



## Balrampur Chini Mills Limited

“FMC Fortuna”, 2nd Floor, 234/3A, A.J.C. Bose Road, Kolkata - 700 020

# Notice

NOTICE is hereby given that the 35th Annual General Meeting of the members of **Balrampur Chini Mills Limited** will be held on Saturday, the 23rd July, 2011 at 10.30 A.M. at ‘Kalakunj’ 48, Shakespeare Sarani, Kolkata- 700017 to transact the following business :-

1. To receive, consider and adopt the audited Accounts of the Company for the 18 months period ended 31st March, 2011 and the Balance Sheet as at that date together with the Directors’ Report and Auditors’ Report thereon.
2. To declare dividend on equity shares.
3. To appoint a Director in place of Shri R.K. Choudhury who retires by rotation and is eligible for reappointment.
4. To appoint a Director in place of Shri S.B. Budhiraja who retires by rotation and is eligible for reappointment.
5. To appoint Auditors and to fix their remuneration.

### SPECIAL BUSINESS

6. To consider and if thought fit to pass with or without modification(s) the following resolution as a special resolution:

“Resolved that pursuant to the provisions of sections 198, 269, 309, 310, 311 & Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 and subject to all such approvals as may be required, the approval of the members be and is hereby accorded to the re-appointment of Smt. Meenakshi Saraogi, as Joint Managing Director of the Company for a period of three and a half years effective from 1st October, 2010 to 31st March, 2014 on the terms and conditions as set out in the explanatory statement annexed hereto and also draft agreement submitted to this meeting, with liberty to the Board of Directors (“the Board”) to revise, amend, alter and vary the terms and conditions of her appointment and remuneration in such manner as may from time to time be prescribed by

the Central Government in the aforesaid Schedule XIII or any modification thereto and as may be agreed to by and between the Board and Smt. Meenakshi Saraogi.

Resolved further that the Board be and is hereby authorized to do and perform all such acts, deeds, matter and things as may be considered desirable or expedient to give effect to this resolution.”

7. To consider and if thought fit to pass with or without modification(s) the following resolution as a special resolution:

“Resolved that pursuant to the Provisions of Sections 198, 269, 309, 310, 311 and Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 and subject to all such approvals as may be required, the approval of the members be and is hereby accorded to (i) the payment of enhanced remuneration to Shri Vivek Saraogi, Managing Director for the period from 1st October, 2010 to 31st March, 2011 and (ii) the reappointment and payment of same remuneration to Shri Vivek Saraogi as Managing Director of the Company for a further period of 3 years with effect from 1st April, 2011 on the terms and conditions as set out in the explanatory statement annexed hereto and also draft agreement submitted to this meeting, with liberty to the Board of Directors (“the Board”) to alter and vary the terms and conditions of the appointment and remuneration in such manner as may be permitted in accordance with the provisions of the Companies Act, 1956 and Schedule XIII or any modification thereto and as may be agreed to by and between the Board and Shri Vivek Saraogi.

Further resolved that the Board be and is hereby authorized to do and perform all such acts, deeds, matter and things as may be considered desirable or expedient to give effect to this resolution.”

8. To consider and if thought fit to pass with or without modification(s) the following resolution as a special resolution:

“Resolved that pursuant to the provisions of sections 198, 269, 309, 310, 311 & Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 and subject to all such approvals as may be required, the approval of the members be and is hereby accorded to (i) the payment of enhanced remuneration for the period from 1st April, 2010 to 30th January, 2011 and (ii) the reappointment and payment of same remuneration to Shri Kishor Shah as Director cum Chief Financial Officer of the Company for the period from 31st January, 2011 to 31st March, 2013 on the terms and conditions as set out in the explanatory statement annexed hereto with liberty to the Board of Directors (“the Board”) to revise, amend, alter and vary the

terms and conditions of his appointment and remuneration in such manner as may be permitted in accordance with the provisions of the Companies Act, 1956 and Schedule XIII or any modification thereto and as may be agreed to by and between the Board and Shri Kishor Shah.

Further resolved that the Board be and is hereby authorized to do and perform all such acts, deeds, matter and things as may be considered desirable or expedient to give effect to this resolution.”

