

**The Secretary
BSE Limited**
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400 001

Stovec Industries Ltd.

Regd. Office and Factory :

N.I.D.C., Near Lambha Village, Post Narol,
Ahmedabad - 382 405. INDIA.

CIN : L45200GJ1973PLC050790

Telephone : +91 79 30412300

+91 79 25710407 to 410

Fax : +91 79 25710406 (Corporate)

+91 79 25710420 (IMD)

E-mail : admin@stovec.com

Reference : Scrip Code- 504959
Date : June 22, 2016
Subject : Minutes of 42nd Annual General Meeting

Dear Sir/Madam,

In continuation to our intimation dated: May 26, 2016 and in terms of Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) read with Para A of Part A of Schedule III of Listing Regulations, we are enclosing herewith copy of Minutes of 42nd Annual General Meeting of the Company held on Wednesday, May 25, 2016 at the registered office of the Company.

We request you to take the above on your records and acknowledge the receipt.

Thanking you,

Yours sincerely,

For, **Stovec Industries Limited**

Varsha Adhikari

Company Secretary & General Manager (Finance & Legal)



Encl.: As above

STOVEC INDUSTRIES LIMITED
REGISTERED OFFICE: N.I.D.C., NEAR LAMBHA VILLAGE,
POST: NAROL, AHMEDABAD, GUJARAT- 382 405

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**MINUTES OF THE 42ND ANNUAL GENERAL MEETING OF THE MEMBERS
OF STOVEC INDUSTRIES LIMITED HELD ON WEDNESDAY, 25TH DAY OF
MAY, 2016 AT 11.00 A.M. AT THE REGISTERED OFFICE OF THE
COMPANY AT N.I.D.C., NEAR LAMBHA VILLAGE, POST: NAROL,
AHMEDABAD – 382 405, GUJARAT, INDIA.**

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The following Directors were present:

Mr. K.M Thanawalla	Chairman and also as a Chairman of Audit Committee, Stakeholders Relationship Committee and as a Authorized Representative of Chairman of Nomination and Remuneration Committee
Mr. Dirk Wim Joustra	Director and representing SPGPrints B.V.
Mr. Eiko Ris	Director and representing SPGPrints B.V.
Mrs. Everdina Herma Slijkhuis	Director
Mr. Shailesh Wani	Managing Director

In Presence of:

Mrs. Varsha Adhikari	Company Secretary
Mr. Paras Mehta	Chief Financial Officer

Auditor's Present

Mr. Priyanshu Gundana	Representative of Statutory Auditors, M/s. Price Waterhouse, Chartered Accountants
Mr. Hirak Patwa	Representative of Statutory Auditors, M/s. Price Waterhouse, Chartered Accountants
Mr. Sandip Sheth	Secretarial Auditor, M/s Sandip Sheth & Associates, Practicing Company Secretaries

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Scrutinizer Present

Mr. Sandip Sheth	Scrutinizer, M/s Sandip Sheth & Associates, Practicing Company Secretaries
Mr. Prashant Prajapati	Authorized Representative of Scrutinizer M/s Sandip Sheth & Associates, Practicing Company Secretaries
Ms. Payal Shastri	Authorized Representative of Scrutinizer M/s Sandip Sheth & Associates, Practicing Company Secretaries

TIME OF COMMENCEMENT AND CONCLUSION OF ANNUAL GENERAL MEETING

The 42nd Annual General Meeting was commenced at 11:00 hours and concluded at 12:00 hours.

CHAIRMAN

Mr. K.M. Thanawalla, presided over the Meeting.

The Chairman welcomed the Members to the 42nd Annual General Meeting ("AGM") and introduced the Directors present. The Chairman informed Members present that Mr. Marco Wadia, Independent Director and Chairman of Nomination and Remuneration Committee could not remain present in the Meeting due to his prior professional commitments. The Chairman announced that total 48 Members are present in the Meeting and accordingly requisite quorum for the Meeting is formed. The Chairman further informed that the Company has received representation from SPGPrints B.V. holding 14,83,777 Equity Shares, which represents 71.06 % of the total Paid up Equity Share Capital of the Company, who has nominated Mr. Dirk Wim Joustra and Mr. Eiko Ris, jointly as well as severally to vote for and on their behalf at the 42nd Annual General Meeting. The Chairman further informed that Company has received one proxy comprising of 100 Equity Shares. The Chairman informed the Members present that necessary registers, documents, Statutory Auditor's Report and



Secretarial Audit Report, as prescribed under the Companies Act, 2013, are available for inspection.

