

NOTICE

Notice is hereby given that the **45th ANNUAL GENERAL MEETING** of the Company will be held on **Wednesday, 23rd September, 2020, at 4.00 p.m., through Video Conferencing (using Microsoft Teams)**, to transact the following business:

ORDINARY BUSINESS:

- 1) To receive, consider and adopt:**
 - a) the Audited Financial Statements of the Company for the financial year ended 31st March, 2020, together with the Reports of the Board of Directors and the Auditors thereon; and
 - b) the Audited Consolidated Financial Statements of the Company for the financial year ended 31st March, 2020, together with the Report of the Auditors thereon.
- 2) To appoint a Director in place of Mrs. Kiran Dhingra, who retires by rotation and being eligible, offers herself for reappointment.**
- 3) To appoint a Director in place of Mr. G.S. Sahni, who retires by rotation and being eligible, offers himself for re-appointment.**

SPECIAL BUSINESS:

- 4) To appoint a Director in place of Mr. Devesh Srivastava**

Notice of intention to propose Mr. Devesh Srivastava, for appointment as a Director under Section 160 of the Companies Act, 2013 has been received from a member.

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

“**RESOLVED THAT** Mr. Devesh Srivastava, Chairman & Managing Director, General Insurance Corporation of India (DIN 08646006), who was appointed an Additional Director of the Company by the Board of Directors, pursuant to Section 149, 152, 161 and other applicable provisions, if any, of the Companies Act, 2013, and the Rules framed thereunder, and the Company’s Articles of Association, and who holds office upto the date of this Annual General Meeting and who is eligible for appointment, and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act, signifying his intention to propose the candidature of Mr. Devesh Srivastava, for the office of Director, be and is hereby appointed a Director of Indian Register of Shipping, liable to retire by rotation.

RESOLVED FURTHER THAT the Company Secretary be and is hereby authorized to do all such acts, deeds and things as may be necessary and file all necessary forms as may be applicable for giving effect to the aforesaid resolution.”

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

“Resolved that in accordance with the provision of Section 197, 203, read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013, the Company hereby approves the increase in remuneration of Mr. Arun Sharma, Executive Chairman of the Company, with effect from 1st January, 2020, as recommended by the NR

Committee and approved by the Board of Directors of your company at its meeting held on 13th November, 2019, details of which are contained in the Explanatory Statement annexed hereto.”

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

“Resolved that in accordance with the provisions of Section 197, 203, read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013, the Company hereby approves the increase in remuneration of Mr. Suresh Sinha, Managing Director of the Company, with effect from 1st January, 2020, as recommended by the NR Committee and approved by the Board of Directors of your company at its meeting held on 13th November, 2019, details of which are contained in the Explanatory Statement annexed hereto.”

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

“Resolved that in accordance with the provisions of Section 197, 203, read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013, the Company hereby approves the increase in remuneration of Mr. Vijay Arora, Joint Managing Director of the Company, with effect from 1st January, 2020, as recommended by the NR Committee and approved by the Board of Directors of your company at its meeting held on 13th November, 2019, details of which are contained in the Explanatory Statement annexed hereto.”

By Order of the Board of Directors,

B.V. Nargundkar
Sr. VP & Company Secretary

Mumbai, 21st August, 2020

Registered Office:

52A, Adi Shankaracharya Marg, Opp. Powai Lake, Powai, Mumbai - 400 072

CIN – U61100MH1975NPL018244

Tel: +91 22 71199400 • Fax: +91 22 25703611

Email: ho@irclass.org • Website: www.irclass.org

Notes:

1. All documents referred to in the accompanying Notice and the Explanatory Statement and other related documents including the Copy of Memorandum of Association and Articles of Association of the Company are available for inspection by the members at the Registered Office of the Company during the restricted business hours on all working days (due to the lockdown guidelines issued by the State Government) upto the date of the Annual General Meeting.
2. Every member is entitled to inspect the audited financial statements of the Company and its subsidiaries at the registered office during restricted business hours (due to the lockdown guidelines issued by the State Government) and a copy of the financial statements of each of the subsidiaries will be provided to any member of the Company who asks for it in writing.
3. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, in respect of the business as specified in the Notice, is annexed hereto.

4. The Articles of Association of the Company do not permit any votes to be given by proxy, except as an authorized representative of a member, present in person at the meeting

By Order of the Board of Directors,

B.V. Nargundkar

Sr. VP & Company Secretary

Mumbai, 21st August, 2020

Registered Office:

52A, Adi Shankaracharya Marg, Opp. Powai Lake, Powai, Mumbai - 400 072

CIN – U61100MH1975NPL018244

Tel: +91 22 30519400 • Fax: +91 22 25703611

Email: ho@irclass.org • Website: www.irclass.org

Explanatory Statement

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

As required by section 102 of the Companies Act, 2013 (Act), the following explanatory statement sets out all material facts relating to the business mentioned under Item numbers 4, 5, 6 & 7 of the accompanying Notice:

Re: Item No.4

In accordance with the provisions of the Companies Act, 2013 & Articles of Association of IRS, Mr. Devesh Srivastava, the Chairman & Managing Director of General Insurance Corporation of India, was appointed as an additional Director by the Board of Directors at its meeting held on 20th March, 2020, to hold office till the Annual General Meeting in accordance with the provisions of Article 34(a) and Article 37(1)(b) of the Articles of Association and Section 161 of the Companies Act, 2013. The Company has received a notice in writing from a member under section 160 of the Companies Act, 2013, of intention to propose Mr. Devesh Srivastava, for appointment as a Director. Mr. Devesh Srivastava, has signified his consent in writing, to serve as a Director on the Board, if appointed.

