

HELD AT \_\_\_\_\_ ON \_\_\_\_\_ TIME \_\_\_\_\_

**MINUTES OF THE PROCEEDINGS OF THE THIRTIETH ANNUAL  
GENERAL MEETING OF THE SHAREHOLDERS OF  
SM DYECHEM LIMITED HELD AT 11.30 A.M. ON  
THE 22<sup>ND</sup> SEPTEMBER, 2015 AT UTKARSH MANDAL  
VILE PARLE, UTKARSH CHOWK, MALAVIA ROAD,  
VILE PARLE (EAST), MUMBAI 400057**

PRESENT: MR C.R. MURALI CHAIRMAN  
MR JIMISH GORADIA DIRECTOR

AND

Mr Rahul S Kavathekar, Representative of M/s. S.K. Kavathekar & Co, Chartered Accountants, Statutory Auditors (Pursuant to Sec. 146 of the Companies Act, 2013)

Members present: 31

In terms of Article 100 of the existing Articles of Association of the company, Mr C.R. Murali, Director took the chair and called the Meeting to order.

Since the quorum for the meeting was present in terms of Sec. 103(a)(iii) of the Companies Act, 2013, the Chairman declared the Meeting open.

The Notice convening the Meeting was taken as read with the consent of all the Members present.

After appraising the Members about the industry scenario, current performance of the company and future prospects in the various business segments in his speech, the Chairman proceeded to transact the business as per the said Notice.

Since there was no qualification or adverse remark by the Auditors in their report dated 27<sup>th</sup> may, 2015, the same was not required to be read out as per the provisions of 145 of the Companies Act, 2013 and therefore, taken as read and the Original thereof was kept open and accessible to the Members present.

The Chairman stated that in terms of the Notice dated 12<sup>th</sup> August, 2015 sent to all the Members of the Company calling this AGM for voting through the electronic means pursuant to Section 108 read with Rule 20 of the Companies (Management and Administrations) Rules, 2014, the voting commenced at 9.00 a.m. on 18<sup>th</sup> September, 2015 to 7.00 p.m. on 21<sup>st</sup> September, 2015. For the purpose, Mr Nilesh A Pradhan, Practising Company Secretary (Membership No.5445) was appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

In view of the e-voting already concluded, voting by show of hands is not allowable in terms of Section 107(1) of the Companies Act, 2013.

The Chairman advised the Members that Mr Nilesh A Pradhan, Company Secretary in Practice, present there, had already handed over to him his report dated 12<sup>th</sup> August, 2015 as per Rule 20(3) (xi) of the Companies (Management and Administration) Rules, 2014. The same was also kept open and accessible to the Members present.

  
CHAIRMAN'S INITIALS

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The Chairman invited question(s) from the Members present, on either the Accounts or the Directors' Report for the year ended 31<sup>st</sup> March, 2015 or on any other business to be transacted in the Meeting as per the Notice issued to the Members. He stated that he and his colleagues would reply thereto, before allowing those Members who could not cast their votes as per e-voting facility made available as stated above, to cast their votes here in the Meeting.

The questions were raised by the Members, which were noted down to be replied at the end. After all the questions were answered satisfactorily, the Chairman announced that the voting would now commence.

At this juncture, many of the Members came forward to cast their votes.

In view of this, the Chairman declared that the e-voting Results as per the Scrutinizer's Report would now be final and read out the Results on all the Resolutions for which the e-voting was carried out.

**1. Adoption of Financial Statements and the Reports for the year ended 31<sup>st</sup> March, 2015**

"RESOLVED THAT the Audited Balance Sheet of the Company for the year ended 31<sup>st</sup> March, 2015 and the Profit & Loss Account for the year ended on that date together with the Directors' and Auditors' Reports thereon, be and they hereby are received, approved and adopted."

**Ordinary Resolution passed unanimously.**

**2. Appointment of Mr S.M. Shetty as Director, who retires by rotation**

"RESOLVED THAT Mr S.M. Shetty, Director of the Company, who retires by rotation at this meeting, being eligible for reappointment, be and is hereby reappointed as Director of the Company and his period of office shall be liable to determination by retirement of Directors by rotation."


