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# **Sunshield Chemicals Limited**

**32<sup>nd</sup> ANNUAL REPORT**

**2018-19**

# SUNSHIELD CHEMICALS LIMITED

## ANNUAL REPORT 2018-19

### DIRECTORS

R L Shenoy  
Manoj Khullar  
Ajit Shah  
Aruna Soman  
Boon Tong Koh  
YockJeng Goh  
Lim Kim Swee  
Srivatsa M K

Chairman  
Managing Director

### AUDIT COMMITTEE

Ajit Shah  
Aruna Soman  
R L Shenoy  
Manoj Khullar

Chairman

### COMPANY SECRETARY

Amit Kumashi

### CHIEF FINANCIAL OFFICER

Sandeep Kulkarni (w.e.f. 11.02.2019)  
Rajeev Gupte (upto 13.09.2018)

### AUDITORS

Deloitte Haskins & Sells LLP

### BANKERS

Kotak Mahindra Bank Ltd.  
BNP Paribas  
State Bank of India  
Citi Bank N.A.

### REGISTERED OFFICE

Equinox Business Park,  
Tower-4, 9<sup>th</sup> Floor, unit-903  
LBS Marg, Kurla (West)  
Mumbai-400 070  
Tel.: No. 91-22-6654 7417

### REGISTRARS & SHARE TRANSFER AGENTS

TSR Darashaw Consultants Private Limited  
6-10, Haji Moosa Patrawala Industrial Estate  
20, Dr. E. Moses Road, Near Famous Studio  
Mahalaxmi, Mumbai-400 011  
Tel.: 91-22-66568484

### WORKS

Pali-Khopoli Road, Village Rasal, Wave  
Taluka Sudhagad, Dist. Raigad, Maharashtra

### CORPORATE IDENTITY NUMBER

L99999MH1986PLC041612

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### NOTICE

**NOTICE** is hereby given that the 32<sup>nd</sup> Annual General Meeting (“AGM”) of the Members of **Sunshield Chemicals Limited** will be held on **Saturday, 21<sup>st</sup> September 2019** at 11.00 a.m. at Convention Hall, Y. B. Chavan Centre, Gen. Jagannath Bhosale Marg, Nariman Point, Mumbai-400021 to transact the following business:-

#### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the audited financial statements of the Company for the financial year ended 31<sup>st</sup> March 2019, the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Boon Tong Koh (DIN: 08066070), who retires by rotation and, being eligible, offers himself for re-appointment.
3. To consider and if thought fit, to pass with or without modification, as an **Ordinary Resolution**, the following:

**“RESOLVED THAT** subject to the provisions of Sections 139 and 142 and other applicable provisions, if any, of the Companies Act, 2013, Deloitte Haskins & Sells LLP, Chartered Accountants (Firm registration number 117366W/W-100018) be and are hereby reappointed as Statutory Auditors to hold office for a term of Five (5) years from the conclusion of this Annual General Meeting until the conclusion of the Thirty Seventh Annual General Meeting, at such remuneration as may be determined by the Board of Directors of the Company from time to time.”

#### **SPECIAL BUSINESS:**

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

**“RESOLVED THAT** Mr. Lim Kim Swee (DIN: 05151107), who was appointed as an Additional Director pursuant to provisions of Section 161(1) of the Companies Act, 2013 and any other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and the

Articles of Association of the Company be and is hereby appointed as a Director of the Company, liable to retire by rotation.”

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

**“RESOLVED THAT** pursuant to the provisions of Section 148 of the Companies Act 2013 read with the Companies (Audit and Auditors) Rules, 2014 and Companies (Cost Records and Audit) Rules, 2014, including any statutory modification(s) or re-enactment thereof for the time being in force, remuneration payable of ₹ 2,40,000/- (Rupees Two Lakhs Forty Thousand only) plus applicable tax and reimbursement of out-of-pocket expenses, as approved by the Board to conduct the audit of cost records of the Company for the financial year ending 31<sup>st</sup> March 2020, to M/s Kishore Bhatia & Associates, Cost Accountants (Firm Registration No. 00294), the Cost Auditors be and is hereby ratified;

