouse and/or children, in any selling agency of the Company.
- II. The appointment of Financial Advisor shall be subject to such conditions or modifications as may be required or imposed by the Central Government or any other authority with the liberty to the Board of Director to alter and vary the terms and conditions of his appointment within the maximum permissible limits in accordance with Schedule XIII of the Companies Act, 1956 or any amendments thereof as may be made from time to time.
- III. The FA will not be paid any sitting fees for attending the Board and Committee meetings.
- IV. The terms and conditions of appointment of FA also include clauses pertaining to adherence with the company's Code of Conduct, laid down in Corporate Governance.

**MEMORANDUM OF CONCERN OR INTEREST:**

None of the Directors are in any way concerned or interested in the above appointment except Mr. H K Singhal since it relates to his appointment and remuneration payable to him.

**By Order of the Board of Directors**

Place: Chandigarh  
Date; February 16, 2012

R K Garg  
Managing Director

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