The Board considers that it would be in the interest of the Company to have the continued benefit of guidance of Mr. Devesh Srivastava, as a member on the Board and therefore commends his appointment.

Mr. Devesh Srivastava is interested in the resolution in so far as relating to his own appointment.

None of the other Directors or Key Managerial Personnel (KMP) or relatives of directors and KMPs are concerned or interested in the Resolution at Item No.4 of the accompanying Notice.

Re: Item No.5, 6 & 7 of the Agenda

The remuneration package for IRS employees was last reviewed in April, 2013. Owing to the difficult market conditions, no revision was contemplated thereafter. However, the organisation was facing increasing difficulty, over the past year or so, in recruiting the required personnel, even at the entry level of Surveyors. IRS therefore engaged M/s. Mercer Consulting (a specialist in employee compensation matters) to carry out a compensation market study, covering 6 comparators, which included the three largest classification societies operating in India. Comparison was made for all positions, from Asst. Surveyor to Sr. Principal Surveyor and the study indicated that there were significant differences in the surveying grades upto Sr. Surveyor and moderate differences at other levels. The matter was referred to the NR Committee and on recommendation of the NR Committee at their meeting held on 12th November, 2019 and approval of the Board of Directors at their meeting held on 13th November, 2019, the required

increases were made in the compensation package of IRS employees, resulting in a marginal increase of 3% in the CTC of the KMPs, (excluding Chairman – see next paragraph) of which an increase of 2% was made in the fixed component of the CTC and an increase of 1% was made in the Variable Component (PLI). As a result of this, the revised CTC for the MD & JMD, effective 1st January, 2020, are as under:

Particulars	Existing CTC including PLI (per month)	Revised CTC including PLI (per month)
Mr. Suresh Sinha, MD	Rs.7,80,482	Rs.8,03,897
Mr. Vijay Arora, JMD	Rs.7,17,566	Rs.7,39,093

In addition, the maximum limit for the variable component (PLI), for the Managing Director and Jt. Managing Director, has been increased from Rs.20 lakhs upto Rs.25 lakhs p.a., for which the actual PLI to be paid, would be recommended by the NR Committee to the Board for its approval, as in past.

In the case of the EC, Mr. Arun Sharma, there was no increase in his fixed component of CTC, whereas the maximum limit for the variable component (PLI), was increased from Rs.20 lakh upto Rs.25 lakh p.a. As in past, the actual PLI to be paid to the Chairman, would be recommended by the NR Committee to the Board for approval.

The increase in total CTC payable to the Executive Chairman, Mr. Arun Sharma, Managing Director, Mr. Suresh Sinha and Jt. Managing Director, Mr. Vijay Arora, is within the limits prescribed by Schedule V of the Companies Act, 2013.

Further, for all IRS employees on roll, the limit for accumulation of SL was 90 days, but the concept of SL was done away with from 1st January, 2019. On the basis of the recommendation of the NR Committee, the Board of Directors at their meeting of 13th November, 2019, approved the commutation of accumulated SL for all IRS employees, into half pay Privilege Leave (PL). The limit for accumulation of PL remains at 90 days, with any PL in excess of that limit, being enjoyed or encashed in accordance with the Rules of the Company.

The Board considers that it would be in the interest of the Company to approve the increase in total CTC and commutation of accumulated Sick Leave of the Executive Chairman, Managing Director and Jt. Managing Director, as mentioned above and therefore commends the proposed resolution.

Mr. Arun Sharma, Mr. Suresh Sinha and Mr. Vijay Arora are interested in Resolution at Item Nos.5, 6 & 7, respectively, in so far as relating to their own remuneration and benefit.

No other Director or other Key Managerial Personnel (KMP) or relatives of Directors and KMP are interested in this resolution save and except as a member/representative of the concerned member-organisation.

By Order of the Board of Directors,

B.V. Nargundkar

Sr. VP & Company Secretary

Mumbai, 21st August, 2020

Registered Office:

52A, Adi Shankaracharya Marg, Opp. Powai Lake, Powai, Mumbai - 400 072

CIN – U61100MH1975NPL018244

Tel: +91 22 30519400 • Fax: +91 22 25703611

Email: ho@irclass.org • Website: www.irclass.org