

**MINUTES OF THE 17<sup>TH</sup> ANNUAL GENERAL MEETING OF THE MEMBERS OF VIDHI DYESTUFFS MANUFACTURING LIMITED HELD ON THURSDAY, 9<sup>TH</sup> SEPTEMBER 2010 AT 5.30 P.M. AT THE REGISTERED OFFICE OF THE COMPANY AT E/27, COMMERCE CENTRE, 78, TARDEO ROAD, TARDEO, MUMBAI - 400 034.**

**Present:**

Mr. Bipin M. Manek	Chairman, Managing Director & Member
Mrs. Pravina B. Manek	Director & Member
Mr. Vijay K. Atre	Director & Member
Mr. Prafulchandra A. Shah	Director
Mr. Chetan P. Bavishi	Director
Mr. Niren D. Desai	Director
Mr. Mihir B. Manek	Joint Managing Director

There were 27 Members present in person.

The Company had not received any proxy.

Mr. Bipin Manek, the Chairman and Managing Directors of the Company, presided over the Meeting and welcomed the Members at the 17<sup>th</sup> Annual General Meeting of the Company. The Chairman commenced the proceeding by introducing other Board Members sharing the dais with him.

After ascertaining the requisite quorum for the meeting was present, the Chairman called the meeting to order.

The Chairman brought to the notice of the Members present that the statutory registers of the Company required to be kept open for the inspection of the Members as per the provisions of the Companies Act, 1956 were kept open at the meeting for inspection of the Members, if they so desired.

The Chairman, thereafter, addressed the shareholders briefly as follows:

During the year under review, the Total Turnover of your Company has increased by 81.06% in value as compared to previous year. The production utilization capacity of your Company has increased by 8.96%. Also the Profit before tax of your Company has increased by 77.83% as compared to previous year.

As the Global scenario for Food Colours was encouraging, the overseas demand for Food Colours will also increasing gradually, specially sourced from India. The Company has continued to consolidate its position in the International Market as world class supplier of Synthetic Food Colours.

In order to cope up with growing popularity of the Company's products, the 1<sup>st</sup> phase of expansion to doubling the capacity is under progress and the production facility is proposed to come in effect by November, 2010.

With all the notes on progress achieved and a bright note on the future outlook, the Chairman gratefully acknowledged the valuable contribution of employees at all levels and grateful and thanked all the members of the Board for their valuable advice and support.



Thereafter the Chairman stated that the Annual Report and the notice convening the 17<sup>th</sup> Annual General Meeting were already in the hands of the shareholders and with the permission of the Members present at the meeting, notice convening the meeting was taken as read. Then the Chairman took the formal proceeding of agenda of the Meeting.

The Chairman placed before the Members the Annual Report of the Company for the year ended 31<sup>st</sup> March 2010 along with all relevant statement and report for the adoption.

He requested Mr. Hemanshu Kapadia - Practising Company Secretary to read the Auditors' Report. Mr. Kapadia read out the Auditors' Report.

#### 1. ADOPTION OF ANNUAL ACCOUNTS:

The Chairman informed that Annual Report containing the Balance Sheet as at 31<sup>st</sup> March 2010, Profit and Loss account on even date along with reports of Directors and the Auditors were posted to all the members and the Auditors were posted to all the members and the originals thereof were available and laid before the meeting for inspection by the members. The Chairman then moved the following resolution regarding adoption of accounts, as an Ordinary Resolution:

**"RESOLVED THAT** the Audited Balance Sheet as at 31<sup>st</sup> March 2010 and Profit & Loss Account for the year ended as on that date together with the reports of the Directors' and Auditors' thereon be and are hereby approved and adopted."

