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MINUTES OF THE 22nd ANNUAL GENERAL MEETING OF HIMADRI CHEMICALS & INDUSTRIES LIMITED HELD AT "GYAN MANCH " 11, PRETORIA STREET, KOLKATA- 700 071 ON TUESDAY THE 28th SEPTEMBER 2010 AT 2.30 PM

PRESENT

Sl.No.	Name	Designation
1	Mr. Bankey Lal Choudhary	Managing Director
2	Mr. Shyam Sundar Choudhary	Director
3	Mr. B. P. Dhanuka	Chairman Audit Committee
4	Mr. S.K. Banerjee	Director

IN ATTENDANCE

Sl.No.	Name	Designation
1.	Shri. Anurag Choudhary	CEO
2.	Shri. B.K. Newatia	Statutory Auditor
3.	Mr. B.L. Sharma	Company Secretary

One hundred thirty three (133) members present in person and Twelve (12) through valid proxies, representing 818071 equity shares were present.

CHAIRMAN

Mr. Bankey Lal Choudhary, the Managing Director was unanimously elected Chairman of the meeting. While welcoming the members, the Chairman appraised the meeting with a brief account of the Company's progress during the year.

QUORUM

The Chairman observed that requisite quorum was present he called the meeting to order.

NOTICE

With the consent of the members present, the notice convening the meeting was taken as read.

REGISTER OF DIRECTORS SHAREHOLDING

The Chairman informed the meeting that the Register of Directors' Shareholding maintained u/s 307 of the Companies Act, 1956 was made available for inspection by any members during the continuance of the meeting.



AUDITORS' REPORT

The Auditors' Report to the members of the Company on the Accounts for the year ended 31st March, 2010, was read by Mr. B.L. Sharma, the Secretary of the Company.

1. APPROVAL OF ACCOUNTS

The audited Accounts for the year ended 31st March, 2010 and the Directors' Report having been circulated among the members, along with the notice, were taken as read with the consent of the members present. Thereafter, the Chairman **Proposed** and Sri. S.S. Bhattacharya (Folio: DP-ID12019103: CL-ID: 00007444) **Seconded** the following as an Ordinary Resolution for the adoption of the Audited Accounts for the year ended 31st March, 2010:

“RESOLVED that the audited Balance Sheet of the Company as at 31st March, 2010 and the Profit & Loss Account for the year ended on that date together with the report of the Auditors' and Directors' thereon, be and are hereby approved, confirmed and adopted.”

Before, putting the resolution to vote, the Chairman invited members to express their views and comments if any, on the Audited Accounts of the Company and the Report of the Board of Directors and Auditors thereon. The members appreciated the performance of the Company and asked several questions and comments on the performance of the company.

Several members raised questions which were suitably replied by Mr. Anurag Choudhary – CEO upon request made by the Chairman. He briefly narrated the future plans and prospects of the company which was highly appreciated by the members. Thereafter, the Chairman put the resolution to vote by show of hands.

On being put to vote by show of hands the resolution was carried unanimously.

2. DIVIDEND

Proposed by Mr. S.N. Pal (Folio No: 12034500 CL ID: 00021620) and **Seconded** by Mr. Shymal Chatterjee (Folio No: IN300327 CL ID: 10111695) that the following resolution be adopted as an Ordinary Resolution:

“RESOLVED that pursuant to the recommendations made by the Board of Directors of the Company, a dividend at the rate of Rs.1/- per share on **3,85,73,257** equity shares of Rs.10/- each be and is hereby declared for the year ended 31st March, 2010 and be paid to those shareholders whose names appear in the Register of Members as on 28th September 2010.”

On being put to vote by show of hands the resolution was carried unanimously.



3. Re-appointment of Director retire by rotation

Proposed by Mr. K K Tuwani (Folio No: T\02280) and Seconded by Mr. Subrata Mall (Folio No: IN300263 CL-ID: 10010034) that the following resolution be adopted as an Ordinary Resolution:

“RESOLVED that Mr. Damodar Prasad Choudhary, who retires by rotation at this meeting and being eligible for re-appointment, be and is hereby re-elected as Director of the company whose period of office shall be liable to determination by retirement of Directors by rotation.”

