

## NOTICE

**NOTICE IS HEREBY GIVEN THAT** the 64<sup>th</sup> Annual General Meeting of the Members of the Company will be held on **Friday, the 14<sup>th</sup> day of August, 2015 at 11.30 A.M.** at Sumant Moolgaokar Auditorium, 'A Wing', Ground Floor, Mahratta Chamber of Commerce, Industries and Agriculture, Trade Tower, ICC Complex, 403, Senapati Bapat Road, Pune 411 016 to transact the following business:

### ORDINARY BUSINESS:

1. To consider and adopt the Balance Sheet as at 31<sup>st</sup> March, 2015, the Statement of Profit and Loss for the year ended on that date and the Report of the Board of Directors and Auditors thereon.
2. To declare dividend on the Equity Shares of the Company for the year ended 31<sup>st</sup> March, 2015.
3. To appoint a director in place of Mr. K.L.Rathi who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint Auditors and to fix their remuneration.

### SPECIAL BUSINESS:

5. **To consider and if thought fit, to pass with or without modification the following resolution as an Ordinary Resolution:**

**Appointment of Mr.Naresh T.Raisinghani as a Non Independent Director of the Company.**

RESOLVED THAT pursuant to the provisions of Section 152, 161 and other applicable provisions of the Companies Act, 2013 and Rules framed there under, Mr. Naresh T. Raisinghani (DIN -00568298) who was appointed as a Non Independent Director on 13<sup>th</sup> February, 2015 by the Board of Directors of the Company and who holds Office until the conclusion of this Annual General Meeting be and is hereby appointed as a Non Independent Director of the Company liable to retire by rotation.

6. **To consider and if thought fit, to pass with or without modification the following resolution as an Ordinary Resolution:**

**Appointment of Mrs.Shubhalakshmi A. Panse as an Independent Director of the Company for a period of 5 years.**

RESOLVED THAT pursuant to the provisions of Section 149, 152, 161 and other applicable provisions of the Companies Act, 2013 and Rules framed there under, read with Schedule IV of the Act, Mrs. Shubhalakshmi A. Panse (DIN 02599310) who was appointed as an Independent Director on 27<sup>th</sup> May, 2015 by the Board of Directors of the Company and who holds Office until the conclusion of this Annual General Meeting and who has submitted a declaration that she meets the criteria for independence as provided in Section 149(6) of the Act, be and is hereby appointed as an Independent Director of the Company for a period of 5 years effective from the date of the 64<sup>th</sup> Annual General Meeting.

7. **To consider and if thought fit, to pass with or without modification the following resolution as a Special Resolution:**  
**Approval for the payment of commission to Non Executive Directors of the Company for FY 2014-15 and for future Financial Years.**

RESOLVED THAT and pursuant to the provisions of Section 197, 198 and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the Company be and is hereby authorized to determine, pay remuneration in addition to sitting fees and reimbursement of expenses for attending the meetings of the Board of Directors or Committees thereof, an amount, by way of commission to any one or more or all of the existing Non-Executive Directors or Non-Executive Directors to be appointed in future, and that such remuneration by way of commission shall not exceed 1% of the net profits of the Company in any Financial Year (computed in the manner provided in Section 198 of the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof and subject to the limits, (within the overall limit of 1%) if any, set by the Board of Directors on the recommendation of the Nomination and Remuneration Committee from time to time in respect of the Financial Year

2014-15 and in case of future Financial Years .

RESOLVED FURTHER THAT without prejudice to the above, approval be and is hereby accorded for the payment of commission to Non Executive Directors of the Company for the Financial year 2014-15 upto 1 % of the net profits but not exceeding in the aggregate an amount of Rs. 25 Lacs and the same be distributed in the manner as the Board may deem expedient.

RESOLVED FURTHER THAT the Board of Directors of the Company (including Nomination and Remuneration Committee) 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 his resolution.

**8. To consider and if thought fit, to pass, with or without modification(s), the following Resolution as an Ordinary Resolution:**

**Approval for payment of remuneration to Parkhi Limaye & Co., Cost Auditors for the FY 2015-16 to conduct Audit of Cost Records of the Company for “Pigments” & “Insecticides” products.**

RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the rules framed there under and subject to all other approvals, if any required, the Company be and is hereby authorized to pay an amount of Rs. 2,35,000/- (Rupees Two Lacs Thirty Five Thousand Only) as remuneration exclusive of reimbursement of service tax and all out of pocket expenses incurred, if any, in connection with the cost audit to Parkhi Limaye & Co., Cost Accountants in practice (Registration No. 191), the Cost Auditors appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for “Pigments” products and “Insecticides” products the Financial Year ending March 31, 2016.