Proposed by: Mr. Bipin Manek  
Seconded by: Mrs. Shobhna Mehta

The Chairman then invited the queries from the Members with reference to the Directors' Report and Audited Accounts before putting the resolution to vote. He requested the speakers to announce their name before they speak and to restrict their comments to the points arising from accounts, to be brief by restricting their speech to a maximum of 3 minutes, not to repeat questions already asked by earlier speakers to facilitate a wider participation by members.

The following shareholders addressed the meeting, expressing their observations, making suggestions and seeking clarifications on the Agenda items placed before the meeting:

1. Mrs. Shobhana Mehta
2. Mr. Nilesh Shevade
3. Mr. Manubhai Parekh

There were many interesting observations and noteworthy suggestions made by the members such as complimenting and congratulating the Company for expansions and improvements made in the business strategies for increasing the production capacity. The members also raised several questions relating to the annual accounts 2009-10, current and future business activities and strategies of the Company.

The Chairman thanked the members for their useful suggestions and valuable comments and replied to the queries raised by shareholders satisfactorily.

The Chairman then put the resolution to vote by show of hands and declared the same carried by requisite majority.



**2. RE-APPOINTMENT OF MRS. PRAVINA B. MANEK AS A DIRECTOR, WHO BEING ELIGIBLE, OFFERS HERSELF FOR RE-APPOINTMENT:**

Since, Mr. Bipin Manek, Managing Director of the Company, was interested in the next agenda, he step down himself from the Chair and requested Mr. Vijay Atre, Director and Member of the Company, to preside over the meeting. Accordingly, Mr. Vijay Atre presided over the Chair.

Mr. Vijay Atre took up the agenda for re-appointment of Mrs. Pravina B. Manek, Director of the Company, who retires by rotation in that Annual General Meeting, being eligible, offered herself for re-appointment and moved the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** Mrs. Pravina B. Manek, Director of the Company, who retires by rotation under Article 95 of the Article of Association of the Company and being eligible offers herself for re-appointment, be and is hereby re-appointed as the Director of the Company."

Proposed by: Mr. Bharat Negandhi  
Seconded by: Mr. Manubhai Parekh

The Chairman then put the resolution to vote by show of hands and declared the same carried by requisite majority.

Mr. Vijay Atre requested Mr. Bipin Manek to re-occupy the Chair. Accordingly Mr. Bipin Manek re-occupied the Chair.

**3. RE-APPOINTMENT OF MR. CHETAN BAVISHI AS A DIRECTOR, WHO BEING ELIGIBLE, OFFERS HIMSELF FOR RE-APPOINTMENT:**

The Chairman informed the Members that Mr. Chetan Bavishi, Director of the Company, retires by rotation in that Annual General Meeting, being eligible, offered himself for reappointment and moved the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** Mr. Chetan Bavishi, Director of the Company, who retires by rotation under Article 95 of the Article of Association of the Company and being eligible offers himself for re-appointment, be and is hereby appointed as Director of the Company."

Proposed by: Mr. Bharat Shah  
Seconded by: Mr. Kishor Kachalia

The Chairman then put the resolution to vote by show of hands and declared the same carried by requisite majority.

**4. RE-APPOINTMENT OF AUDITORS:**

The Chairman took the agenda regarding the appointment of Auditors for the financial year 2010-2011. He further informed that the present Auditors M/s. Bhuta Shah & Co., Chartered Accountants, Mumbai have conveyed their eligibility and willingness to act as the Statutory Auditors for the financial year 2010-11 if re-appointed. Thereafter the Chairman moved the following resolution as an **Ordinary Resolution**:



**"RESOLVED THAT M/s. Bhuta Shah & Co., Chartered Accountants, Mumbai, having Registration No. 101474W, be and are hereby appointed as Statutory Auditors of the Company for the financial year 2010-2011 and to hold the office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting on a remuneration which may be decided by the Board at a later date."**

Proposed by: Mr. Nimesh Shah  
Seconded by: Mr. Bharat Negandhi

The Chairman then put the resolution to vote by show of hands and declared the same carried by requisite majority.

