

Apcotex Industries Limited

The Twenty Seventh Annual General Meeting of Apcotex Industries Limited was held on Friday the 28th day of June 2013 at 11.30 a.m. at the registered office of the Company at Plot no. 3/1, MIDC Industrial Area, Taloja – 410 208, Dist. Raigad, Maharashtra.

The Meeting was attended by;

Mr. Atul C. Choksey	Chairman
Mr. Kamlesh S Vikamsey	Director (member of Audit Committee)
Mr. Bipin V Jhaveri	Director (member of Audit Committee)
Dr. Sivaram	Director (Member of Board)
Mr. Abhiraj A Choksey	Managing Director

Following members were present in the meeting

18	(Eighteen)	Personally present
13	(ten)	Present through Proxies
10	(Seven)	Representatives of bodies corporate
41	(Forty-One)	Total Members present.

Mr. Atul C. Choksey took the chair and conducted the proceedings.

As the required quorum for the meeting was present, the Chairman called the meeting to order and conducted the proceedings.

The Chairman extended a hearty welcome to all the members on 27th Annual General Meeting of the Shareholders of the Company. And also extend a very warm welcome to the new shareholders who have joined the APCOTEX family after 26th Annual General Meeting on 5th July 2012.

The Chairman informed the members that the Company has received, within the prescribed time, valid proxies for 29,65,042 shares out of the total equity capital of 51,84,496 Equity Shares, i.e. 57.19 %; the Company has received Board Resolutions from 10 - Bodies Corporate Shareholders authorizing certain persons to represent them at the meeting under Section 187 of the Companies Act, 1956.

The Chairman informed the members that the Register of Directors' shareholdings maintained under Section 307 of the Companies Act, 1956, was open and accessible to the members during the continuance of this meeting for inspection.

The Chairman stated the Notice convening the meeting the Audited Statements of Accounts and the Directors' Report on the operations of the company for the year ended on 31st March 2013, were with the permission of the members, taken as read.

On his introductory remark, the chairman informed that the Company is one of the leading producers of polymer products namely Synthetic Latexes (VP Latex, XSB Latex, Acrylic Latex, Nitrile latex) and Synthetic Rubber (High Styrene Rubber) in India. The company has broadest range of products based on Styrene - Butadiene chemistry available in the market today and caters to various industrial segments. Our range of Synthetic Latexes is used among other applications, for tyre cord dipping, paper and paperboard coating, carpet backing, concrete modification/water proofing, textile finishing and paints. The various grades of Synthetic Rubber find application in products such as footwear, automotive components, moulded items v-belts, conveyor belts and hoses.

He informed the members that the company's major raw materials are petrochemicals products and hence the business is vulnerable to high volatility in the prices of crude oil and its downstream products. He also stated that company has introduced a range of Acrylic Products for Paper, Construction, Carpet and Paint industries which have been well received in the market. Numerous steps have been taken by the management to improve the operational efficiency of the Company.

He also informed that the Company is recipient of Total Productive Maintenance (TPM) Excellence Award, Category A by the Japan Institute of Plant Maintenance (JIPM). Now your company is in the process of achieving TPM Consistency Award. TPM has helped the company significantly, in improving plant efficiencies, operations and rationalizing costs.

The Chairman also informed that the Company has received "The Economic Times Manufacturing Excellence Award 2012 for enhancing Manufacturing and Supply Chain Excellence".

The chairman stated that in the financial year, the Company has exported its products worth Rs.25.29 crores compared to exports of Rs.22.34 crores during the previous financial year, a growth of 13.21%.

Against this backdrop the Company's net profit before tax of Rs. 1804.16 lacs for the year after meeting all the expenses and after depreciation of Rs.311.30 lacs, is satisfactory.

The Chairman informed that the Board of Directors have recommended a Dividend of Rs.9.00 per Equity Share of Rs.10/- (@ 90%). This tax-free dividend, in case approved will absorb a sum of Rs.466.60 lacs (excluding dividend tax of Rs.79.30 lacs) out of profits and will be paid to those shareholders whose names appears on Register of Members on 21st June 2013.

The Chairman thanked the colleagues on the Board, employees of the Company at all levels, Customers, Suppliers and Bankers for supporting the Company in the endeavors.

Mr. Anand V Kumashi Company Secretary, read the Auditors' Report on the financial statement of accounts for the financial year ended 31st March 2013.

The formal agenda of the meeting was then taken up:

ITEM NO. 1

RE: RESOLUTION PERTAINING TO ADOPTION OF COMPANY'S ACCOUNTS FOR THE YEAR ENDED ON 31ST MARCH 2013 AND REPORTS OF THE DIRECTORS AND AUDITORS THEREON.