By order of the Board



**S. K. Agrawala**  
*Secretary*

Place: Kolkata

Date: 13th May, 2011

## Notes

1. A member entitled to attend and vote at the meeting is entitled to appoint a Proxy to attend and vote instead of himself and the proxy need not be a member of the Company. The proxy form, in order to be effective, must be duly completed, stamped and lodged with the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
2. The Register of Members and Share Transfer Books of the Company will remain close from 11th July 2011 to 23rd July 2011 (both days inclusive).
3. The Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 is annexed hereto.
4. Members who hold shares in dematerialised form are requested to bring their Client ID and DP ID numbers for easy identification of attendance at the meeting.
5. Corporate members are requested to send a duly certified copy of the Board Resolution, pursuant to section 187 of the Companies Act, 1956, authorizing their representative to attend and vote at the AGM.
6. In order to prevent the fraudulent encashment of dividend warrants, the members of the Company holding shares in physical form are requested to inform their complete bank account details along with a xerox copy of the cheque to the share department of the Company. Further, members holding shares in dematerialized form may please note that the bank account details as provided by their Depository Participants to the Company will be printed on the dividend warrants. The company will not entertain any direct request from such members for deletion of or change in such Bank Account details. As such, they are requested to immediately intimate their Depository Participants about any changes in their bank account details.
7. The Company has provided facility to the members for remittance of dividend through the National Electronic Clearing System (NECS) at locations identified by Reserve Bank of India from time to time, to avoid loss of dividend warrants in transit and delay in receipt of dividend warrants. Therefore, members holding shares in physical form are requested to write to the Company to avail the NECS facility and members holding shares in demat form may request their Depository Participants for availing the NECS facility.
8. Shareholders holding shares in physical form are requested to advise the company and the members holding shares in dematerialized form are requested to advise their Depository Participants immediately about any change in their address.
9. Shareholders of the Company are informed that pursuant to the provisions of the Companies Act, 1956 the amount of dividend which remains unclaimed/unpaid for a period

of 7 years would be transferred to the Investor Education and Protection Fund constituted by the Central Government and the shareholders would not be able to claim any amount of the dividend so transferred to the Fund. The Company had sent reminders to the Members in this regard. As such, shareholders who have not encashed their dividend warrants are requested in their own interest to write to the company immediately for claiming outstanding dividends declared by the Company for the financial years 2003-04 to 2008-09 (Except 2006-07 where no dividend declared).

10. The Company has sub-divided the equity shares of ₹10 each into 10 equity shares of ₹1 each with effect from 31st March, 2005. Shareholders who are holding shares in physical form must surrender their ₹10/- share certificate immediately to the Company so that the Company can despatch the new share certificate of ₹1 each.
11. For Shareholders of erstwhile Babhnan Sugar Mills Limited (BSML) and Tulsipur Sugar Company Limited (TSCL):

Pursuant to the merger scheme, two companies viz, BSML and TSCL were merged with the Company in the year 1994 and 1999 respectively. As per the terms of the respective merger schemes, the then shareholders of BSML and TSCL were allotted Equity Shares of the company in the ratio of 2:5 and 1:7 respectively. Hence, those shareholders who have not yet surrendered the Share Certificates of erstwhile BSML and TSCL are reminded to do so directly to the Company to enable despatch of new sub-divided share certificates.

12. The Company has allotted shares to the shareholders of Indo Gulf Industries Ltd (IGIL) in the ratio of 1 equity share of ₹1 each of the Company for every 100 equity shares of ₹1 each (post restructuring) held in IGIL as on Record Date 24th August, 2010 vide Hon'ble BIFR Order dated 24th June, 2010. If any shareholders of IGIL has not yet received the share certificate of the Company so allotted are requested to write to the Company for non-receipt of such share certificate.