CHAIRMAN'S STATEMENT

The Chairman then delivered his speech addressed to the shareholders of the Company. The highlights of the speech are as under:

- ❖ India is still a positive spot in the midst of a weak global economy. Despite of pessimistic global scenario and decline in exports, the Indian economy in 2015 grew by about 7.6 % driven by improved macro-economic indicators. The public investment and urban consumption were the major drivers of growth in F.Y. 2015.
- ❖ Economic Growth of India, may dip marginally at 7.5 percent in F.Y. 2016 due to slowdown in public investment, stressed corporate balance sheets and declining exports. India's near-term growth prospects remain favorable, especially given the faster-than-expected decline in inflation. India's economic growth may benefit from recent policy reforms, a consequent pickup in investment, and lower commodity prices.
- ❖ For Stovec, F.Y. 2015 has been a year of Success, Growth and Consistency. In spite of mediocre performance of manufacturing sector in general, your Company has outshined all its previous records for revenue by recording standalone revenue from operations of Rs. 1,567.02 Million (Previous year Rs. 949.09 Million), a tremendous growth of about 65 % in comparison to prior year. The increase in revenue is contributed by growth in sales of all product lines and more particularly Rotary Screen Printing Machine and its Spare Parts, Nickel Perforated Rotary Screens and Sugar Screens. The Standalone Profit before Tax stood at Rs. 310.66 Million (Previous year Rs. 165.15 Million), an excellent growth of about 88 % in comparison to prior year. The consolidated revenue from operations stood at Rs. 1621.98 Million (Previous year Rs. 1023.44 Million), an impressive increase of about 58 % in the consolidated revenue. The



consolidated Profit before Tax for the financial year 2015 stood at Rs. 331.79 Million (Previous year Rs. 172.52 Million).

NOTICE OF THE MEETING

With the permission of the members present, the Notice dated February 16, 2016 convening the AGM and the Director's Report was taken as read. The Chairman thereafter called upon Mrs. Varsha Adhikari, Company Secretary of the Company, to read out the Auditor's Report. The Company Secretary informed the Members present that the Auditor's report did not contain any qualifications or adverse remarks. With the permission of Members present, the Company Secretary read the first and last paragraph of Auditor's Report. Thereafter, with the permission of the Members present, the Chairman continued with the proceedings of the Meeting.

MEMBERS QUESTIONS/QUERRIES

The Chairman invited questions, if any, from the Members of the Company.

The Members expressed their compliments to the Board of Directors for the outstanding performance of the Company during the financial year 2015.

The Members asked the following questions/queries.

Questions/Querries:

The Members asked questions/queries related to Dividend, Bonus Shares, Stock Split, Factory Visit, Reason for substantial increase in revenue in 2015, Market Opportunities, Current Market Share, Global Competitors of Company, Current Capacity and Capex Plan, Future of Digital Printing and Stovec role in it, Reason for increase in Royalty.

The Chairman first of all thanked the Members for the compliments and kind words. The Chairman thereafter evaluated their questions/queries and appropriately replied to them.

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Thereafter, the Chairman put forth the following resolutions, as set out in the Notice convening the AGM, which were proposed and seconded by the Members.

ORDINARY BUSINESS:

1. Adoption of Financial Statements

As Ordinary Resolution

Proposed by: Mr. Jaswant Modi

Seconded by: Mr. Ramesh Kansara

(a) Adoption of Audited Standalone Financial Statements of the Company

“RESOLVED THAT the Audited Standalone Financial Statements of the Company for the financial year ended December 31, 2015, together with Notes forming part of the Standalone Financial Statements, Report of the Board of Directors and Auditor’s thereon, as placed before the Meeting be and are hereby adopted.”

(b) Adoption of Audited Consolidated Financial Statements of the Company

“RESOLVED THAT the Audited Consolidated Financial Statements of the Company for the financial year ended December 31, 2015, together with Notes forming part of the Consolidated Financial Statements, Report of the Board of Directors and Auditor’s thereon, as placed before the Meeting be and are hereby adopted.”