The Chairman proposed the following resolution as an **Ordinary Resolution**

"RESOLVED THAT the Audited Balance Sheet as at 31st March 2013 and Profit and Loss Account for the year ended on the said date and the Reports of the Auditors & Directors thereon, be and are hereby approved and adopted"

Mr. Zahur Maniar a member seconded the motion.

The Chairman then invited the shareholders to discuss the motion.

The Chairman satisfactorily replied to queries relating to the performance of the company etc.

The Chairman thereafter put the resolution to vote and show of hands, declared the resolution as carried unanimously.

ITEM NO. 2

RE: RESOLUTION PERTAINING TO DECLARATION OF DIVIDEND ON EQUITY SHARES.

Mr. Ronald Fernandes, as member proposed the motion as an **Ordinary resolution**

"RESOLVED THAT a Dividend for the year ended 31st March 2013 @ Rs.9.00 per Equity Share of ` 10/- (@ 90%), be and is hereby declared for the payment to the Equity Shareholders of the company whose name appears on the Register of the Members on 21st June 2013".

Mrs. Malti Bhatia a member seconded the motion.

The motion was then put to vote, and was, on a show of hands, declared as carried unanimously.

ITEM NO. 3

RE: RESOLUTION PERTAINING TO REAPPOINTMENT OF RETIRING DIRECTOR Mr. ATUL CHOKSEY:

Since Mr. Atul C. Choksey, Chairman, was interested in next item of the agenda, he suggested that Mr. Bipin Jhaveri, Director be requested to preside over the meeting for this resolution. As there was no objection from the members present in the meeting, Mr. Bipin Jhaveri took the Chair.

Mr. Ronald Fernandes, a member proposed the motion as an Ordinary Resolution.

"RESOLVED THAT Mr. Atul Choksey, who retires by rotation under Article 131 of the Articles of Association of the Company, be and is hereby reappointed as a Director of the Company."

Mr. H V. Sanghavi, a member seconded the motion.

The motion was put to vote, and was, on a show of hands, declared as carries unanimously

ITEM NO. 4

RE: RESOLUTION PERTAINING TO REAPPOINTMENT OF RETIRING DIRECTOR: MR. T.N.V AYYAR:

Ms. Malti Bhatia, a member proposed the motion as an **Ordinary resolution.**

"RESOLVED THAT Mr. T.N.V Ayyar, who retires by rotation under Article 131 of the Articles of Association of the Company, be and is hereby reappointed as a Director of the Company."

Mr. H V. Sanghavi, a member seconded the motion.

The motion was then put to vote, and was, on a show of hands, declared as carries unanimously.

ITEM NO. 5

**RE: RESOLUTION PERTAINING TO REAPPOINTMENT OF RETIRING DIRECTOR:
DR. S. SIVARAM:**

Mr. ZahurManiar, a member proposed the motion as a **Ordinary Resolution**

"RESOLVED THAT Dr. S.Sivaram, who retires by rotation under Article 131 of the Articles of Association of the Company, be and is hereby reappointed as a Director of the Company."

Mr. Ronald Fernandes, a member seconded the motion.

The motion was then put to vote, and was, on a show of hands, declared as carried unanimously.

ITEM NO.6

RE:RESOLUTION PERTAINING TO APPOINTMENT OF AUDITORS:

Mr. H V. Sanghavi, a member proposed the motion as an **Ordinary Resolution**

"RESOLVED THAT pursuant to Section 224 and other applicable provisions:

"RESOLVED THAT M/s. Kalyaniwala & Mistry, Chartered Accountants (Firm Registration no.104607W) having their office at Kalpataru Heritage, 5th Floor, 127 M.G. Road, Mumbai 400 023, be and are hereby appointed as the Statutory Auditors of the Company for the financial year 2013-14, in place of M/s. Shah & Co., Chartered Accountants, the Auditors who are holding the office till the conclusion of the ensuing Annual General meeting and are unwilling to be reappointed for the financial year 2013-14, as Auditors of the Company.

Mr. Ronald Fernandes, a member seconded the resolution.

The motion was then put to vote, and was, on a show of hands, declared as carried with unanimously.

ITEM NO.7

RE: RESOLUTION PERTAINING TO APPOINTMENT OF DIRECTOR: MR. KAMLESH VIKAMSEY

Mr. Y B. Gadgil, a member proposed the motion as an **Ordinary Resolution**

"RESOLVED THAT Mr. Kamlesh Vikamsey, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

Mr. C K Radhakrishnan, a member seconded the resolution.

The motion was then put to vote, and was, on a show of hands, declared as carried unanimously.