On being put to vote by show of hands, the resolution was carried unanimously.

4. Re-appointment of Director retire by rotation

Proposed by Mr. S.N. Pal (Folio No: 12034500 CL ID : 00021620) and Seconded by Mr. Soumitra Chatterjee (Folio No: 13019300 - CL ID : 00114742) that the following resolution be adopted as an Ordinary Resolution:

“RESOLVED that Mr. Sushil Kumar Saraf, who retires by rotation at this meeting and being eligible for re-appointment, be and is hereby re-elected as Director of the company whose period of office shall be liable to determination by retirement of Directors by rotation.”

On being put to vote by show of hands, the resolution was carried unanimously.

5. APPOINTMENT OF AUDITORS

Proposed by Mr. Dinesh Prasad Verma (Folio No: IN300360 / CL-ID: 21574576) and Seconded by Mrs Ruma Mondal (Folio No: DP-ID: 12019103 CL ID : 00095764)that the following resolution be adopted as an Ordinary Resolution:

“RESOLVED that Messrs S. JAYKISHAN, Chartered Accountants, (Firm Registration No: 309005E), the retiring Auditors of the company be and are hereby re-appointed as Auditors of the company to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting of the company at a remuneration to be fixed by the Board.”

On being put to vote by show of hands, the resolution was carried unanimously.

6. APPOINTMENT OF DIRECTOR

Proposed by Mr. Santanu Mukherjee (Folio No: IN301151 CL-ID: 22383543) and Seconded by Mr. Soumitra Chatterjee (Folio No: 13019300 CL ID : 00115742)that the following resolution be adopted as an Ordinary Resolution:

“RESOLVED that Mr. Bhagwati Prasad Dhanuka, whose period of office shall be liable to determination by retirement of Directors by rotation, be and is hereby appointed as a Director of the Company.”

On being put to vote by show of hands, the resolution was carried unanimously.



7. APPOINTMENT OF DIRECTOR

Proposed by Mr. Swapan Bhadra (Folio No: IN302951 CL-ID: 20039819) and Seconded by Mr. K K Tuwani (Folio No: T\02280) that the following resolution be adopted as an Ordinary Resolution:

“RESOLVED that Dr. Basudeb Sen whose period of office shall be determined by retirement of Directors by rotation, be and is hereby appointed as a Director of the company.”

On being put to vote by show of hands, the resolution was carried unanimously.

8. RE-APPOINTMENT OF MR. S. S. CHOUDHARY – EXECUTIVE DIRECTOR

Proposed by Mr. S.N. Pal (Folio No: 12034500 CL ID : 00021620) and Seconded by Mr. Subrata Mall (Folio No: IN300263 CL-ID: 10010034) that the following resolution be adopted as a Special Resolution:

“RESOLVED that in accordance with the provisions of Section 198, 269, 309, 310, 311 read with Schedule XIII and all other applicable provisions, if any of the Companies Act, 1956 or any statutory modification(s) or re-enactment thereof and subject to such approvals/ consents, if any, approval of the Company be and is hereby accorded to the re-appointment of Mr. S.S. Choudhary, as Executive Director of the Company for a further period of 5 (five) years with effect from 1st April, 2010 on the terms, conditions including remuneration and perquisites as set out in the Explanatory Statement annexed to the Notice convening this meeting, with liberty to the Board of Directors (hereinafter referred to as “the Board”, which term shall deemed to be included any committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution) to alter and vary the terms and conditions and / or remuneration, subject to the same not exceeding the limits specified under Schedule XIII to the Companies Act, 1956 or any statutory modification(s) or re-enactments thereof.

RESOLVED FURTHER that the Board be and is hereby authorized to take all such steps as may be deemed necessary, proper or expedient to give effect to this resolution.”

On being put to vote by show of hands, the resolution was carried unanimously.