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

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

**“RESOLVED THAT** pursuant to the provisions of Sections 149 and 152 read with Schedule IV and any other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as “Listing Regulations”) (including any statutory modification(s) or re-enactment thereof for the time being in force), the approval of the Members of the Company be and is hereby accorded for re-appointment of Mr. R L Shenoy (DIN: 00074761) whose current period of office is expiring on 31<sup>st</sup> March 2020 and who has

submitted a declaration confirming the criteria of Independence under Section 149(6) of the Companies Act, 2013 read with the Listing Regulations, as amended from time to time, and who is eligible for re-appointment for a second term under the provisions of the Companies Act, 2013, and the Rules framed thereunder and Listing Regulations as an Independent Non-Executive Director of the Company, whose term shall not be subject to retirement by rotation, to hold office for 5 (five) consecutive years on the Board of the Company for a term w.e.f. 1<sup>st</sup> April, 2020 upto 31<sup>st</sup> March, 2025;

**RESOLVED FURTHER THAT** pursuant to Regulation 17(1A) of the SEBI Listing Regulations, consent of the Members of the Company be and is hereby accorded for continuance of office of Mr. R L Shenoy, aged about 71 years, as Independent Director of the Company after attainment of the age of 75 years during second term of five consecutive years effective from 1<sup>st</sup> April 2020 upto 31<sup>st</sup> March 2025;

**“RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorised to do and perform all such acts, deeds, matters or things as may be considered necessary, appropriate, expedient or desirable to give effect to above resolution.”

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

**“RESOLVED THAT** in supersession of all the earlier Resolutions passed in this regard, consent of the Company be and is hereby accorded, pursuant to Sections 179, 180(1)(c) and all other applicable provisions, if any, of the Companies Act, 2013 (the ‘Act’), and the Companies (Meetings of Board and its Powers) Rules, 2014 and other Rules, Regulations, Notifications and Circulars issued including any statutory modification or re-enactment thereof for the time being in force, to the Board of Directors of the Company (hereinafter referred to as ‘the Board which term shall be deemed to include any Committee which the Board may have constituted or may hereinafter constitute to exercise its powers including the powers conferred by this Resolution)

for borrowing from time to time, any sum or sums of money for the purposes of the Company, upon such terms and conditions and with or without security, as the Board may in its discretion think fit, notwithstanding that the money or monies to be so borrowed by the Company (apart from the temporary loans obtained or to be obtained from time to time from the Company’s Bankers in the ordinary course of business) together with the sums already borrowed, may exceed the aggregate of the paid-up share capital of the Company, its free reserves, and security premium, provided however that the sums so borrowed and remaining outstanding on account of principal shall not, at any time, exceed ₹ 200 crores (Rupees Two Hundred Crores Only);

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary and with power to settle questions, difficulties or doubts that may arise in this regard without requiring the Board to secure any further approval of the Members of the Company.”

**By Order of the Board of Directors  
For SUNSHIELD CHEMICALS LIMITED**

Mumbai,  
27<sup>th</sup> May 2019

**Amit Kumashi**  
**Company Secretary**

**NOTES:**

1. The relevant Statement pursuant to Section 102 of the Companies Act, 2013 setting out the material facts concerning the business under Items 3 to 7 is annexed hereto.
2. A Statement giving the relevant detail of the Directors seeking appointment/re-appointment under Item Nos. 2, 4 and 6 of the accompanying Notice, as required under Regulations 26(4), 36(3) of SEBI (LODR) Regulations, 2015 and Secretarial Standard on General Meetings is annexed.

3. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON POLL ONLY INSTEAD OF HIMSELF/ HERSELF AND A PROXY NEED NOT BE A MEMBER.** The instrument appointing the proxy, in order to be effective, must be deposited at the Company's Registered Office, duly completed and signed, not less than FORTY-EIGHT HOURS before the meeting. Proxies submitted on behalf of limited companies, societies, etc., must be supported by appropriate resolutions/authority, as applicable.
4. A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.
5. Corporate members intending to send their authorized representatives to attend the Annual General Meeting (AGM) pursuant to Section 113 of the Companies Act, 2013 are requested to send a duly certified copy of the Board Resolution together with their specimen signatures authorizing their representative(s) to attend and vote on their behalf at the AGM.
6. Shareholders are requested to notify change of address, if any, and details of their bank account to the Registrar/Depository Participants.
7. For the convenience of shareholders, attendance slip is annexed to the proxy form. Shareholders are requested to affix their signatures at the space provided and hand over the attendance slip at the entrance of the place of meeting. Proxy/ Representative of a shareholder should mark on the attendance slip as "Proxy" or "Representative" as the case may be. Members are also requested not to bring with them any person who is not a Member.
8. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of the names will be entitled to vote at the Meeting.
9. Relevant documents referred in the accompanying Notice and in the Statements are open for inspection by the Members at the Company's Registered Office between 11 a.m. to 1 p.m. on all days except Saturdays, Sundays and Public Holidays, till the conclusion of the ensuing AGM.
10. As a measure of economy, copies of the annual report will not be distributed at the AGM. Members are, therefore, requested to bring their copies of the annual report at the meeting. Members seeking any information with regard to the accounts, are requested to write to the Company Secretary at an early date, so as to enable the Management to keep the information ready at the AGM
11. SEBI has mandated the submission of PAN by every participant in security market. Shareholders holding shares in electronic form are, therefore requested to submit the PAN to their Depository Participant with whom they are maintaining their demat accounts. Members holding share in physical form can submit their PAN details to the Company
12. Members holding shares in the single name and physical form are advised to make nomination in respect of their shareholding in the Company and those Members who hold shares singly in dematerialised form are advised to make a nomination through their Depository Participants. The nomination form can be obtained from Company's Registrars and Share Transfer agent's viz. TSR Darashaw Consultants Private Limited.
13. The Notice of the AGM along with the Annual Report 2018-19 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories, unless any Member has requested for a physical copy of the same. Members are entitled to receive the said Annual Report & Notice in physical form upon sending a request in writing to the Company's registered office and/or sending an email to [investor.sunshield@solway.com](mailto:investor.sunshield@solway.com). For Members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode.
14. Members may also note that the Annual Report for 2018-19 will be available on the Company's website [www.solwayindia.in](http://www.solwayindia.in)

15. The route map showing directions to reach the venue of the AGM is annexed.

**E-voting:**

I. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as substituted by the Companies (Management and Administration) Amendment Rules, 2015 ('Amended Rules 2015') and Regulation 44 of the Listing Regulations and Secretarial Standard on General Meetings (SS 2) issued by the Institute of Company Secretaries of India, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by Central Depository Services Limited (CDSL), on all the resolutions set forth in this Notice.

II. The facility for voting, through ballot paper, will also be made available at the AGM and the Members attending the AGM who have not already cast their votes by remote e-voting shall be able to exercise their right at the AGM through ballot paper.

III. The 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 shareholders voting electronically are as under:**

- (i) The voting period begins on 18<sup>th</sup> September 2019 (9:00 a.m.) and ends on 20<sup>th</sup> September 2019 (5:00 p.m.). During this period Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 14<sup>th</sup> September 2019 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The Members should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iii) Click on Shareholders/Members
- (iv) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>• Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</li> <li>• In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li> </ul>
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> <li>• If both the details are not recorded with the depository or company please enter the member id/folio number in the Dividend Bank details field as mentioned in instruction (iv).</li> </ul>

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, Members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on

which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant “Sunshield Chemicals Limited” on which you choose to vote.
- (xii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xvii) If a demat account holder has forgotten the changed login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) **Shareholders can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows**

**phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.**

(xix) **Note for Non-Individual Shareholders and Custodians**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

V. Mr. Alwyn D’Souza, Practicing Company Secretary (Membership No. FCS 5559) has been appointed as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.

- VI. Members can opt for only one mode of voting, i.e., either remote e-voting or Ballot paper. In case Members cast their votes through both the modes, voting done by remote e-voting shall prevail and votes cast through ballot paper shall be treated invalid.
- VII. The Chairman shall at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of Scrutinizer, by use of ballot paper for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- VIII. The Scrutinizer shall after the conclusion of voting at the AGM, would count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of
- at least two witnesses not in the employment of the Company and make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- IX. The results declared along with the report of the Scrutinizer shall be placed on the website of the Company [www.solvayindia.in](http://www.solvayindia.in) and on the website of CDSL immediately after the result is declared. The Company shall forward the results to BSE Limited, where the shares of the Company were listed. The results shall also be displayed on the Notice Board at the registered office of the Company and at its Head Office for three days.

