



## NOTICE

NOTICE is hereby given that the Ninety third Annual General Meeting of KESORAM INDUSTRIES LIMITED will be held at 11:00 A.M. on Wednesday, the 11<sup>th</sup> July, 2012 at “Kala Kunj”, 48, Shakespeare Sarani, Kolkata 700017, to transact the following business:

### A. Ordinary Business :

1. To consider and adopt the audited Balance Sheet as at 31<sup>st</sup> March, 2012, the Statement of Profit and Loss for the year ended on that date and the Report of the Directors and Auditors thereon.
2. To declare a Dividend on Ordinary Shares.
3. To appoint a Director in place of Smt. Manjushree Khaitan who retires by rotation and, being eligible, offers herself for re appointment.
4. To appoint Auditors and fix their remuneration.

### B. Special Business:

**To consider and, if thought fit, to pass with or without modification(s), the following as Ordinary Resolutions:**

5. “**RESOLVED THAT** Shri Vinay Sah, who was appointed an Additional Director on 3<sup>rd</sup> November, 2011, be and is hereby appointed as a Director of the Company liable to retirement by rotation.”
6. “**RESOLVED THAT** Shri Kashi Prasad Khandelwal, who was appointed a Director on 10<sup>th</sup> April, 2012 in the casual vacancy caused by the demise of B P Bajoria, be and is hereby appointed as a Director of the Company liable to retirement by rotation.”
7. “**RESOLVED THAT** in supersession of the earlier Resolution passed in this behalf, the consent of the Company be and is hereby accorded, under the provisions of Section 293(1)(d) of the Companies Act, 1956, to the Board of Directors of the Company, or any Committee thereof, to borrow from time to time all such sums of money as they may deem requisite for the purposes of the business of the Company notwithstanding that the money to be borrowed together with the money already borrowed (apart from temporary loans obtained from the Company’s bankers in the ordinary course of business), exceed the aggregate of the paid up capital and its free reserves, that is to say, reserves not set apart for any specific purpose, provided that the aggregate of the sums so borrowed shall not exceed ₹ 6,000 Crore (Rupees Six Thousand Crore only) at any one point of time.”
8. “**RESOLVED THAT** in supersession of the earlier Resolution passed in this behalf and pursuant to the provisions of Section 293 (1)(a) and all other applicable provisions of the Companies Act, 1956, the consent of the Company be and is hereby accorded to the Board of Directors of the Company or any Committee thereof (“the Board”), to hypothecate, mortgage, create lien and/or other encumbrances in addition to the mortgages/charges etc. already created/to be created by the Company in such form and manner and with such ranking and at such time and on such terms on all or on any of the movable and/or immovable properties of the Company, both present and future, and/or on the whole or any part of the undertaking(s) of the Company as the Board may determine to secure the sum of money borrowed or to be borrowed aggregating to ₹ 6,000 Crore (Rupees Six Thousand Crore only) by the Company from Banks and other Institutions etc.;



# KESORAM INDUSTRIES LIMITED

**RESOLVED FURTHER** that the Board (including any Director/ Executive so authorised in this behalf) be and is hereby authorised to finalise and execute such agreements, deeds, documents, instruments and writings including, without limitation, Debenture Trust Deeds, Promissory Notes, Deposit Receipts, for creating the aforesaid mortgage and/or hypothecation, charge and other encumbrances, if any, by the Company and to do all such acts, deeds, and things as may be deemed necessary to give effect to this Resolution.”

**To consider and if thought fit, to pass with or without modification, the following Resolution as a Special Resolution:**

9. **“RESOLVED THAT** pursuant to the provisions of Sections 198, 269, 309, 311 and all other applicable provisions, if any, of the Companies Act, 1956 (“the Act”), including any amendments to, or re enactment thereof, and subject to such approvals, if any, as may be necessary including that of the Central Government, the Company hereby approves the re appointment of Shri K.C.Jain as a Whole time Director for a period of three years effective 1<sup>st</sup> April, 2012 upon terms as to remuneration as set out herein below with liberty to the Board of Directors, including a Committee thereof, to alter the terms in such manner as may be in the best interest of the Company, subject, however, to the provisions of the Act, *viz* :