ITEM NO.8

RE: RESOLUTION PERTAINING TO APPOINTMENT OF MANAGING DIRECTOR TO THE COMPANY: MR. ABHIRAJ CHOKSEY

Since Mr. Atul C. Choksey, Chairman, was interested in next item of the agenda, he suggested that Mr. Bipin Jhaveri, Director be requested to preside over the meeting for this resolution. As there was no objection from the members present in the meeting, Mr. Bipin Jhaveri took the Chair.

Mr. Kirti Kumar Jogidasani, a member proposed the motion as an **Special Resolution**.

"RESOLVED THAT pursuant to the provisions of Section 198, 269, 309, 314 and other applicable provisions of the companies Act, 1956 or any amendment or substitution thereof and subject to the approval of the Central Government, if any, required, the Company hereby approves the appointment of Shri Abhiraj Atul Choksey, as "Managing Director" of the Company, for a period of 3 (Three) years, effective from 1st May 2013, upon the terms and conditions set out in the draft agreement submitted to this meeting and for identification signed by the Chairman thereof which agreement is hereby specifically approved with authority to the Board of Directors, including committee(s) thereof to alter and / or vary the terms and conditions of the said appointment within limits, if any, prescribed in the Act, and / or schedules thereto."

"RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year during the aforesaid period, the Company shall pay to Shri Abhiraj Choksey, remuneration by way of salary, perquisites and allowances, not exceeding the ceiling laid down in Schedule XIII of the Companies Act, 1956, as may be decided by the Board of Directors, after obtaining suitable recommendation of its Remuneration Committee."

"RESOLVED FURTHER THAT the Board of Directors be and they are hereby authorised to enhance, enlarge, alter or vary the scope and quantum of salary, perquisites, allowances and incentive of Shri. Abhiraj Choksey, which revision should be in conformity with any amendments to the relevant provisions of the Companies Act and / or the rules and regulations made there-under and / or such guidelines as may be announced by the Central Government from time to time."

Mr. H V Sanghavi, a member seconded the motion.

Mr. Atul Choksey did not participate in the voting.

The motion was then put to vote, and was, on a show of hands, declared as carried unanimously.

ITEM NO.9

RE: RESOLUTION PERTAINING FOR CONSOLIDATION AND DIVISION OF SHARE CAPITAL

Mr. Y B. Gadgil, a member proposed the motion as an **Ordinary Resolution**

"RESOLVED THAT the authorized, issued and paid-up equity share capital of the Company of Rs. 10/- each, be so consolidated that ten existing equity shares of nominal value of Rs. 10/- each are consolidated into two equity share of Rs. 5/- each and consequently, the Authorized share capital of the company of Rs. 15,00,00,000/- (Rupees Fifteen Crores only) shall stand as under:

2,99,40,000	Equity shares of Rs.5/- (Rupee Five) each	14,97,00,000/-
500	Preference Shares of Rs.100/- (Rupee One Hundred) each	50,000/-
50,000	Unclassified shares of Rs.5/- each	2,50,000/-
	Total	15,00,00,000/-

RESOLVED FURTHER THAT pursuant to the sub-division of the equity shares of the Company as above, the 51,84,496 (Fifty One Lac Eighty Four Thousand Four Hundred Ninety Six) issued equity shares of the nominal value of Rs.10/- (Rupees Ten) of the Company shall stand sub-divided into 1,03,68,992 (One Crore Three Lacs Sixty Eight Thousand Nine Hundred Ninety Two) Equity Shares of the nominal value of Rs.5/- (Rupee Five) each.

RESOLVED FURTHER THAT upon sub-division of equity shares as aforesaid, the existing share certificate(s) in relation to the existing equity shares of the nominal value of Rs.10/- (Rupee Ten) each held in physical form shall be deemed to have been automatically cancelled and be of no effect on and from the "Record date" and the Company may, without requiring the surrender of the existing share certificate(s), directly issue and dispatch the new share certificate(s) of the Company, in lieu thereof, subject to the provisions of the Companies (Issue of Share Certificate) Rules, 1960, as amended, and in case of members who hold the equity shares / opt to receive sub-divided equity shares in dematerialized form, the sub-divided equity shares shall be credited to the respective beneficiary account of the Members, with their respective depository participants and the Company shall undertake such corporate actions as may be necessary in relation to the existing equity shares, whether in physical form or in dematerialized form.

RESOLVED FURTHER THAT the Board of Directors of the Company (the "Board" which expression shall also include a duly authorized committee thereof) be and is hereby authorized to take such steps as may be necessary for obtaining approvals, statutory, contractual or otherwise, in relation to the above and to settle all matters arising out of and / or incidental thereto, and to execute all deeds, applications, documents and writings that may be required, on behalf of the Company and generally to do all such acts, deeds, matters and things and to give, from time to time, as may be necessary, proper, expedient or incidental for the purpose of giving effect to this Resolution and to delegate all or any of the powers herein vested in the Board, to any Director(s) or Officer(s) of the Company as may be required to give effect to the above resolution.