**Ordinary Resolution passed unanimously.**

**3. Reappointment of Auditors**

"RESOLVED THAT pursuant to the provisions of Section 139 and 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), S.K. Kavathekar & Co, Chartered Accountants (Firm Regn. No. 104944W) retiring auditors of the company, be and are hereby appointed as Auditors of the Company for a period of one (1) year, to hold office from the conclusion of this Annual General Meeting until the conclusion of the 31<sup>st</sup> Annual General Meeting of the company, to audit the accounts for one financial year beginning on 1<sup>st</sup> April, 2015 and ending on 31<sup>st</sup> March, 2016 on such remuneration as shall be fixed by the Board of Directors in consultation with the Auditors."

**Ordinary Resolution passed unanimously.**

**4. Appointment of Mr C.R. Murali as an Independent Director**

  
CHAIRMAN'S INITIALS

HELD AT \_\_\_\_\_ ON \_\_\_\_\_ TIME \_\_\_\_\_

"RESOLVED THAT pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and Clause 49 of the Listing Agreement, Mr. C.R. Murali (DIN: 00533104) Director of the Company, who qualifies for being appointed as an Independent Director and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for 3 (Three) consecutive years for a term up to 21<sup>st</sup> September, 2018."

The relevant Explanatory Statement pursuant to Sec. 102(1) is annexed to these Minutes.

**Ordinary Resolution passed unanimously.**

**5. Appointment of Mr Nilesh Gandhi as an Independent Director**

"RESOLVED THAT pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and Clause 49 of the Listing Agreement, Mr. Nilesh Gandhi (DIN: 00028536), who was appointed as an Additional Director w.e.f. 10<sup>th</sup> April, 2015 and who qualifies for being appointed as an Independent Director and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for 5 (Five) consecutive years for a term up to 9<sup>th</sup> April, 2020."

The relevant Explanatory Statement pursuant to Sec. 102(1) is annexed to these Minutes.

**Ordinary Resolution passed unanimously.**

**6. Appointment of Mrs Priti Gandhi as an Independent Director/Woman Director**

"RESOLVED THAT pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and Clause 49 of the Listing Agreement, Mrs. Priti Gandhi (DIN: 07166272), who was appointed as an Additional Director w.e.f. 27<sup>th</sup> May, 2015 and who qualifies for being appointed as an Independent Director and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing her candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for 5 (Five) consecutive years for a term up to 26<sup>th</sup> May, 2020."

The relevant Explanatory Statement pursuant to Sec. 102(1) is annexed to these Minutes.

**Ordinary Resolution passed unanimously.**

**7. Appointment of Mr Jimish Goradia as an Independent Director**



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HELD AT \_\_\_\_\_ ON \_\_\_\_\_ TIME \_\_\_\_\_

**"RESOLVED THAT** pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and Clause 49 of the Listing Agreement, Mr Jimish Goradia (DIN: 06827623) who was appointed as an Additional Director w.e.f. 19<sup>th</sup> August, 2015 and who qualifies for being appointed as an Independent Director and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for 5 (Five) consecutive years for a term up to 18<sup>th</sup> August, 2020."

The relevant Explanatory Statement pursuant to Sec. 102(1) is annexed to these Minutes.

**Ordinary Resolution passed unanimously.**

**8. Approval for borrowing limits**

**"RESOLVED THAT** in terms of Section 180(1)(c) of the Companies Act, 2013, the consent of the Company be and is hereby accorded to the Board of Directors of the Company to borrow money on behalf of the Company, from time to time, any sum or sums of monies which together with the monies already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) may exceed the aggregate paid-up share capital of the Company and its free reserves, (that is to say reserve not set apart for any specific purpose) provided that the total amount so borrowed by the Board shall not at any time exceed the limit of Rs. 5,00,00,000/- (Rupees five crores only) or limits so prescribed under Section 180(1)(c) (as may be amended from time to time), whichever is higher."

**RESOLVED FURTHER THAT** the Board or any Committee thereof be and is hereby authorized to do all such acts, deeds and things, to execute all such documents, instruments and writings as may be required to give effect to this Resolution."

The relevant Explanatory Statement pursuant to Sec. 102(1) is annexed to these Minutes.