2. Declaration of Final Dividend on Equity Shares

As Ordinary Resolution

Proposed by: Mr. Sonaji Kalaji Kachhava

Seconded by: Mr. Dipak Dhirubhai Patwa

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“RESOLVED THAT final dividend at the rate of Rs. 29/- (Rupees Twenty Nine only) per share on the Equity Share Capital of the Company as recommended by the Board of Directors, be and is hereby declared for the financial year ended December 31, 2015, to be paid to:-

- i. all members in respect of shares held in physical form, after giving effect to valid transfer in respect of transfer request lodged with the Registrar and Transfer Agent on or before the close of business hours on Wednesday, May 18, 2016.
- ii. all beneficial owners in respect of shares held in electronic form, whose names appear in the statement of beneficial ownership furnished by National Securities Depository Limited and Central Depository Services (India) Limited, as at the close of business hours on Wednesday, May 18, 2016.

3. Re-Appointment of Mrs. Everdina Herma Slijkhuis (DIN: 06997013) who retire by rotation

As Ordinary Resolution

Proposed by: Mr. Pramod Patel

Seconded by: Mr. Pravin Panchal

“RESOLVED THAT Mrs. Everdina Herma Slijkhuis (DIN: 06997013) who retires by rotation and being eligible offers herself for re-appointment, be and is hereby re-appointed as a Director of the Company and shall be liable to retire by rotation.”

4. Ratification of re-appointment of Statutory Auditors

As Ordinary Resolution

Proposed by: Mr. Ramesh Kansara

Seconded by: Mr. Dipak Dhirubhai Patwa

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“RESOLVED THAT pursuant to the provision of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or amendment(s) or re-enactment(s) thereof for the time being in force) and pursuant to the approval of Members at the 41st Annual General Meeting, the re-appointment of M/s. Price Waterhouse, Chartered Accountants (Firm Registration No. 301112E), as Statutory Auditors of the Company, be and is hereby ratified to hold office as such from the conclusion of 42nd Annual General Meeting until the conclusion of next Annual General Meeting of the Company, at such remuneration as may be mutually agreed upon between the Board of Directors of the Company and the Statutory Auditors”

“RESOLVED FURTHER THAT the Board of Directors of the Company (including its Committee thereof), be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution.”

SPECIAL BUSINESS:

5. Appointment of Mr. Eiko Ris (DIN: 07428696) as a Director of the Company

As Ordinary Resolution

Proposed by: Mr. Mukesh Patel

Seconded by: Mr. Sonaji Kalaji Kachhava

“RESOLVED THAT Mr. Eiko Ris (DIN: 07428696) who was appointed by the Board of Directors as an Additional Director w.e.f. February 16, 2016 and who holds office upto the date of 42nd Annual General Meeting of the Company, in terms of Section 161 of the Companies Act, 2013, but 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 Companies Act, 2013, proposing his candidature for the office of Director, be and is hereby elected and appointed as a Director of the Company, liable to retire by rotation.”

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6. Re-appointment of Mr. Shailesh Wani (DIN: 06474766) as a Managing Director of the Company

As Special Resolution

Proposed by: Mr. Jashvantlal C. Modi

Seconded by: Ms. Vaishaliben J. Modi

“**RESOLVED THAT** pursuant to the provisions of Sections 196, 197 and other applicable provisions of the Companies Act, 2013 (“the Act”), if any, read with Schedule V to the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) or amendment(s) thereof for the time being in force), and subject to the approval of Central Government, if required, and such other approval as may be necessary, the consent of the Members of the Company, be and is hereby accorded for the re-appointment and remuneration payable to Mr. Shailesh Wani (DIN: 06474766), as the Managing Director of the Company, with effect from October 1, 2016, for a period of 3 (three) years, on the terms and conditions including those relating to remuneration as set out in the Agreement executed with the Managing Director and initialed by the Company Secretary of the Company for the purpose of identification and as mentioned in the explanatory statement attached to this notice, with liberty to the Board of Directors or a Committee thereof to alter and/or vary the terms and conditions of said re-appointment and remuneration in such manner as may be agreed to between the Board of Directors and Mr. Shailesh Wani and subject to such statutory approvals as may be necessary.”