- a) *Basic Salary & Allowances* : not exceeding ₹ 25,00,000 per month as may be fixed by the Board of Directors, including any Committee thereof, from time to time.
- b) *Perquisites* :
  - i) House Rent Allowance, Ex gratia, reimbursement of Leave Travel & Medical expenses for self and family: As per the Rules of the Company;
  - ii) Company’s contribution towards Provident Fund & Superannuation Fund, Leave with full pay and allowances/encashment and Gratuity : As per the Rules of the Company;
  - iii) Car : Chauffeur driven car to be provided and maintained by the Company in relation to the Company’s business. Any personal use of car to be billed separately by the Company;
  - iv) Communication facility at residence: Telephone, telefax and other modern communication facilities at residence in relation to the business of the Company. Any personal usage will, however, be to the account of the individual.
- c) So long as Shri Jain functions as a Whole time Director, he will not be subject to retirement by rotation and shall not be paid any fees for attending Meetings of the Board or any Committee thereof.
- d) In the event of loss/inadequacy of profits during his tenure, the above remuneration including perquisites will be payable as minimum remuneration subject to the approval of the Central Government, if required or necessary;

**RESOLVED FURTHER** that the appointment shall be terminable in the following manner *viz* :

- (a) by efflux of time ; or
- (b) by one party serving the other a three months’ written notice ; or
- (c) by one party paying the other three months’ remuneration as notice pay.”

**Registered Office:**  
9/1, R. N. Mukherjee Road,  
Kolkata - 700 001  
28<sup>th</sup> April, 2012

**By Order of the Board**  
**Gautam Ganguli**  
*Company Secretary*



## Notes:

1. A Member entitled to attend and vote at the above Meeting is entitled to appoint one or more proxies to attend and vote instead of himself / herself and a proxy need not be a Member of the Company. The Instrument of Proxy must be lodged with the Company not less than 48 hours before the Meeting.
2. The Register of Members shall remain closed from 30<sup>th</sup> June, 2012 to 11<sup>th</sup> July, 2012 (*both days inclusive*).
3. The relevant Explanatory Statement, pursuant to Section 173(2) of the Companies Act, 1956 (“the Act”) in respect of the items of Special Business is annexed hereto.
4. A Dividend of ₹ 1.00 per Ordinary Share of ₹ 10, as recommended by the Board, if declared at the forthcoming Annual General Meeting, will be paid, subject to the provisions of Section 206A of the Act, on or after 18<sup>th</sup> July, 2012, to those Members or their mandatees whose names stand registered in the Company’s Register of Members:

(a) as Beneficial Owners as at close of business on 29<sup>th</sup> June, 2012 as per the lists to be furnished by **National Securities Depository Limited** and **Central Depository Services (India) Limited** in respect of shares held in **electronic form**, and;

(b) as Members in the Register of Members of the Company after giving effect to valid share transfers in physical form lodged with the **Company** or the **Share Transfer Agents** on or before 29<sup>th</sup> June, 2012. Instruments of Share Transfers, complete in all respects, should reach the **Share Department of the Company** at 9/1, R. N. Mukherjee Road, Kolkata 700 001 or the **Share Transfer Agents i.e. MCS Ltd., Unit: Kesoram Industries Ltd., 77/2A, Hazra Road, Kolkata 700 029** well before the Book Closure date.

5. In order to avoid the risk of loss / interception of dividend warrants in postal transit and/or fraudulent encashment of dividend warrants, Members are advised to avail of the National Electronic Clearing Service (“NECS”) facility. This facility will enable direct credit of the dividend electronically in their respective Bank Accounts and thus ensures expeditious credit of dividend.

NECS essentially operates on the unique bank account number allotted by banks, post implementation of Core Banking Solutions (“CBS”), for centralised processing of inward instructions and more efficient handling of bulk transactions. In this regard, if shares are held in electronic form, Members should furnish the new unique Bank Account Number allotted to them by their Bank along with a photocopy of a cheque pertaining to the concerned account, to their Depository Participant (DP) no later than 29<sup>th</sup> June, 2012. Members are advised that should the Company not receive their CBS compatible unique bank account number, any electronic credit sent by the Company to their old bank account may either be rejected or returned.

Members holding shares in the physical form with a CBS compatible Bank Account Number should inform the **Share Department of the Company / Share Transfer Agents** of such Number **no later than 29<sup>th</sup> June, 2012** to avail of the benefits of NECS.