**Special Resolution passed unanimously.**

There being no other business to transact, the Meeting terminated with a vote of thanks to the Chair.



**CHAIRMAN**

Date: 13<sup>th</sup> October, 2015

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Annexure

**Explanatory Statement (Pursuant to Section 102(1) of the Companies Act, 2013 (the Act))**

Attached to the Notice convening the Thirtieth Annual General Meeting to be held on Tuesday, 22<sup>nd</sup> September, 2015

**ITEM NO. 4**

Pursuant to Sections 149, 152, Schedule IV of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014, Mr. C.R. Murali, being Independent Director of the Company, is proposed to be appointed as Independent Director pursuant to the requirement of the Companies Act, 2013, for a term of 3 years, up to the conclusion of the 33<sup>rd</sup> Annual General Meeting and during this term they shall not be liable to retire by rotation.

The company has received a notice in writing from the appointee himself along with the deposit of requisite amount under Section 160 of the Act proposing his own candidature for the office of Director of the Company.

Mr. C.R. Murali is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director.

The Company has received a declaration from Mr. C.R. Murali that he meets with the criteria of independence as prescribed both under subsection (6) of Section 149 of the Act and under Clause 49 of the Listing Agreement. In the opinion of the Board, Mr. C.R. Murali fulfils the conditions of his appointment as an Independent Director as specified in the Act and the Listing Agreement. Mr. C.R. Murali is independent of the management.

Brief resume of Mr. C.R. Murali, nature of his expertise in specific functional areas and names of companies in which he holds directorships and memberships/chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Clause 49 of the Listing Agreement is annexed to the notice.

In accordance with the provisions of Section 149 read with Schedule IV to the Act, appointment of independent Directors requires approval of shareholders.

Keeping in view his vast expertise and knowledge, it will be in the interest of the company that Mr. C.R. Murali is appointed as an Independent Director

The statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchange. Mr. C.R. Murali holds 2 shares of the company.

Except for Mr. C.R. Murali, being the appointee himself, none of the other Directors, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No.4 of the Notice.

The Board commends the Ordinary Resolution set out at Item No.5 of the Notice for approval by the members.



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**ITEM NO.5**

The Board of Directors of the company in their meeting held on 10<sup>th</sup> April, 2015 appointed, pursuant to the provisions of Section 161(1) of the Act and the Articles of Association of the Company, Mr Nilesh Gandhi as Additional Independent Director of the company who holds office upto the date of the AGM of the company.

The company has received a notice in writing from the appointee himself along with the deposit of requisite amount under Section 160 of the Act proposing his own candidature for the office of Director of the Company.

Mr. Nilesh Gandhi is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director.

The Company has received a declaration from Mr. Nilesh Gandhi that he meets with the criteria of independence as prescribed both under subsection (6) of Section 149 of the Act and under Clause 49 of the Listing Agreement. In the opinion of the Board, Mr. Nilesh Gandhi fulfils the conditions of his appointment as an Independent Director as specified in the Act and the Listing Agreement. Mr. Nilesh Gandhi is independent of the management.

Brief resume of Mr. Nilesh Gandhi, nature of his expertise in specific functional areas and names of companies in which he holds directorships and memberships/chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Clause 49 of the Listing Agreement is annexed to the notice.

In accordance with the provisions of Section 149 read with Schedule IV to the Act, appointment of independent Directors requires approval of shareholders.

Keeping in view his vast expertise and knowledge, it will be in the interest of the company that Mr. Nilesh Gandhi is appointed as an Independent Director

The statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchange. Mr. Nilesh Gandhi does not hold any shares of the company.

Except for Nilesh Gandhi, being the appointee himself and Mrs. Priti Gandhi being his spouse, none of the other Directors, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No.5 of the Notice.

The Board commends the Ordinary Resolution set out at Item No.5 of the Notice for approval by the members.

**ITEM NO.6**

The Board of Directors of the company in their meeting held on 27<sup>th</sup> May, 2015 appointed, pursuant to the provisions of Section 161(1) of the Act and the Articles of Association of the Company, Mrs. Priti Gandhi as Additional Independent Director of the company who holds office upto the date of the AGM of the company.