## Explanatory Statement

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

#### Item No. 6:

The Board of Directors at its meeting held on 21st September, 2010 have pursuant to the recommendation of Remuneration Committee approved the reappointment of Smt. Meenakshi Saraogi as Joint Managing Director of the Company for a further period of three and a half years effective from 1st October, 2010 to 31st March, 2014 on the following terms and conditions:

a)	Salary	₹12,50,000 per month.
b)	Commission	1% of net profit of the Company subject to a ceiling of ₹150 lacs per annum.
c)	<b>Perquisites/Amenities</b>	
	i) Housing	Free accommodation at Lucknow subject to deduction of 10% of salary.
	ii) Medical Reimbursement	Reimbursement of actual medical expenses in India and/or abroad and including hospitalization, nursing home and surgical charges for herself and family.
	iii) Leave Travel Concession	Reimbursement of actual travelling expenses for proceeding on leave once in a year in respect of herself and family to any destination in India or abroad.
	iv) Leave	One month leave for eleven months' service.
	v) Personal Accident Insurance	Premium upto ₹15,000/- per annum.
	vi) Medical Insurance	As per Company's Rule.
	vii) Club Fees	Reimbursement of membership fee of clubs in India and abroad including admission and life membership fees.
	viii) Provident Fund	As per Company's Rule.
	ix) Gratuity	½ month's salary for each completed year of service.
	x) Car	Company's Car with driver for official use.
	xi) Telephone	Telephone facility at the residence including Cell Phone.

**EXPLANATION:**

Perquisites shall be evaluated as per Income Tax Rules, wherever applicable and in absence of any such rules perquisites shall be evaluated at actual cost.

**Overall Remuneration :**

The aggregate of salary, commission and perquisites in any one financial year shall not exceed the limits prescribed from time to time under sections 198, 309 and other applicable provisions of the Companies Act, 1956 read with Schedule XIII, Part II Section I of the said Act.

In the event of absence or inadequacy of profit during the period Smt. Meenakshi Saraogi shall be paid the above remuneration as minimum remuneration subject to the limit prescribed under Section II, Part II of Schedule-XIII to the Companies Act, 1956.

Smt. Meenakshi Saraogi (Date of Birth 04.03.1944), is a graduate in Art and looks after the factory operations and is the driving force behind the success of the organization. She is having 28 years of vast experience in the sugar industry and the Company has made tremendous progress due to her efforts. Smt. Meenakshi Saraogi was awarded 'Padmashree' in the year 1992 by the then Hon'ble President of India for her valuable contribution to the sugar industry. The Company would certainly be benefited, if she continues to be Jt. Managing Director of the Company and her supervision and guidance in the factories would make ideal platform for the continued growth and development of the Company. The

remuneration proposed to be paid to Smt. Meenakshi Saraogi is justified having regard to the nature of services required from her and the responsibility which she is called upon to bear as joint Managing Director of the Company. She is a Director of VM Vinimay Pvt. Ltd. She is not a member of any committee except in the Company. She is holding 14244300 equity shares of the Company as on 31.03.2011. The Board recommends the acceptance of the Resolution.

Smt. Meenakshi Saraogi is interested in the Resolution. Shri Vivek Saraogi being relative of Smt. Meenakshi Saraogi may also be deemed to be interested in the said Resolution.

The statements made above may be regarded as an abstract for the terms of appointment and memorandum of interest under section 302 of the Companies Act, 1956.

**Item No. 7 :**

The Board of Directors at its meeting held on 21st September, 2010 considered it desirable to enhance the remuneration and perquisites of Shri Vivek Saraogi, Managing Director for the residual period of his existing term of office from 1st October, 2010 to 31st March, 2011 to keep at par with the remuneration of the Joint Managing Director of the Company as mentioned below. The Board of Directors further again at its meeting held on 4th February, 2011 have pursuant to the recommendation of Remuneration Committee approved the reappointment of Shri Vivek Saraogi as Managing Director of the Company for a further period of 3 years with effect from 1st April, 2011 on the same remuneration.

a)	Salary	₹12,50,000 per month.
b)	Commission	1% of the net profit of the Company subject to a ceiling of ₹150 lacs per annum.
c)	<b>Perquisites/Amenities</b>	
	i) Medical Reimbursement	Reimbursement of actual medical expenses in India and/or abroad and including hospitalization, nursing home and surgical charges for himself and family.
	ii) Leave Travel Concession	Reimbursement of actual travelling expenses for proceeding on leave once in a year in respect of himself and family to any destination in India or abroad.
	iii) Leave	One month leave for eleven months' service.
	iv) Personal Accident Insurance	Premium upto ₹15,000/- per annum.
	v) Medical Insurance	As per Company's Rule.
	vi) Club Fees	Reimbursement of membership fee of clubs in India and abroad including admission and life membership fees.
	vii) Provident Fund	As per Company's Rule.
	viii) Gratuity	½ month's salary for each completed year of service.
	ix) Car	Company's Car with driver for official use.
	x) Telephone	Telephone facility at the residence including Cell Phone.