6. **Members holding shares in the physical form are requested to notify change of address**, if any, to the **Share Department of the Company / Share Transfer Agents**. Members not availing of the NECS facility are requested to advise the Company of the Bank name and Account Number to which they intend lodging the dividend warrant. These details will then be inscribed on the face of the Dividend Warrant to avoid fraudulent encashment. **Members holding shares in Electronic form should send the above information to their respective Depository Participants only.**



7. In case the mailing address mentioned on the envelope of this Annual Report is either without Pin Code or with an incorrect Pin Code, Members are urged to advise the correct Pin Code number to the **Share Department of the Company / Share Transfer Agents** or the respective **Depository Participant(s)**, as the case may be, immediately, for speedier delivery in future.
8. (a) Members desirous of receiving Notices and/or documents from the Company through the **electronic** mode are urged to update their email addresses with their **Depository Participants**, where shares are held in electronic form and to the **Share Department of the Company / Share Transfer Agents** where shares are held in physical form.
  - (b) Email addresses of Members as advised to the **Share Department of the Company/Registrar and Share Transfer Agents** where shares are held in physical mode or **registered with Depositories** where shares are held in the electronic mode will be deemed to be the Member's registered Email address for serving Company documents/notices as per provisions of the Act and the instructions of the Ministry of Corporate Affairs. Members intending to refresh/update their email addresses should do so as soon as possible.
9. Members holding shares, in physical form, in identical order of names in more than one Folio, are requested to write to the **Share Department of the Company / Share Transfer Agents** enclosing the relevant Share Certificates requesting consolidation of such Folios into one Folio.
10. As per the provisions of the Act, the facility for making nominations is available to individuals holding shares in the Company. The Nomination **Form-2B**, prescribed by the Government for the purpose, can be obtained from the **Share Department of the Company / Share Transfer Agents**.
11. Pursuant to the provisions of Section 205A read together with 205C of the Act, dividends for the financial year ended 31<sup>st</sup> March, 2005 and thereafter, which remain unpaid or unclaimed for a period of 7 years will be transferred to the '**Investor Education and Protection Fund**' ("IEPF") constituted by the Central Government. Members, who have not encashed their *dividend warrant(s)* for the financial year ended 31<sup>st</sup> March, 2005 or any subsequent financial year(s) are urged to claim such amount from the **Share Department/Share Transfer Agents**.  
**Once an unclaimed dividend amount is transferred to the IEPF as above, no claim shall lie either against the Company or the IEPF in respect of such amount.**
12. The last dates of claim for the following dividends are as follows:

<i>Dividend for the financial year ended</i>	<i>Date of declaration of Dividend</i>	<i>Last date for claiming unpaid Dividend</i>
31 <sup>st</sup> March, 2005	30 <sup>th</sup> June, 2005	29 <sup>th</sup> July, 2012
31 <sup>st</sup> March, 2006	29 <sup>th</sup> June, 2006	28 <sup>th</sup> July, 2013
31 <sup>st</sup> March, 2007	14 <sup>th</sup> March, 2007 ( <i>Interim</i> )	13 <sup>th</sup> April, 2014
31 <sup>st</sup> March, 2008	26 <sup>th</sup> June, 2008	25 <sup>th</sup> July, 2015
31 <sup>st</sup> March, 2009	31 <sup>st</sup> October, 2008 ( <i>Interim</i> )	30 <sup>th</sup> November, 2015
31 <sup>st</sup> March, 2009	26 <sup>th</sup> June, 2009	25 <sup>th</sup> July, 2016
31 <sup>st</sup> March, 2010	30 <sup>th</sup> October, 2009 ( <i>Interim</i> )	29 <sup>th</sup> November, 2016
31 <sup>st</sup> March, 2010	1 <sup>st</sup> July, 2010	30 <sup>th</sup> July, 2017
31 <sup>st</sup> March, 2011	10 <sup>th</sup> November, 2010 ( <i>Interim</i> )	8 <sup>th</sup> December, 2017
31 <sup>st</sup> March, 2011	5 <sup>th</sup> July, 2011	3 <sup>rd</sup> August, 2018



13. a) **Members desirous of getting any information in relation to the Company's Annual Report 2011-12 are requested to address their query(ies) well in advance, i.e. at least 10 days before the Meeting, to the Company Secretary to enable the Management to keep the information readily available at the Meeting.**
  - b) Members holding shares in **Electronic Form**, are requested to bring their **Depository ID Number and Client ID Number** to facilitate their identification for recording attendance at the forthcoming Annual General Meeting.
14. Members are requested to claim their unclaimed shares lying with the Company by sending proper documentary evidence to establish their bona fides. Till such claim, as per Clause 5A II of the Listing Agreement with the Stock Exchanges, voting rights on such shares shall remain frozen.
15. The Securities and Exchange Board of India ("SEBI") has mandated the submission of Permanent Account Numbers ("PAN") by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN details to their Depository Participants with whom they maintain their Demat Accounts. Members holding shares in physical form should submit their PAN details to the **Company / Share Transfer Agents**.
16. As per requirement of Clause 49(IV)(G)(i) of the Listing Agreement with the Stock Exchanges, particulars relating to Shri Vinay Sah, Shri K. P. Khandelwal, Smt. Manjushree Khaitan and Shri K. C. Jain are given in the Corporate Governance Section of the Annual Report.