#### **5. APPOINTMENT OF MR. MIHIR B. MANEK AS JOINT MANAGING DIRECTOR:**

Since, Mr. Bipin Manek, Managing Director of the Company, was interested in the agenda no. 5 and 6, he step down himself from the Chair and requested Mr. Vijay Atre, Director and Member of the Company, to preside over the meeting. Accordingly, Mr. Vijay Atre presided over the Meeting.

Mr. Vijay Atre took up the agenda for appointment of Mr. Mihir Manek as Joint Managing Director of the Company. He read the explanatory statement of the agenda and moved the following resolution to be passed as a **Special Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Section 198, 269, 309, Schedule XIII and other applicable provisions, if any, of the provisions of the Companies Act, 1956 and such other approvals and sanctions as may be necessary, Mr. Mihir B. Manek be and is hereby appointed as the Joint Managing Director of the Company for a period of five years with effect from 15<sup>th</sup> July 2010, not liable to retire by rotation, so long as he holds office as the Joint Managing Director on the terms and conditions (including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year during the aforesaid period) as set out in the draft of the Agreement (the particulars of which are enumerated in the Explanatory Statement Annexed to the Notice), placed before this Meeting and initialed by the Chairman for the purpose of identification, which agreement hereby specifically sanctioned with liberty to the Board of Directors to alter and vary the terms and conditions of the said appointment and/or agreement and that the Board of Directors of the Company be and is hereby authorized to enter into an Agreement with Mr. Mihir B. Manek in terms of the said draft of the Agreement with such modifications as may be agreed to and acceptable to the Board of Directors and to Mr. Mihir B. Manek.

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to take such steps as may be necessary and desirable to give effect to the foregoing resolution."

Proposed by: Mrs. Smitaben Shah  
Seconded by: Mr. Nareshbhai Kachalia

The Chairman then put the resolution to vote by show of hands and declared the same carried by requisite majority.



**6. PAYMENT OF GUARANTEE COMMISSION TO MR. BIPIN MANEK:**

The Chairman took the agenda regarding the payment of guarantee commission to Mr. Bipin M. Manek, Managing Director of the Company. He read the explanatory statement of the agenda and moved the following resolution to be passed as a **Special Resolution**:

**"RESOLVED THAT** subject to the provisions of the Companies Act, 1956 and other applicable Acts, if any, the Company shall pay Guarantee Commission @ 0.75% per annum to Shri Bipin M. Manek, the Managing Director of the Company, on the amount of personal guarantee given by him to the Bank for securing repayment of the Working Capital Facility and various other financial assistance availed by the Company.

**RESOLVED FURTHER THAT** the draft Guarantee Commission Agreement to be executed with the Managing Director, including the terms and conditions of the payment of Guarantee Commission as placed before this meeting and initialed by the Independent Directors for the purpose of identification be and is hereby approved.

**RESOLVED FURTHER THAT** any Independent Director of the Company be and is hereby authorized to sign and execute the said agreement for and on behalf of the Company.

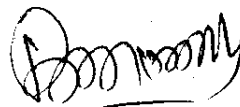
**RESOLVED FURTHER THAT** any Director of the Company be and is hereby authorized to digitally sign the e-form 23 to be filed with the Registrar of Companies, Mumbai and to comply with all the needful formalities in this regard."

Proposed by: Mr. Ranjitkumar Parikh  
Seconded by: Mr. Manubhai parekh

The Chairman then put the resolution to vote by show of hands and declared the same carried by requisite majority.

**VOTE OF THANKS:**

After transacting all the business, Mr. Mihir Manek proposed a vote of thanks to the Chairman. Thereafter, the Chairman thanked all the Members present for their co-operation in transacting the proceedings of the meeting and sparing their valuable time for attending the same and declared the meeting as concluded.



CHAIRMAN

Date: 20<sup>th</sup> September 2010  
Place: Mumbai