“**RESOLVED FURTHER THAT** subject to the approval of Central Government, if required, and such other approvals as may be necessary, consent of the Members of the Company, be and is hereby accorded to pay gross remuneration (including variable pay) not exceeding Rs. 20 Million (Rupees Twenty Million only) per annum to Mr. Shailesh Wani, Managing Director, during the tenure of his employment till 30th September, 2019, with liberty to the Board of Directors or a Committee thereof to alter and/or vary, the said remuneration in such manner as may

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be agreed to between the Board of Directors and Mr. Shailesh Wani, within the said overall ceiling of Rs. 20 Million (Rupees Twenty Million only).”

“RESOLVED FURTHER THAT the Board of Directors (including its committees thereof) be and are hereby authorized to alter, vary, increase, enhance or widen the scope of remuneration and perquisites, in accordance with Schedule V and other applicable provisions, if any, of the Act (including any amendment, modification, variation or re-enactment thereof) and within the aforesaid overall ceiling of Rs. 20 Million (Rupees Twenty Million only).”

“RESOLVED FURTHER THAT the said remuneration shall be payable to Mr. Shailesh Wani as and by way of minimum remuneration and irrespective of, whether the Company has inadequate or no profit in any financial year.”

“RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to take all such steps as may be necessary and as it may in its sole and absolute discretion deem fit, to give effect to this resolution.”

7. Payment of remuneration to M/s Dalwadi & Associates, Cost Accountants (Firm Registration No. 000338), the Cost Auditors of the Company for the financial year 2016.

As Ordinary Resolution

Proposed by: Jayant Ratilal Mehta

Seconded by: Aruna Jayant Mehta

“RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditor’s) Rules, 2014, (including any statutory modification(s) or amendment(s) or re-enactment(s) thereof for the time being in force), M/s Dalwadi & Associates, Cost Accountants (Firm Registration No. 000338), appointed as Cost Auditors by the Board of Directors of the Company to conduct the audit of the cost records of the Company for the financial year ending

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on December 31, 2016, in respect of products/activities of the Company covered under The Companies (Cost Records and Audit) Amendment Rules, 2014, be paid a remuneration of Rs. 1,00,000/- (Rupees One Lakh Only) per annum plus applicable service tax and out of pocket expenses, if any, that may be incurred during the course of audit.

“RESOLVED FURTHER THAT the Board of Directors of the Company (including its Committee thereof), be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

8. Approval of Related Party Transactions

As Ordinary Resolution

Proposed by: Ramesh Kansara

Seconded by: Pratima R. Kansara

“RESOLVED THAT pursuant to the provisions of Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (“Listing Regulations”) (including any statutory modification(s) or amendment(s) or re-enactment(s) thereof, for the time being in force), approval of the Members of the Company be and is hereby accorded with respect to related party transaction(s) entered during the financial year 2015 with M/s SPGPrints B.V., the Holding Company of the Company, (a ‘Related Party’ as defined under Section 2 (76) of Companies Act, 2013 and Regulation 2(zb) of the Listing Regulations), for purchase of raw materials and components, which are commercial transactions as detailed in the explanatory statement attached to this Notice.”

“RESOLVED FURTHER THAT the Board of Directors of the Company (including Committee(s) of the Board) be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary, proper or expedient for the purpose of giving effect to this resolution.”



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Information on E-voting and Voting at the AGM

The Chairman requested Mrs. Varsha Adhikari, Company Secretary, to inform the Members regarding the voting procedure at the Annual General Meeting. The Company Secretary informed the Members that in accordance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company had provided facility for remote e-voting to the members through Central Depository Services (India) Ltd ("CDSL") in respect of all the items to be transacted at the AGM. The e-voting period commenced on May 21, 2016 at 10:00 hours and ended on May 24, 2016 at 17:00 hours. The Company Secretary thereafter informed the Members present, the voting procedure at the AGM. The Company Secretary informed that voting at AGM shall be conducted through Ballot Paper. The Company Secretary further informed the Members present that the Members have voting rights in proportion to their shares in the paid-up share capital of the Company as on the cut-off date May 18, 2016. Members, who have already voted through remote e-voting process, shall not be entitled to vote again in the meeting and the vote cast by them through remote e-voting shall be treated as final. The Company Secretary requested Members to fill up the Ballot Paper and put the duly signed folded Ballot paper in the Ballot box duly locked by the Scrutinizer and kept at the premises. The Members thereafter had cast their vote at the AGM through Ballot Paper in respect of Resolution No. 1 to 8 set out in the Notice of AGM.