Ms. Malti Bhatia, a member seconded the Resolution

The motion was then put to vote, and was, on a show of hands, declared as carried unanimously.

ITEM NO.10

RE: RESOLUTION PERTAINING FOR ALTERATION OF CAPITAL CLAUSE OF MEMORANDUM OF ASSOCIATION

Mr. ZahurManiar, a member proposed the motion as an **Ordinary Resolution**

"RESOLVED THAT pursuant to Section 16 and all other applicable provisions, if any of the Companies Act 1956, Clause V of the Memorandum of Association of the Company be altered by substituting in its place and instead the following:

V The Authorised Share Capital of the Company is Rs. 15, 00, 00,000/- (Rupees Fifteen Crores only) divided into 2,99,40,000/- (Two Crore Ninety Nine Lacs Forty thousand) Equity Shares of Rs.5/- (Rupees Five Only) each and 500/- (Five Hundred) Preference Shares of Rs.100/- (One Hundred) each and 50,000 (Fifty Thousand) Unclassified Shares of Rs. 5/- (Rupees Five) each.

“RESOLVED FURTHER THAT for the purpose of giving effect to the above Resolution, the Board of Directors of the Company be and are hereby authorized to do all such acts, deeds, matters and things and execute all such deeds, documents, instruments and writings as it may in their sole and absolute discretion deem necessary or expedient and to settle any question, difficulty or doubt that may arise in regards thereto.”

Mr. H V. Sanghavi, a member seconded the resolution.

The motion was then put to vote, and was, on a show of hands, declared as carried unanimously.

ITEM NO.11

RE: RESOLUTION PERTAINING TO ALTERATION OF AUTHORIZED SHARE CAPITAL OF THE COMPANY

Mr. Kirti Kumar Jogidasani, a member proposed the motion as **an Special Resolution**

“RESOLVED THAT pursuant to Section 31 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) the existing Article 2 of Articles of Association of the Company be substituted with the following new Article 2:

“2. The Authorised Share Capital of the Company is Rs. 15, 00, 00,000/- (Rupees Fifteen Crores only) divided into 2,99,40,000/- (Two Crore Ninety Nine Lacs Forty thousand) Equity Shares of Rs.5/- (Rupees Five Only) each and 500/- (Five Hundred) Preference Shares of Rs.100/- (One Hundred) each and 50,000 (Fifty Thousand) Unclassified Shares of Rs. 5/- (Rupees Five) each.

“RESOLVED FURTHER THAT the Board of Directors of the Company (which expression shall also include a duly constituted Committee of Directors of the Company) be and is hereby authorized to do all such acts, deeds and things and to delegate all or any of the powers to any Director(s) or Officer(s) of the Company as may be required to give effect to the above Resolution.”

Mr. Ronald Fernandes, a member seconded the resolution.

The motion was then put to vote, and was, on a show of hands, declared as carried unanimously.

ITEM NO.12

RE: RESOLUTION PERTAINING TO INSERTION OF NEW ARTICLE 76A FOR CAPITALIZATION OF PROFIT AND ISSUE OF BONUS SHARES

Ms. Malti Bhatia, a member proposed the motion as a **Special Resolution**

"RESOLVED THAT a new Article 76A be and is hereby inserted in the Articles of Association after Article 76, as detailed below:

76A (1) The Company upon passing a resolution at General Meeting upon the recommendation of the Board resolves:

- a) That it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the Company's Reserve accounts or to the credit of the Profit and Loss Account, or to the credit of Share Premium Account or otherwise available for distribution and
- b) That such sum be accordingly set free for distribution in the manner specified in Clause 76A(2) amongst the shareholders who could have been entitled thereto, if distributed by way of dividend and in the same proportion.

(2) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in Clause 76A(3), in or towards:

- a) paying up any amount for the time being unpaid on any shares held by such member respectively:
- b) paying in full, unissued shares of the Company to be allotted, distributed and credited as fully paid Bonus Shares to and amongst such shareholders in the proportion aforesaid: or

(3) A share premium account, capital redemption reserve account and general reserve account may, for the purpose of this regulation, be applied in the paying up to the un-issued shares to be issued to shareholders of the Company as fully paid bonus shares.

“RESOLVED FURTHER THAT the Board be and is hereby authorized to do such acts, deeds and things as may be necessary to give effect to aforesaid resolution.”

Mr. H V. Sanghavi, a member seconded the resolution.

The motion was then put to vote, and was, on a show of hands, declared as carried unanimously

Chairman Mr. Atul Choksey occupied the Chair and thanked all the Shareholders for making it convenient to attend this meeting.