**EXPLANATION:**

Perquisites shall be evaluated as per Income Tax Rules, wherever applicable and in absence of any such rules perquisites shall be evaluated at actual cost.

**Overall Remuneration:**

The aggregate of salary, commission and perquisites in any one financial year shall not exceed the limits prescribed from time to time under sections 198, 309 and other applicable provisions of the Companies Act, 1956 read with Schedule XIII, Part II Section I of the said Act.

In the event of absence or inadequacy of profit during the period Shri Vivek Saraogi shall be paid the above remuneration as minimum remuneration subject to the limit prescribed under Section II, Part II of Schedule-XIII to the Companies Act, 1956.

Shri Vivek Saraogi (Date of Birth 05.02.1966), is a Commerce Graduate having 23 years of experience in sugar industry and is in overall in-charge of running the affairs of the Company including budgeting, funding, liasioning with the investors and Corporate affairs. The Company has made tremendous growth under his leadership. He is a dynamic new generation industrialist. As a Managing Director he has played a key role in making the Company one of the most efficient sugar producer in the country. He is the past president of Indian Sugar Mills Association. He is also a director in Indian Sugar Exim Corporation Ltd., Neoworth Commercial Pvt. Ltd. and VM Vinimay Pvt. Ltd. He was a committee member of FICCI and Indian Chamber of Commerce, Kolkata. He is not a member of any committee except in the Company. He is holding 18485101

equity shares of the Company as on 31.03.2011. The remuneration proposed to be paid to Shri Vivek Saraogi is justified having regard to the nature of service required from him and the responsibility which he is called upon to bear as Managing Director of the Company. The Board recommends the acceptance of the Resolution.

Shri Vivek Saraogi is interested in the Resolution. Shri Vivek Saraogi and Smt. Meenakshi Saraogi being relatives be deemed to be interested in the said Resolution.

The statements made above may be regarded as an abstract for the terms of appointment and memorandum of interest under section 302 of the Companies Act, 1956.

The draft Agreements referred to the above resolutions in item nos. 6 & 7 will be available for inspection to any member at the registered office of the Company between 11 A.M. to 2 P.M. on any working day and also at the Annual General Meeting.

**Item No. 8 :**

The Board of Director in its meeting held on 24th July, 2010 considered it desirable to enhance the remuneration and perquisites of Shri Kishor Shah for the residual period of his term of office from 1st April, 2010 to 30th January, 2011 as per details mentioned below. The Board of Directors further in its meeting held on 4th February, 2011, have pursuant to the recommendation of Remuneration Committee reappointed Shri Kishor Shah as Director cum Chief Financial Officer for the period from 31st January, 2011 to 31st March, 2013 on the same remuneration.

a)	Salary	₹3,25,000 per month.
b)	Commission	1% of the net profit of the Company subject to a ceiling of ₹39 lacs per annum.
c)	<b>Perquisites</b>	
	i) Medical Reimbursement	For self and his family subject to a ceiling of one month salary.
	ii] Leave Travel Concession	Reimbursement upto one month salary for himself and family.
	iii] Leave	One month leave for eleven months' service. Leave encashment as per Company's Rule.
	iv] Club Fee	Reimbursement of membership fee of clubs in India.
	v] Provident Fund	As per company's Rule.
	vi] Gratuity	½ month's salary for each completed year of service.
	vii] Car	Company's car with driver for official use.
	viii] Telephone	Telephone facility at the residence including Cell Phone.

**EXPLANATION:**

Perquisites shall be evaluated as per Income Tax Rules, wherever applicable and in absence of any such rules perquisites shall be evaluated at actual cost.