The Company Secretary informed the Members that combined result of Remote e-voting and Voting at the AGM through Ballot Paper shall be announced within 48 hours of conclusion of AGM, by intimation to Stock Exchanges and would be displayed on the Company's Website viz www.stovec.com as well as CDSL website.

VOTE OF THANKS

As all the business of the Meeting was completed, the Chairman declared the Meeting as concluded. The Chairman thanked all the Members present at the Meeting and for taking active interest in the working of the Company.

Date: 21 June 2016

Place: Mumbai


K.M. THANAWALLA
CHAIRMAN



Addendum to the Minutes of the 42nd Annual General Meeting of the Members of Stovec Industries Limited held on Wednesday, May 25, 2016 at 11:00 A.M. at the Registered Office of the Company at N.I.D.C., Near Lambha Village, Post: Narol, Ahmedabad – 382 405, Gujarat, India.

RESULTS ON VOTING:

Results of remote e-voting and poll on the ordinary and special businesses at the 42nd Annual General Meeting of the Company held on Wednesday, May 25, 2016.

On the basis of the Scrutinizer's Report received from M/s Sandip Sheth & Associates, Practicing Company Secretaries, containing combined results of Remote e-voting and Voting conducted at the AGM through Ballot/Polling Paper, the summary of which is mentioned hereunder, the Company announced the results of Remote e-voting and Voting conducted at the AGM within 48 hours of conclusion of AGM. All the resolutions set forth in Item No. 1 to 8 in the Notice of AGM of the Company has been duly passed by requisite majority and are recorded hereunder as part of the proceedings of AGM of the Company held on Wednesday, May 25, 2016.

Resolutions	No. of Votes in Favour	No. of Votes in Against	No. of Invalid Votes	Result
Resolution No. 1 – To receive, consider and adopt a) the Audited Financial Statements of the Company for the financial year ended December 31, 2015, together with the Report of the	15,15,642	2	2	Ordinary Resolution passed with requisite majority.

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Board of Directors and the Auditor's thereon; and				
b) the Audited Consolidated Financial Statements of the Company for the financial year ended December 31, 2015 and the Report of the Auditors thereon.				
Resolution No. 2 – To declare dividend on Equity Shares.	15,15,642	2	2	Ordinary Resolution passed with requisite majority.
Resolution No. 3 – To appoint a Director in place of Mrs. Everdina Herma Slijkhuis (DIN: 06997013), who retires by rotation and being eligible offers herself for re-appointment.	15,15,642	2	2	Ordinary Resolution passed with requisite majority.
Resolution No. 4 – Ratification of re-appointment of M/s Price Waterhouse, Chartered Accountants (Firm Registration No. 301112E), as Statutory Auditors of the Company.	15,15,642	2	2	Ordinary Resolution passed with requisite majority.
Resolution No. 5 – Appointment of Mr. Eiko Ris (DIN: 07428696) as a Director of the Company.	15,15,642	2	2	Ordinary Resolution passed with requisite majority.

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Resolution No. 6 – Re-appointment of Mr. Shailesh Wani (DIN: 06474766) as a Managing Director of the Company.	15,15,642	2	2	Special Resolution passed with requisite majority.
Resolution No. 7 – Payment of remuneration to M/s Dalwadi & Associates, Cost Accountants (Firm Registration No. 000338), the Cost Auditors of the Company for the financial year 2016.	15,15,642	2	2	Ordinary Resolution passed with requisite majority.
Resolution No. 8 – Approval of Related Party Transactions.	31,864	3	2	Ordinary Resolution passed with requisite majority.

Note:

- 1) M/s SPGPrints B.V., being interested as a Related Party in the Resolution No. 8, did not voted on the said resolution.

Date: 21 June 2016
Place: Mumbai


K.M. THANAWALLA
CHAIRMAN

For, Stovec Industries Limited


Varsha Adhikari
Company Secretary