9. RELATIVE OF DIRECTOR HOLDING OF OFFICE OR PLACE OF PROFIT - MR. ANURAG CHOUDHARY- CEO

Proposed by Mr. Dinesh Prasad Verma (Folio No: IN300360 / CL-ID: 21574576) and Seconded by Mr. Alok Kumar Pal (Folio No: 12044700 CL ID: 02592457) that the following resolution be adopted as a Special Resolution:



“RESOLVED that pursuant to the provisions of Section 314 (1-B) and all other applicable provisions if any, of the Companies Act, 1956, and pursuant to the Directors’ Relatives (Office or Place of Profit) Rules, 2003 and subject to the approval of the Central Government, consent of the company be and is hereby accorded to Mr. Anurag Choudhary, a relative of a Director, for holding and continuing to hold an office of profit as the Chief Executive Officer- CEO (or such other designation as may be assigned from time to time by the Remuneration Committee / Selection Committee and approved by the Board of Directors) in the company for a period of **three years** with effect from **1st July, 2010**, or such other date as may be stipulated by the Central Government while granting such approval, under the scale of Rs. 2,75,000- Rs.10,000 –Rs.15,000- Rs.3,00,000 per month, not exceeding in aggregate of Rs. 65,40,000/ (Rupees Sixty five lacs forty thousand only) per annum, with an authority to the Board of Directors to sanction at their discretion of increments within the grade as they may deem fit and proper and to sanction at their discretion and in due course Mr. Anurag Choudhary’s promotion to the next higher grade or grades together with the all usual allowances and benefits as applicable to such grade or grades and to give increments within that grade or grades as they may deem fit and proper.

RESOLVED FURTHER that the remuneration payable to Mr. Anurag Choudhary as aforesaid will be subject to such modification/(s) as the Central Government may suggest or require which the directors are hereby authorized to accept on behalf of the Company and which may be acceptable to Mr. Anurag Choudhary and are not less favourable to the Company.”

On being put to vote by show of hands, the resolution was carried unanimously.

10. RELATIVE OF DIRECTOR HOLDING OF OFFICE OR PLACE OF PROFIT - MR. TUSHAR CHOUDHARY- PRESIDENT OPERATIONS

Proposed by Mr. Kamlesh Kumar Agarwal representative of a corporate member (Folio No: 10179594 & 10241015 & 46061546 & H 001869) and Seconded by Mr. Dinesh Prasad Verma (Folio No: IN300360 / CL-ID: 21574576) that the following resolution be adopted as a Special Resolution:

“RESOLVED that pursuant to the provisions of Section 314 (1-B) and all other applicable provisions if any, of the Companies Act, 1956, and pursuant to the Directors’ Relatives (Office or Place of Profit) Rules, 2003, and subject to the approval of the Central Government, consent of the company be and is hereby accorded to **Mr. Tushar Choudhary**, a relative of a Director, for holding and continuing to hold an office of profit as the **President- Operations** (or such other designation as may be assigned from time to time by the Remuneration Committee / Selection Committee and approved by the Board of Directors) in the company for a period of **three years** with effect from **1st July, 2010**, or such other date as may be stipulated by the Central Government while granting such approval, under the scale of Rs. 2,60,000- Rs.10,000 –Rs.15,000- Rs.2,85,000 per month, not exceeding in aggregate of Rs. 62,19,000/ (Rupees Sixty two lacs Nineteen thousand only) per



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annum with an authority to the Board of Directors to sanction at their discretion of increments within the grade as they may deem fit and proper and to sanction at their discretion and in due course Mr. Tushar Choudhary's promotion to the next higher grade or grades together with the all usual allowances and benefits as applicable to such grade or grades and to give increments within that grade or grades as they may deem fit and proper.

RESOLVED FURTHER that the remuneration payable to Mr. Tushar Choudhary as aforesaid will be subject to such modification as the Central Government may suggest or require which the directors are hereby authorized to accept on behalf of the Company and which may be acceptable to Mr. Tushar Choudhary and are not less favourable to the Company.