## **EXPLANATORY STATEMENT PURSUANT TO SECTION 173 OF THE COMPANIES ACT, 1956**

### ***Item Nos.5 & 6***

The Life Insurance Corporation of India withdrew the nomination of Shri G B Pande from the Company's Board and replaced him with Shri Vinay Sah. Accordingly, Shri Sah was appointed an Additional Director on 3<sup>rd</sup> November, 2011.

Shri Kashi Prasad Khandelwal was appointed a Director on 10<sup>th</sup> April, 2012 in the casual vacancy caused by the demise of B P Bajoria, who would have, in the normal course, retired by rotation at the forthcoming Annual General Meeting.

Requisite Notices in writing together with deposit have been received from Members intimating their intention to propose the appointments of Shri Sah and Shri Khandelwal at the forthcoming Annual General Meeting.

The Board is of the view that it will be in the interest of the Company to appoint Shri Sah and Shri Khandelwal as Directors of the Company liable to retirement by rotation. The Ordinary Resolutions No.5 and 6 have accordingly been proposed.

Shri Sah and Shri Khandelwal are concerned or interested in their respective Resolutions. No other Director has any concern or interest in the Resolutions.

### ***Item Nos.7 & 8***

The Company is expanding and will continue to expand its manufacturing capacities at its various Plants. Consequently, there may be need to increase borrowings to fund such expansion. The Board, therefore, through an enabling Resolution, proposes to enhance the Company's borrowing limits under Section 293(1)(d) of the Companies Act, 1956 ("The Act") from the present ₹ 4,000 Crore to ₹ 6,000 Crore.



# KESORAM INDUSTRIES LIMITED

Since, the proposed borrowing limit exceeds the Company's Paid up Share Capital and Free Reserves (excluding temporary loans obtained from the Company's bankers and financial institutions etc. in the ordinary course of business), the enabling Resolution No.7 is being proposed for Members' approval.

Resolution No. 8 is also an enabling Resolution and is intended to obtain the consent of Members under Section 293(1)(a) of the Act to mortgage, hypothecate, lease or create any charge on the present and / or future properties / assets of the Company for securing present or future borrowings up to a limit of ₹ 6,000 Crore.

The Board accordingly recommends both Ordinary Resolutions for approval.

No Director is in any way concerned or interested in the proposed Resolutions.

## *Item no. 9*

Shri K C Jain, Senior President, Cement, was appointed a Whole time Director for a period of three years effective 15<sup>th</sup> April, 2011. This appointment stood determined upon mutual consent effective close of business on 31<sup>st</sup> March, 2012. During this period, Shri Jain was also Managing Director of Mangalam Cement Limited ("Mangalam") He has, however, ceased to be Managing Director of Mangalam effective close of business on 31<sup>st</sup> March, 2012.

Effective 1<sup>st</sup> April, 2012, Shri Jain has been re appointed a Whole time Director of the Company for a period of three years on remuneration and other terms indicated in Resolution No.9 of the accompanying Notice. These have the approval of the Board including its Remuneration Committee.

The Board is of the opinion that considering his background, qualifications and the wealth of expertise that Shri Jain brings to the Company, the remuneration offered to him is reasonable and in line with present corporate practice.

As per the General Circular No.46/2011 bearing File No.14/03/2011/CL VII dated 14<sup>th</sup> July, 2011 issued by the Central Government, no approval of the Central Government is required by a company to pay its managerial person a remuneration in excess of ₹ 4 lakhs per month in the event of absence or inadequacy of profits in a financial year. However, this relaxation is subject to the person possessing a professional background, no interest in the capital of the company and not related to any of the company's directors. While Shri Jain is a professional and is not related to any Director, he holds 2695 Ordinary Shares in the Company. On this ground, therefore, the payment of remuneration to Shri Jain will be subject to the approval of the Central Government should the Company have insufficiency of profits during his tenure as a Whole time Director.

The Effective Capital of the Company is not negative.

Excepting Shri Jain, no other Director has any interest or concern in the Resolution.

The Notice should also be treated as the requisite disclosure under Section 302 of the Companies Act, 1956.

**Registered Office:**  
9/1, R. N. Mukherjee Road,  
Kolkata - 700 001  
28<sup>th</sup> April, 2012

**By Order of the Board**  
**Gautam Ganguli**  
*Company Secretary*