## Annexure to Notice

### Explanatory Statement under Section 102 of the Companies Act, 2013

#### Item No. 3

As per the provisions of the Act, the term of office of Deloitte Haskins & Sells LLP, Chartered Accountants, Statutory Auditors of the Company, who were appointed as Auditors of the Company for the period of five years from 2014, expires at the conclusion of the ensuing Annual General Meeting (AGM).

In accordance with the Companies Act, 2013 and on the recommendation of the Audit Committee and in the best interest of the Company, the Board of Directors have considered and recommended the proposed re-appointment of Deloitte Haskins & Sells LLP, Chartered Accountants as Statutory Auditors of the Company for an another term of five (5) years i.e. from the conclusion of this AGM till the conclusion of Thirty Seventh AGM. Deloitte Haskins & Sells LLP, Chartered Accountants have provided their consent and confirmed that their re-appointment, if made, would be within the limits specified under section 141(3)(g) of the Companies Act, 2013 and Companies (Audit and Auditors) Rules, 2014, as amended from time to time.

Deloitte Haskins & Sells LLP office is situated at Indiabulls Finance Centre Tower 3, 27<sup>th</sup>-32<sup>nd</sup> Floor, Senapati Bapat Marg, Elphinstone Road (West), Mumbai-400 013 and is a part of global network.

Deloitte has been delivering services in audit & assurance, tax, consulting, financial advisory, risk advisory, and related services in more than 150 countries and territories.

The details of the proposed remuneration to be paid to Deloitte Haskins & Sells LLP, Chartered Accountants for the financial year 2019-20 are ₹ 20 Lakhs (Rupees Twenty Lakhs) plus out of Pocket expenses at actuals.

The Board recommends the Resolution for approval of the Members.

None of the Directors, Key managerial Personnel and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 3.

#### Item No. 4

Mr. Lim Kim Swee was appointed based on the recommendation of the Nomination and Remuneration Committee by the Board of Directors as an Additional Director of the Company with effect from 27<sup>th</sup> May 2019 pursuant to Section 149 and 161 of the Companies Act, 2013 ("the Act") and rules made thereunder. Mr. Swee holds office of Director upto the date of the forthcoming AGM of the Company.

The Company has received a notice in writing from a Member under Section 160 of the Act proposing the candidature of Ms. Swee for the office of Director of the Company.



Mr. Swee is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director.

Mr. Swee is a fellow Member of Association of Chartered Certified Accountants (ACCA). He has over 20 years of experience in the Accounting and Finance Management. He is currently Country Accounting Director – Solvay Asia Pacific.

Mr. Swee holds directorship in Cytec India Specialty Chemicals & Materials Private Limited.

Mr. Swee does not hold by himself or for any other person on a beneficial basis, any shares in the Company.

The Company will be vastly benefited from the professional capabilities and varied experience of Mr. Swee. The Board, therefore, recommends his appointment as a Director of the Company for approval of the Members.

Except Mr. Swee, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 4.

### Item No. 5

The Board of Directors of the Company on the recommendation of Audit Committee has appointed M/s. Kishore Bhatia & Associates, as Cost Auditors for auditing the cost accounts of the Company for the Financial Year 2019-20.

In accordance with the provision of Section 148 of Companies Act, 2013 (“the Act”) read with Companies (Audit and Auditor) Rules, 2014, the remuneration payable to Cost Auditor has to be ratified by the Members of the Company.

Accordingly, consent of the Members is sought for ratifying the amount of remuneration of ₹ 2,40,000/- (Rupees Two Lakhs Forty Thousand only) plus applicable tax and reimbursement of out-of-pocket expenses at actuals payable to the Cost Auditors, for the year 2019-20 as set out at Item No. 5 of the notice.

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution at Item No. 5.

The Board recommends the Ordinary Resolution set out at Item No. 5 of the Notice for approval of Members.