On being put to vote by show of hands, the resolution was carried unanimously.

11. RELATIVE OF DIRECTOR HOLDING OF OFFICE OR PLACE OF PROFIT - MR. AMIT CHOUDHARY- PRESIDENT PROJECTS

Proposed by Mr. S.N. Pal (Folio No: 12034500 CL ID : 00021620) and Seconded by Mr. Soumitra Chatterjee (Folio No: 13019300 CL ID : 00115742) that the following resolution be adopted as a Special Resolution:

“RESOLVED that pursuant to the provisions of Section 314 (1-B) and all other applicable provisions if any, of the Companies Act, 1956, and pursuant to the Directors' Relatives (Office or Place of Profit) Rules, 2003 and subject to the approval of the Central Government, consent of the company be and is hereby accorded to **Mr. Amit Choudhary**, a relative of a Director, for holding and continuing to hold an office of profit as the President- Projects (or such other designation as may be assigned from time to time by the Remuneration Committee / Selection Committee and approved by the Board of Directors) in the company for a period of **three years** with effect from **1st July, 2010**, or such other date as may be stipulated by the Central Government while granting such approval, under the scale of Rs. 2,60,000- Rs.10,000 –Rs.15,000- Rs.2,85,000 per month, not exceeding in aggregate of Rs. 62,19,000/ (Rupees Sixty two lacs Nineteen thousand only) per annum with an authority to the Board of Directors to sanction at their discretion of increments within the grade as they may deem fit and proper and to sanction at their discretion and in due course Mr. Amit Choudhary's promotion to the next higher grade or grades together with the all usual allowances and benefits as applicable to such grade or grades and to give increments within that grade or grades as they may deem fit and proper.

RESOLVED FURTHER that the remuneration payable to Mr. Amit Choudhary as aforesaid will be subject to such modification as the Central Government may suggest or require which the directors are hereby authorized to accept on behalf of the Company and which may be acceptable to Mr. Amit Choudhary and are not less favourable to the Company.”

On being put to vote by show of hands, the resolution was carried unanimously.



12. SUB-DIVISION OF EQUITY SHARES OF FACE VALUE OF Rs.10/- EACH INTO FACE VALUE OF RS.1/- EACH

Proposed by Mr. Dinesh Prasad Verma (Folio No: IN300360 / CL-ID: 21574576) and Seconded by Mr. K K Tuwani (Folio No: T\02280) that the following resolution be adopted as an Ordinary Resolution:

“RESOLVED that in accordance with the provisions of Section 13, 16 and 94 and all other applicable provisions if any, of the Companies Act, 1956 (including any statutory modification or re-enactment thereof for the time being in force) and the enabling provisions in that behalf in the Articles of Association of the Company, and subject to such approvals, permissions and sanctions, if any, required from any concerned authorities, the existing Equity Shares of the face value of Rs.10/- (Rupees Ten) each in the Share Capital of the Company be and are hereby sub-divided such that each equity Share of the face value of Rs.10/- (Rupees Ten) be sub-divided into 10 (Ten) Equity Shares of the face value of Re. 1/- (Rupee One) each and consequently, the sub-divided Authorized Share Capital of the Company would be Rs. 70,00,00,000/- (Rupees Seventy Cores only) divided into 70,00,00,000 (Seventy Cores) Equity Shares of Re. 1/- (Rupee One) each and consequently the existing Clause V of the Memorandum of Association of the Company relating to Share Capital be and is hereby altered by substituting the following as new Clause V in its place and stead :

“V. The Authorized Share Capital of the Company is Rs. 70,00,00,000/- (Rupees Seventy Cores only) divided into 70,00,00,000 (Seventy Cores) Equity Shares of Re.1/- (Rupee One) each, with the rights, privileges or conditions attaching thereto as are provided by the Articles of Association of the Company for the time being with power to increase or reduce the Capital in accordance with the Company’ s regulations and the legislative provisions for the time being in force in this behalf and with power to divide the shares in the capital for the time being into Equity Share Capital and Preference Share capital and to attach thereto respectively preferential, qualified or special rights, privileges or conditions as may be determined by or in accordance with the provisions of the Companies Act, 1956 and the regulations of the Company and to vary or modify or abrogate such rights, privileges or conditions, in such manner as may for the time being be provided by the regulations of the Company.”