RESOLVED FURTHER THAT the Board of Directors of the Company 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.

**NOTES:**

1. (a) Mr. K.L.Rathi, Director retires by rotation at the ensuing 64<sup>th</sup> Annual General Meeting and being eligible, offers himself for reappointment. Mr. K.L.Rathi represents the Promoter Group and holds 10,74,300 Equity Shares of the Company aggregating to 1.55% of the total paid up share capital of the Company. Mr. Naresh T. Raisinghani and Mrs. Shubhalakshmi A. Panse were co-opted during the year as Directors on Board of the Company and hold office upto the conclusion of the ensuing 64<sup>th</sup> Annual General Meeting . Mr. Naresh T. Raisinghani and Mrs. Shubhalakshmi A. Panse do not hold any equity shares of the Company.

As required under Clause 49 of the Listing Agreement, the information / data to be provided for the retiring Director and other Directors whose appointments are to be confirmed are given below:

**Mr.K.L.Rathi-Other directorships:**

Sr.No.	Name of the Company	Board position held
1	RIECO Industries Limited	Director
2	Prescient Color Limited	Director
3	Laxminarayan Finance Private Limited	Director
4	Rathi Brothers Poona Limited	Director
5	Rathi Brothers Delhi Limited	Director
6	Rathi Brothers Calcutta Limited	Director
7	Rathi Brothers Madras Limited	Director
8	Rathi Mixers Private Limited	Director
9	Rathi Enterprises Private Limited	Director

**Mr.K.L.Rathi-Committee positions held :**

Sr. No.	Name of the Company	Name of the Committee	Position held
1	Sudarshan Chemical Industries Limited	Finance Committee	Member
		Issue of Shares / Duplicate Share Certificate Committee	Member
		Share Transfer Committee	Member
2	Prescient Color Limited	Audit Committee	Member

**Mr.N.T.Raisinghani-Other directorships:**

Sr.No.	Name of the Company	Board position held
1	BMG India Consulting Private Limited	Director
2	Breakthrough Management Group India Private Limited (BMGI)	Director

**Mr.N.T.Raisinghani-Committee positions held :**

Sr. No.	Name of the Company	Name of the Committee	Position held
1	NIL	NIL	NIL

**Mrs. Shubhalakshmi A. Panse -Other directorships:**

Sr.No.	Name of the Company	Board position held
1	Federal Bank Limited	Director
2	IL&FS Financial Services Limited	Director
3	L & T IDPL Limited	Director
4	Chola MS Insurance Limited	Director
5	Atul Limited	Director

**Mrs. Shubhalakshmi A. Panse-Committee positions held :**

Sr. No.	Name of the Company	Name of the Committee	Position held
1	Indian Institute of Actuaries	Quality Review Board	Chairman
2	Payment & Settlement Bank of RBI	External Advisory Committee	Member

- (b) A MEMBER ENTITLED TO ATTEND AND VOTE AT A MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER.THE PROXY FORM DULY COMPLETED MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON OR SHAREHOLDER.

- (c) Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of the Special Business is annexed and forms an integral part of the Notice.

(2) (a) **Voting through electronic means:**

- (i) In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended by Companies (Management and Administration) Rules, 2015 and Clause 35 of the Listing Agreement, the Company is pleased to provide members the facility to exercise their right to vote at the 64<sup>th</sup> Annual General Meeting (AGM) by electronic means and the business may be transacted through remote e-Voting Services provided by NSDL. E-voting is optional.
- (ii) The facility for voting, through ballot or polling paper shall also be made available at the meeting and members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right to vote at the meeting.
- (iii) Members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM, but shall not be entitled to cast their vote again.
- (iv) The instructions for Voting through electronic means are as under:

(b) **In case a Member receives an email from NSDL** [for members whose email IDs are registered with the Company / R & T Agent viz. Link Intime India Private Limited / Depository Participant(s)]:

1. Open email and open PDF file viz. "**SUDARSHAN e-Voting.pdf**" with your Folio no. / Client ID as **password**. The said PDF file contains your User ID and password/PIN for remote e-voting. Please note that the password is an initial password.
2. Open Internet browser and type URL viz. <https://www.evoting.nsdl.com>
3. Click on Shareholder-Login
4. Insert 'USER ID' and 'Initial Password' as noted in Step 1 above and click 'Login'.
5. The Password Change Menu will appear on your screen. Change to a new Password of your choice making sure that, it contains a minimum of 8 digits or characters or combination of the two. Please take utmost care to keep your Password confidential and not to share the same with any other person.
6. Once e-Voting home page opens, Click on remote e-Voting > Active Voting Cycles
7. Select the EVEN (E-Voting Event Number) of Sudarshan Chemical Industries Limited.
8. Now you are ready for remote e-voting as 'the Cast Vote' page opens.
9. Cast your vote by selecting appropriate option and click 'Submit' and also 'Confirm' when prompted.
10. Upon confirmation, the message 'Vote cast successfully' will be displayed. Please note that once your vote is cast on selected resolution, it cannot be modified.
11. Institutional shareholders (i.e. members other than individuals, HUF, NRIs etc.) are required to send a scanned copy (PDF/JPG Format) of the relevant Board Resolution / Authority letter etc. together with attested specimen signature(s) of the duly authorized signatory[ies] who are authorized to vote, to the Scrutinizer through email at **karunakaran2004@yahoo.com** with a copy marked to **evoting@nsdl.co.in**

(c) **In case a Member receives physical copy of the Notice of AGM** [for members whose email IDs are not registered with the Company / R&T Agent viz. Link Intime India Private Limited / Depository Participant(s) or requesting physical copy]:

1. Initial password will be provided separately:  
EVEN (E-Voting Event Number) USER ID PASSWORD/PIN
2. **Please follow all steps from Sr. No.(2) to (11) above, to cast the vote.**

- I. In case of any queries, you may refer the Frequently Asked Questions (FAQ) for members and remote e-voting user manual for members available on the website **www.evoting.nsdl.com** under the 'Downloads Section'. You can also contact NSDL via email at **evoting@nsdl.co.in**
- II. If you are already registered with NSDL for e-voting, then you can use your existing User ID and Password for casting your vote.
- III. You can also update your mobile number and e-mail ID in the user profile details of the Folio, which may be used for sending future communication(s).
- IV. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on 7<sup>th</sup> August 2015. Those shareholders who acquire shares after 7<sup>th</sup> August 2015 and who continue to hold the shares as on the date of 64<sup>th</sup> Annual General Meeting will be entitled to vote by poll only at the venue of the Annual General Meeting.
- V. The notice of the 64<sup>th</sup> AGM is being sent to all members who are holding shares as on 10<sup>th</sup> July, 2015.
- VI. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 7<sup>th</sup> August, 2015, may obtain the login ID and password by sending a request at **evoting@nsdl.co.in** or **pune@linkintime.co.in**

However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on **www.evoting.nsdl.com** or contact NSDL at the following toll free no.: 1800-222-990.

- VII. **The e-voting period commences on Tuesday, 11<sup>th</sup> August 2015 (9:00 AM) and ends on Thursday, 13<sup>th</sup> August 2015 (5:00 PM).** During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 7<sup>th</sup> August, 2015, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- VIII. A Member can opt for only one mode of voting i.e. either through e-voting or by Poll/Ballot. If a Member casts votes by both modes, then voting done through e-voting shall prevail and the voting done through Poll/Ballot Form shall be treated as invalid.
- IX. Rajesh Karunakaran, Practicing Company Secretary, Pune, (Membership No. FCS 7441 & CP No. 6581) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- X. The Scrutinizer shall within a period not later than three (3) days from the conclusion of the 64<sup>th</sup> Annual General Meeting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour of or against, if any, forthwith to the Chairman of the Company.
- XI. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website **www.sudarshan.com** and on the website of NSDL **www.nsdl.co.in** immediately after the result is declared by the Chairman and forthwith communicated to the Stock Exchanges viz. BSE Limited and National Stock Exchange of India Limited.