### Item No. 6

As per the provisions of Sections 149 and 152 & Schedule IV of the Companies Act, 2013 read with the relevant Rules thereunder as amended, the Company had appointed Mr. R L Shenoy as an Independent Director at the 28<sup>th</sup> Annual General Meeting of the Company held on 15<sup>th</sup> September 2015 for a term of 5 years and his term ends 31<sup>st</sup> March 2020.

As Mr. Shenoy will be completing his first term of appointment on 31<sup>st</sup> March 2020, he is eligible for re-appointment for another term of five consecutive years subject to approval of the Members by Special Resolution. Mr. Shenoy has consented to his re-appointment and confirmed that he is not disqualified from being appointed as an Independent Director in terms of Section 164 of the Act. The Company has also received the declarations from the said Director stating that he meets all the criteria of Independence, as prescribed under Section 149(6) of the Act and under Regulation 16(b) of SEBI (LODR) Regulations, 2015 and that he is not aware of any circumstance or situation which exists or may be reasonably anticipated that can impair or impact his ability to discharge his duties and also that he is not debarred from holding the office of director or continuing as a director of company by SEBI/MCA or any other authority in India or abroad.

As per Regulation 17(1A) of the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, (“Amendment Regulations, 2018”), inter alia, provides that no listed company shall appoint a person or continue the directorship of any person as a non-executive director who has attained the age of 75 (seventy five) years unless it is approved by the Members by way of passing a special resolution to that effect. Mr. Shenoy will attain the age of 75 years during the year 2023 and hence his continuation beyond 75 years will require the approval of Members by way of a special resolution

Members need to approve the appointment of Mr. Shenoy till 31<sup>st</sup> March 2025, even after attaining age of 75 years.

Based on the performance evaluation of the Independent Directors, the Nomination & Remuneration Committee and the Board of Directors of the Company at their Meetings held on 27<sup>th</sup> May 2019 have recommended the re-appointment of Mr. Shenoy as an Independent

Director for a second term of five consecutive years effective from 1<sup>st</sup> April 2020. During his tenure of appointment, he shall not be liable to retire by rotation as provided under Section 152(6) of the Companies Act, 2013.

In the opinion of the Board, Mr. Shenoy fulfils the conditions for re-appointment as Independent Director and he is independent of the Management.

Brief resume of Mr. Shenoy, nature of his expertise in specific function areas and names of companies in which he holds directorship and memberships/ chairmanships of the Board Committees, shareholding and relationships between directors inter-se as stipulated under SEBI (LODR) Regulations, 2015, is provided in the Annexure to this Notice, which is forming part of the Annual Report.

A copy of the draft letter for re-appointment of the Independent Director setting out the terms and conditions of his reappointment is available for inspection by the Members at the Registered Office of the Company between 11 a.m. to 1 p.m. on all days except Saturdays, Sundays and Public Holidays, till the conclusion of the ensuing AGM.

Except Mr. Shenoy none of the Directors or Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the Resolutions as set out in Item No. 6 of the Notice. The Board recommends the special resolution as set out in Item No. 6 of the Notice for approval of the Members.

#### **Item No. 7**

The Members of the Company at 31<sup>st</sup> Annual General Meeting held on 25<sup>th</sup> September 2018 had given their consent to the Board of Directors of the Company to borrow money under section 180(1)(c) of the Companies Act, 2013 upto a sum of ₹ 150 crores.

Considering the Company's future growth plans, it will be necessary to obtain the approval of the Members for borrowing monies to raise the aggregate limit of borrowing from ₹ 150 crores to ₹ 200 crores.

In terms of the provisions of Section 180(1)(c) of the Companies Act, 2013, the Board of Directors of the Company cannot borrow moneys, in excess of the paid up capital, its free reserves and securities premium, apart from the temporary loans obtained from the bankers in the ordinary course of business, except with the consent of the Company by way of special resolution.

The Board of Directors recommends the resolution for the approval of the Members as a Special Resolution.

None of the Directors or Key Managerial Personnel or their relatives is concerned or interested, financially or otherwise, in the resolution as set out in Item No. 7 of the Notice.

**By Order of the Board of Directors  
For SUNSHIELD CHEMICALS LIMITED**

Mumbai,  
27<sup>th</sup> May 2019

**Amit Kumashi  
Company Secretary**