The aggregate of salary and perquisites in any one financial year shall not exceed the limits prescribed under sections 198, 309 and other applicable provisions of the Companies Act, 1956 read with Schedule XIII of the said Act.

In the event of absence or inadequacy of profit during the period Shri Kishor Shah shall be paid the above remuneration as minimum remuneration subject to the limit prescribed under Section II, Part II of Schedule - XIII to the Companies Act, 1956.

Shri Kishor Shah (Date of Birth 06.02.1964), is a Commerce Graduate and a Chartered Accountant having about 23 years experience in Finance and Accounts including 16 years in the

sugar industry. He is heading the Finance & Accounts Department of the Company and is responsible for maintaining the efficient and smooth finance function, budgeting and transparent accounts function based on discreet and sound Accounting principle and practices including arranging finance from banks or financial institutions in India and overseas. He is also a director in Balrampur Overseas Pvt. Ltd. He is not a member in any committee except in the Company. He is holding 45600 equity shares of the Company as on 31.03.2011. He will be liable to retire by rotation. The Board recommends the acceptance of the Resolution.

Except Shri Kishor Shah, no other Director is interested in the said resolution.

The above may be regarded as an abstract for the term of appointment and memorandum of interest under Section 302 of the Companies Act, 1956.

**Profiles of Directors seeking Appointment/ Re-appointment pursuant to Clause 49 of the Listing Agreement****Profile of Shri R.K. Choudhury (Item No.3)**

Date of birth	26.01.1936
Qualifications	B.Com., L.L.B
Expertise and experience in specific functional areas	He has vast experience in the matters of Arbitration, Litigation, Real Estate, Taxation, Legal Research, Corporate Documentations etc. He is on the Board of Directors of several companies. He is practising as an Advocate for more than 35 years in the Calcutta High Court and Supreme Court of India. He is also connected with several social and philanthropic organisations.
Directorship held in other Companies	Upper Ganges Sugar and Industries Ltd, Lynx Machinery and Commercial Ltd, Digjam Ltd, Puja Corporation Ltd, Khaitan Consultants Ltd, Super Diamond Nirman Ltd, Elpro International Ltd, Puja Art Archive Ltd, RKDK Publishers Pvt. Ltd, Academic Foundation & Publication Pvt. Ltd and Rajratan Impex Pvt. Ltd.
Membership in other Board Committees	Member, Audit Committee of Upper Ganges Sugar and Industries Ltd, Chairman, Audit Committee of Elpro International Ltd, Member, Committee of Directors, Member, Remuneration Committee and Chairman, Share Transfer and Shareholders'/ Investors' Grievance Committee of Digjam Ltd.
Shareholding in the Company as on 31.03.2011	35,500 equity shares.

**Profile of Shri S.B. Budhiraja (Item No.4)**

Date of birth	23.03.1931
Qualifications	A Gold Medallist in Mechanical Engineering from the University of Roorkee (now IIT Roorkee).
Expertise and Experience in specific functional areas	He is an independent management consultant. He was past president of the Institute of Management Consultants of India and was the Executive Director of Management Development Institute, Gurgaon. He was the youngest-ever Managing Director of Indian Oil Corporation in 1974-78 and was also the Managing Director of IBP Ltd., Balmer Lawrie & Co. Ltd., and Indian Oxygen Ltd. He was the Overseas Director in Al Futtaim Group, U.A.E. He is a fellow of the All India Management Association and the Institute of Management Consultants of India. He was also the president of the Indian Chamber of Commerce, Kolkata in 1989-90 and Chairman, CII Eastern Region in 1988-89. He was a member of World Bank team to study the restructuring of Haryana Power Sector. He was Senior Advisor to the United Nations Secretary General's Office for the Global Compact in India from 2000-04.
Directorship held in other Companies	Hindustan Sanitaryware and Industries Ltd., JCL International Ltd., Neuland Laboratories Ltd.
Membership in other Board Committees	Chairman, Shareholder's/ Investor's Grievance Committee, Member, Audit Committee and Chairman, Remuneration Committee of Hindustan Sanitaryware and Industries Ltd, Member, Audit Committee and Member, Remuneration Committee of Neuland Laboratories Ltd.
Shareholding in the Company as on 31.03.2011	Nil.