- (d) **The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, 1<sup>st</sup> August, 2015 to Friday, 14<sup>th</sup> August, 2015 (both days inclusive).**

Pursuant to Section 125 of the Companies Act, 2013 all unclaimed dividends for the Accounting Years ended upto 31<sup>st</sup> March, 2007 have been transferred to the Investor Education and Protection Fund of the Central Government. Unclaimed dividends, for subsequent years will also be transferred to the Investor Education and Protection Fund of the Central Government if they remain unclaimed for a period of seven years from the date they became due for payment.

- (e) In terms of Clause No. 5A (II) of the Listing Agreement, the Company is in the process of opening a demat account by name "Sudarshan Chemical Industries Limited Unclaimed Shares Suspense Account" with IDBI Bank Limited, Tilak Bhavan, 486, Sadashiv Peth, Lal Bahadur Shastri Road, Pune-411030 for transfer of unclaimed shares on behalf of various shareholders who have not collected their sub-divided and bonus shares till date. In case any member approaches the Company for the collection of his / her unclaimed shares, then in such an event, the Company shall approach IDBI Bank Limited, Pune for release of his / her shares. Members may also note that the dividend pertaining to these unclaimed shares will also be transferred to a separate Current Account with IDBI Bank Limited, Pune for better control and monitoring.
- (f) It may be in the interest of Members to hold securities in joint names.
- (g) Members who are still holding the shares in physical form may consider surrendering the shares with the concerned Depository Participant since it is advantageous to hold the shares in demat form.
- (h) Members who hold the shares in the dematerialized form and want to change / correct the bank account details should send the same immediately to their concerned Depository Participant and not to the Company. The Company, in case of such dematerialized shares, will not entertain any direct request from such members for change of address, transposition of names, deletion of name of deceased joint holder and change in the bank account details. While making payment of dividend, Registrar is obliged to use only the data provided by the Depositories.
- (i) As per RBI notification, with effect from 1<sup>st</sup> October, 2009, the remittance of money through ECS is replaced by National Electronic Clearing Services ( NECS ) and banks have been instructed to move to the NECS platform. In this regard, please note that, if the Members have not provided to the Corporation or their DP the new bank account number, if any, allotted to them, after implementation of Core Banking System ( CBS ) , credit of dividend through NECS to their old bank account number , may be rejected or returned by the banking system.
- (j) Members who hold shares in physical form and wish to avail of the Electronic Credit Services ( ECS ) facility for payment of dividend are requested to fill the attached form and send the same either to the Company / Link Intime India Private Limited (LIPL) for necessary processing. **The information required should reach the Company / LIPL invariably on or before 10<sup>th</sup> August, 2015 failing which physical dividend warrants will be issued to the Members for the year 2014-15.**
- (k) Based on the records available with the Depositories, the Company has tied up with HDFC Bank Limited , for payment of dividend for the Financial Year 2014-15 .
- (l) Members who do not wish to avail of the NECS are requested to avail the facility of Dividend mandate to enable despatch of Dividend warrants directly to their bankers for credit of dividend to their accounts.
- (m) Members who wish to dematerialize the shares or seek any information regarding transfer of shares are requested to contact the Company's Registrar and Share Transfer Agents at the following address :

Link Intime India Private Limited  
 "Akshay Complex",  
 Block No. 202, 2<sup>nd</sup> Floor,  
 Near Ganesh Temple,  
 Off Dhole Patil Road,  
 Pune - 411 001.  
 Tel.No. 020 – 26160084, 020 – 26161629  
 Telefax 020-26163503  
 E-mail: pune@linkintime.co.in  
 Website: www.linkintime.co.in

- (n) The Company has designated an e-mail address - **[grievance.redressal@sudarshan.com](mailto:grievance.redressal@sudarshan.com)** for timely action on investor complaints. Members are requested to forward their complaints, if any, at the designated e-mail address.
- (o) Members holding shares under different folios may approach the Company for consolidation of ledger folios into one folio.
- (p) Members are requested to notify immediately any change in their address / bank account details.
- (q) As per Rule 18 of the Companies (Management and Administration) Rules, 2014, we are sending the Annual Report, i.e., Notice convening the 64<sup>th</sup> Annual General Meeting, Financial Statements, Directors' Report, Auditors' Report, etc. for the year ended March 31, 2015, in electronic form, to the e-mail address registered by Members with the Company.