RESOLVED FURTHER THAT pursuant to the sub-division of the Equity Shares of the Company, the Issued, Subscribed and Paid-up Share comprising of 3,85,73,257 (Three Cores Eighty Five Lacs Seventy three thousand Two hundred Fifty Seven) Equity Shares of the face value of Rs.10/- (Rupees Ten) each fully paid-up be and stand sub-divided into 38,57,32,570 (Thirty Eight Cores Fifty Seven Lac Thirty Two Thousand Five Hundred Seventy) Equity shares of the face value of Re. 1/- (Rupee One) each fully paid-up;

RESOLVED FURTHER THAT the share certificates in relation to such of the issued Equity Shares of the Company as are in physical form be cancelled and fresh certificates be issued in lieu thereof with regards to the sub-divided equity Shares in accordance with the provisions of the Companies (Issue of Share Certificates) Rules, 1960 and in the



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case of shareholders who hold the equity Shares in dematerialized form, the sub-divided Equity Shares shall be credited to the respective beneficiary account of the shareholders with their respective Depository Participants;

RESOLVED FURTHER THAT for the purpose of giving effect to these resolutions and for removal of any doubts or difficulties, the Board be and is hereby authorized to do all such acts, deeds, matters and things and to give, from time to time such directions as may be necessary, expedient, usual or proper and to settle any question or doubts that may arise in relation thereto or as the Board in its absolute discretion may think fit and its decision shall be final and binding on all members and other interested persons;

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to take such steps as may be necessary or desirable to give effect to these resolutions.”

On being put to vote by show of hands, the resolution was carried unanimously.

13. AUTHORITY TO THE BOARD TO CONTRIBUTE - CHARITABLE AND OTHER FUNDS

Proposed by Mr. S.N. Pal (Folio No: 12034500 CL ID : 00021620) and Seconded by Mr. Subrata Mall (Folio No: IN300263 CL-ID: 10010034) that the following resolution be adopted as an Ordinary Resolution:

“RESOLVED that pursuant to the provisions of Section 293(1)(e) and all other applicable provisions, if any, of the Companies Act, 1956 consent of the Company be and is hereby accorded to the Board of Directors to contribute from time to time to charitable and other funds not directly relating to the business of the company or to the welfare of its' employees up to an aggregate amount not exceeding Rs.100Lacs (Rupees one hundred lacs) in any financial year, as may be considered proper by the Board of Directors, notwithstanding that such amount may exceed rupees fifty thousand or five per cent of the average net profits of the company as determined in accordance with the provisions of Section 349 and 350 of the Companies Act, 1956 during the three immediate preceding financial years, whichever is greater.”

On being put to vote by show of hands, the resolution was carried unanimously.

14. ALTERATION OF ARTICLES OF ASSOCIATION

Proposed by Mr. Kundan Gupta representative of a Corporate member ((Folio No: 11857576) and Seconded by Mr. G Banshal a representative of a corporate member (Folio No: 45356836) that the following resolution be adopted as a Special Resolution :

“RESOLVED THAT pursuant to the provisions of Section 31of the Companies Act, 1956 and other applicable provisions, if any, the existing Articles of Association of the Company be and are hereby altered in the manner and to the extent set out below:



- I. At the end of clause (b) of Article 42-A, the following will be inserted:
"The Investors shall be entitled to Transfer any or all of their Equity Shares to any Person. Notwithstanding anything contained in these Articles the Investors shall be permitted to Transfer up to all their Equity Shares, together with their rights hereunder, to any Permitted Transferee."
- II. In clause (c) of Article 42-A, the word "**or the Investors**" will be inserted after the word "**Bain**" in the first line.
- III. In sub-clause (i) of Clause (d) of Article 42-A, the word "**and the Investors and their Affiliates and Permitted Transferee**" will be inserted after the word "**Affiliates**" appearing in the second line of the said Article and the words "**and the Investors**" shall be inserted after the word "**Bain**" appearing in the last line of the said Article.
- IV. In sub-clause (i) of Clause (e) of Article 42-A, the word "**and CVC**" will be inserted after the word "**Bain**" wherever appearing the said sub-clause.
- V. In sub-clause (ii) of Clause (e) of Article 42-A, the word "**and CVC**" will be inserted after the word "**Bain**" wherever appearing the said sub-clause.
- VI. In sub-clause (iv) of Clause (e) of Article 42-A, the word "**and CVC**" will be inserted after the word "**Bain**" appearing the second line and the word "**its**" will be substituted and replaced with "**their Permitted Transferee and**" appearing in second line.
- VII. In sub-clause (v) of Clause (e) of Article 42-A, the word "**or CVC**" will be inserted after the word "**Bain**" appearing wherever in the said sub-clause.
- VIII. The sub-clause (viii) of Clause (e) of Article 42-A, will be replaced with the following:
"The Promoters shall not take any action to restrict the Transfer of Bain Investor Shares or the shares held by CVC and shall not create any Encumbrance on Bain Investor Shares or the shares held by CVC."
- IX. At the end of Article 59, the following will be inserted:
"CVC shall have a right (but not an obligation) to participate in all such future capital increases/issuances that are proposed on a private placement basis in proportion to its then existing shareholding in the Company to maintain its Ownership."
- X. In sub-clause (iii) of Article 96-A, the word "**and / or CVC**" will be inserted after the word "**Bain**" appearing wherever in the said sub-clause.
- XI. In sub-clause (vi) of Article 96-A, the word "**and Investor Director**" will be inserted after the word "**Bain Director**" appearing in first line and at the end of the said sub-clause (vi) the following will be inserted:



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"CVC shall be entitled to, from time to time, nominate one person, to be appointed as the alternate director to its Investor Director ("CVC Alternate Director"); and the Company and the subsidiary shall exercise all their rights and powers and take all requisite actions to ensure that such person is appointed forthwith as the CVC Alternate Director."

XII. At the end of sub-clause (vii) of Article 96-A, the following will be inserted:

"In addition to its rights to appoint an Investor Director, the Investor may at any time appoint any person as an observer (the "Observer"). Such Observer shall be invited for and have the right to attend any and all meetings of the Board and all committees of the Board of the Company and the subsidiary."

XIII. In sub-clause (i) of Article 97-A, the word "and Investor Director" will be inserted at the end of the said sub-clause.

XIV. In sub-clause (ii) of Article 97-A, the word "Investor Director" will be inserted after the word "Bain Director" appearing wherever in the said sub-clause and the words "and Investors' Consent" shall be inserted after the word "Bain Consent" appearing in the last line of the said sub-clause.

RESOLVED FURTHER THAT the Directors of the Company be and are hereby severally authorized to sign and file all the necessary forms and other necessary documents as may be required by the statutory authorities including the Stock Exchanges and Registrar of Companies as per the general authorization given earlier by the Board and to do such acts, deeds and things that may be required for the purpose of amendments of the Articles of Association of the Company that may be suggested by the Stock Exchanges, Registrar of Companies or such other statutory authorities in the implementation of the aforesaid resolutions and to authorize such person or persons to give effect to the above resolutions and to submit all documents to the concerned authorities with regard to the same."

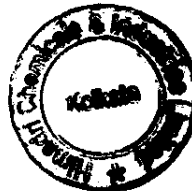
On being put to vote by show of hands, the resolution was carried unanimously.

VOTE OF THANKS

There was no other business to be transacted, the meeting concluded with a vote of thanks to the Chair.

Place: Kolkata

Date: 8/10/2010



Sd/-
CHAIRMAN