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The company has received a notice in writing from the appointee herself along with the deposit of requisite amount under Section 160 of the Act proposing her own candidature for the office of Director of the Company.

Mrs. Priti Gandhi is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given her consent to act as a Director.

The Company has received a declaration from Mrs. Priti Gandhi that she meets with the criteria of independence as prescribed both under subsection (6) of Section 149 of the Act and under Clause 49 of the Listing Agreement. In the opinion of the Board, Mrs. Priti Gandhi fulfils the conditions of his appointment as an Independent Director as specified in the Act and the Listing Agreement.

Brief resume of Mrs. Priti Gandhi, nature of her expertise in specific functional areas and names of companies in which she holds directorships and memberships/chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Clause 49 of the Listing Agreement is annexed to the notice.

In accordance with the provisions of Section 149 read with Schedule IV to the Act, appointment of independent Directors requires approval of shareholders.

The statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchange. Mrs. Priti Gandhi does not hold any shares of the company.

Except for Mrs. Priti Gandhi, being the appointee herself, and Mr. Nilesh Gandhi being her spouse, none of the other Directors, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 6 of the Notice.

The Board commends the Ordinary Resolution set out at Item No.6 of the Notice for approval by the members.


#### ITEM NO.7

The Board of Directors of the company through Circular Resolution approved on 19<sup>th</sup> August, 2015 appointed, pursuant to the provisions of Section 161(1) of the Act and the Articles of Association of the Company, Mr. Jimish Goradia as Additional Independent Director of the company who holds office upto the date of the AGM of the company.

The company has received a notice in writing from the appointee himself along with the deposit of requisite amount under Section 160 of the Act proposing his own candidature for the office of Director of the Company.

Mr. Jimish Goradia is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given her consent to act as a Director.

The Company has received a declaration from Mr. Jimish Goradia that he meets with the criteria of independence as prescribed both under subsection (6) of Section 149 of the Act and under Clause 49 of the Listing Agreement. In the opinion of the Board, Mr. Jimish Goradia fulfils the conditions of his appointment as an Independent Director as specified in the Act and the Listing Agreement.

  
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Brief resume of Mr. Jimish Goradia, nature of his expertise in specific functional areas and names of companies in which he holds directorships and memberships/chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Clause 49 of the Listing Agreement is annexed to the notice.

In accordance with the provisions of Section 149 read with Schedule IV to the Act, appointment of independent Directors requires approval of shareholders.

Keeping in view her expertise and knowledge, it will be in the interest of the company that Mr. Jimish Goradia is appointed as an Independent Director

The statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchange. Mr. Jimish Goradia does not hold any shares of the company.

Except for Mr. Jimish Goradia, being the appointee himself, none of the other Directors, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No.7 of the Notice.

The Board commends the Ordinary Resolution set out at Item No.7 of the Notice for approval by the members.

**ITEM NO.8**

In pursuance of the Modified Draft Rehabilitation Scheme (MDRS) submitted to BIFR/IDBI as per directions of BIFR the strategic investor/co promoters identified by the promoters of the company have agreed to part finance the cost of rehabilitation of the company's operations. However as an abundant precaution the consent of the shareholder is being sought by way of this special resolution.

Under the provisions of Section 180(1) (c) of the Companies Act, 2013, the power to borrow beyond the limits prescribed under section 180(1)(c) can be exercised by the Board only with the consent of the shareholders obtained by a Special Resolution. Therefore, it is necessary to obtain approval of the shareholders by means of Special Resolution(s) to enable the Board of Directors of the Company under Section 180(1)(c) of the said Act to borrow monies, provided that the total amount so borrowed by the Board shall not exceed Rs.5,00,00,000/- (Rupees five crores Only) or the aggregate of the paid up capital and free reserves of the Company, whichever is higher, and also to enable the Company under Section 180(1)(a) of the Companies Act, 2013 for creation of charges/mortgages/hypothecations for the said purpose.

The Board recommends the Resolution as set out at Item no. 8 of the Notice as a Special Resolution, for approval of the Members.

None of the Directors or Key Managerial Personnel or their relatives are in any way concerned/ interested in the above resolution.



CHAIRMAN'S INITIALS