In case, if the Member has not registered his/her e-mail id with the Company, we once again request you to register the same so that we can send you Annual Report and other official documents electronically in the near future.

E-mail for Communication – **[shares@sudarshan.com](mailto:shares@sudarshan.com)**

Members are also informed that the full text of these reports shall also be made available in an easily navigable format on our website, **[www.sudarshan.com](http://www.sudarshan.com)**. Notwithstanding the electronic communication, in case you wish to receive the reports mentioned above in physical form, please write to us at **[shares@sudarshan.com](mailto:shares@sudarshan.com)**. Physical copies of the Annual Report will also be available at our Registered Office in Pune with our Secretarial Department for inspection during office hours up to the date of the 64<sup>th</sup> AGM.

- (r) Members / Proxies are requested to bring their copies of the Annual Report as extra copies of the Annual Report will not be made available at the time of the Annual General Meeting.
- (s) Members desirous of getting any information about the accounts of the Company are requested to address their queries to the Company Secretary of the Company. Such requests should be received at least seven days before the date of the meeting, so that the information required can be readily made available at the meeting, to the best extent possible.

By Order of the Board of Directors  
 For SUDARSHAN CHEMICAL INDUSTRIES LIMITED

Pune, May 27, 2015

P.S.RAGHAVAN  
 COMPANY SECRETARY



## **Explanatory Statement pursuant to Section 102 of the Companies Act, 2013.**

**In conformity with the provisions of Section 102 of the Companies Act, 2013, the following Explanatory Statement sets out all material facts relating to the Special Business mentioned in the Notice and should be taken as forming part of the Notice.**

### **Item No. 5 of the Notice:**

Mr. Naresh T. Raisinghani, on the recommendation of the Nomination and Remuneration Committee was co-opted as a Non Independent Director by the Board of Directors of the Company in their meeting held on 13<sup>th</sup> February, 2015 pursuant to the provisions of Section 152 and 161 of the Companies Act, 2013. Mr. Naresh T. Raisinghani, is Director in Breakthrough Management Group India Private Limited (BMGI), Mumbai a Company which in turn has material transactions with the Company and hence appointed as Non Independent Director. Mr. Naresh T. Raisinghani holds Office of Director until the conclusion of the 64<sup>th</sup> Annual General Meeting.

Mr. Naresh T. Raisinghani has done his Management from Harvard Business School and Bachelors in Mechanical Engineering from University of Mumbai.

Prior to joining BMGI, Mr. Naresh T. Raisinghani was working with Infosys. As a part of Infosys Leadership Institute, he assisted them in designing leadership workshops and supported several strategic events. His stint with Infosys also saw him support various corporate business excellence initiatives and was instrumental in Infosys winning the IMC Ramakrishna Bajaj National Quality Award. Earlier in his career, he directly worked with Eicher Tractors and Tata Motors in diverse operation roles.

Mr. Naresh T. Raisinghani has facilitated over 100 senior leadership workshops in many organizations such as Reliance, L & T, ITC, Asian Paints etc. Some of BMGI's Clients are Marico Industries, ONGC, Reliance Group, Apollo Tyres, Cognizant, Piramal Health Care, Accenture etc.

Notice under Section 160 of the Companies Act, 2013 along with a deposit of Rs.1,00,000/- has been received from a Member of the Company signifying his intention to propose the candidature of Mr. Naresh T. Raisinghani to the Office of the Director.

The Board of Directors recommend the resolution for approval by the Members.

Except for Mr. Naresh T. Raisinghani, none of the other directors / Key Managerial Personnel and/or their relatives are interested or concerned in the passing of the resolution.

### **Item No.6 of the Notice:**

Mrs. Shubhalakshmi A. Panse on the recommendation of the Nomination and Remuneration committee has been appointed as an Independent Director by the Board of Directors of the Company in their meeting held on 27<sup>th</sup> May, 2015 pursuant to the provisions of Section 149, 152 and 161 of the Companies Act, 2013, Mrs. Shubhalakshmi A. Panse holds Office of Director until the conclusion of the 64<sup>th</sup> Annual General Meeting.

Mrs. Shubhalakshmi A. Panse has 38 years of work experience in the field of Banking. She assumed the Office of Chairman and Managing Director of Allahabad Bank on 1<sup>st</sup> October, 2012 and superannuated on 31<sup>st</sup> January, 2014. Mrs. Shubhalakshmi A. Panse was also the Executive Director of Vijaya Bank for two and half years.

Notice under Section 160 of the Companies Act, 2013 along with a deposit of Rs.1,00,000/- has been received from a Member of the Company signifying his intention to propose the candidature of Mrs. Shubhalakshmi A. Panse to the Office of Director.

Mrs. Shubhalakshmi A. Panse has given a declaration to the Board of Directors of the Company that she meets the criteria of independence as provided under Section 149(6) of the Companies Act, 2013 and in the opinion of the Board she fulfills the conditions specified in the Companies Act, 2013 read with Schedule IV framed there under for appointment as an



Independent Director.

The Board of Directors recommend the resolution for approval by the Members.

The terms and conditions of appointment of Mr. Shubhalakshmi A. Panse shall be open for inspection by the Members at the Registered Office of the Company between 10.30 A.M. to 12.30 P.M. on any working day prior to the AGM. This document will also be available for inspection at the venue of the 64<sup>th</sup> Annual General Meeting.

Except for Mrs. Shubhalakshmi A. Panse , none of the other directors / Key Managerial Personnel and /or their relatives are interested or concerned in the passing of the resolution.

**Item No.7 of the Notice:**

The Board of Directors in its meeting held on 13<sup>th</sup> February 2015 have proposed that Non Executive Directors be paid remuneration by way of commission not exceeding 1% of the net profits of the Company but not exceeding in the aggregate an amount of Rs.25 Lacs , for the Financial year 2014-15 computed in accordance with the provisions of Section 198 of the Companies Act , 2013 , in addition to sitting fees for attending the meetings of the Board of Directors or Committees thereof, reimbursement of expenses for participation in the Board and other meetings, as the Board of Directors may from time to time determine, to the existing Non-Executive Directors or Non-Executive Directors to be appointed in future.

Approval of the members is sought by way of a Ordinary Resolution under the applicable provisions of the Companies Act, 2013 for payment of remuneration to the Non Executive Directors for the Financial Year 2014-15 by way of commission but within the overall limit of 1% of the net profits of the Company as per Section 198 of the Companies Act, 2013 as approved presently by the Board of Directors as also for future Financial Years as may be approved by the Board of Directors upon the recommendation of the Nomination and Remuneration Committee.

The Board of Directors recommend the ordinary resolution for approval by the Members.

The Working Directors and Key Managerial Person of the Company and their relatives are not concerned or interested financially or, otherwise, in the resolution set out at item No. 7 of the Notice. Non-Executive Directors may be deemed to be concerned or interested in the resolution set out at item No. 7 to the extent of remuneration by way of commission that may be received by them. The relatives of Non-Executive Directors may be deemed to be interested or concerned in the resolution set out at Item No.7 of the Notice. The Board recommends the Ordinary Resolution set out at Item No. 7 of the Notice for approval by the members of the Company

**Item No. 8 of the Notice :**

In accordance with the provisions of Section 148 of the Companies Act, 2013 (the Act) and the Companies (Audit and Auditors) Rules, 2014 (the Rules), the Company is required to appoint a Cost Auditor to audit the cost records relating to "Pigments" products and "Insecticides" products of the Company. On the recommendation of the Audit Committee at its meeting held on 27<sup>th</sup> May, 2015, the Board has approved the appointment of Parkhi Limaye & Co., Cost Accountants as the Cost Auditor of the Company for the Financial Year 2015-16 on a remuneration of Rs. 2,35,000/- (Rupees Two Lacs Thirty Five Thousand Only) exclusive of reimbursement of service tax and all out of pocket expenses incurred, if any, in connection with the cost audit. The remuneration of the Cost Auditor is required to be ratified and confirmed by Members subsequently in accordance to the provisions of the Act and Rule 14 of the Rules.

The Directors recommend the Ordinary Resolution to the Members for their approval.

None of the Directors, Key Managerial Personnel and their relatives are concerned or interested in the Resolution at Item No. 8 of the Notice.

By Order of the Board of Directors  
For SUDARSHAN CHEMICAL INDUSTRIES LIMITED

Pune, May 27, 2015

P.S.RAGHAVAN  
COMPANY SECRETARY

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