

SUDARSHAN

SUDARSHAN CHEMICAL INDUSTRIES LIMITED

Regd. Office / Global Head Office : 162 Wellesley Road , Pune - 411 001

Tel. : (020) 26058888, Fax : (020) 26058222

CIN : L24119PN1951PLC008409

NOTICE OF EXTRAORDINARY GENERAL MEETING

Notice is hereby given that an Extraordinary General Meeting of the Members of the Company will be held on **Friday, 19th September, 2014, at 11.00 A.M.**, at the Registered Office / Global Head Office of the Company at 162, Wellesley Road, Pune 411 001 to transact the following business:

SPECIAL BUSINESS

- 1. To Sub - divide the Equity Shares of the Company and in this regard to consider and, if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:**

RESOLVED THAT pursuant to the provisions of Section 61 of the Companies Act, 2013, and other applicable provisions, if any, of the Companies Act, 2013, and the provisions of the Memorandum and Articles of Association of the Company and subject to the compliance of regulations of the Securities and Exchange Board of India (SEBI), The Bombay Stock Exchange Limited (BSE) , National Stock Exchange of India Limited (NSE) and such other Authorities, as may be necessary, approval of the members of the Company be and is hereby accorded for sub-dividing the Equity Shares of the Company, including the Paid-up Shares, such that, each existing Equity share of nominal value of Rs.10/-each be sub-divided into 5 (Five) Equity Shares of nominal value of Rs.2/- each.

RESOLVED FURTHER THAT pursuant to the Sub-division of equity shares of the Company, the Authorized, Issued, Subscribed and Paid-up Equity Share Capital of nominal value of Rs. 10/- (Rupees Ten Only) each, shall stand sub-divided into 5 (Five) Equity Shares of nominal value of Rs. 2/- (Rupees Two Only) each and consequently the Capital Clause of the Memorandum of Association and Articles of Association shall stand altered accordingly.

RESOLVED FURTHER THAT upon sub-division of equity shares as aforesaid, the existing share certificates of the equity shares of the face value of Rs. 10/- (Rupees Ten Only) shall be deemed to have been automatically cancelled and be of no effect on and from the record date (to be decided by the Board of Directors / Committee of the Board) and the Company may without requiring the surrender of the old share

certificates, directly dispatch the new share certificates of the Company, in lieu of such old share certificates and give proportionate credit of shares, wherever required.

RESOLVED FURTHER THAT provided that no member shall be entitled to a fraction of a share and all fractional entitlements resulting from the consolidation shall be aggregated into whole shares after rounding off, if any, to the next whole number and the number of whole shares so arising shall be allotted to Mr. Sanjay K. Asher, Independent Director nominated by the Board as an Independent Trustee for those shareholders (hereinafter referred as “the Board” which term shall be deemed to include any Committee thereof) of the Company who shall dispose off the said whole shares and the proceeds of sale of such whole shares shall be distributed proportionately among the members who would otherwise be entitled to fractional entitlements.

RESOLVED FURTHER THAT the Executive Directors of the Company be and are hereby jointly/severally authorized to do, perform and execute all such acts, deeds, matters and things as it may consider necessary, expedient, usual or proper to give effect to this resolution including but not limited to fixing of the record date as per the requirement of the Listing Agreement, execution of all necessary documents with the Stock Exchanges and the Depositories, and/or any other relevant statutory authority, if any, cancellation or rectification of the existing physical share certificates in lieu of the old certificates and to settle any question or difficulty that may arise with regard to the sub-division /Split of the face value of the equity shares as aforesaid or for any matters connected herewith or incidental hereto.

2. To approve the issue of Bonus Shares and in this connection consider and, if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

RESOLVED THAT in accordance with Section 63 of the Companies Act, 2013 or any amendment or re-enactment thereof, the provisions of the Articles of Association of the Company and recommendation of the Board of Directors, the provisions of Foreign Exchange Management Act, 1999 and rules and regulations framed there under and subject to the Guidelines issued by the Securities and Exchange Board of India (SEBI) in this behalf and subject to such approvals, consents, permissions and sanctions, as may be necessary from appropriate authorities, consent of Members, be and is hereby accorded to the Board of Directors of the Company (“the Board”) for capitalization of sum to the extent of Rs. 6,92,27,250/- standing to the credit of the General Reserves and Profit & Loss Account of the Company, as may be considered necessary by the Board, for the purpose of issue of Bonus Shares of Rs.2/- (Rupees Two) each, credited as fully paid-up Equity Shares to the holders of the Equity Shares of the Company, whose names shall appear in the Register of Members or in the respective beneficiary account with their respective Depository Participants, on the ‘Record Date’ to be determined by the Board for the purpose, in the proportion of 1 (One) Bonus Equity Share of Rs.2/- (Rupees Two) each for every 1 (One) fully paid-up Equity Share of Rs.2/- (Rupees Two) each held by them on the record date and that the Bonus Shares so distributed shall, for all purposes, be treated as an increase in the nominal amount in the Capital of the Company held by each such member, and not as income.

RESOLVED FURTHER THAT the Bonus Shares so allotted shall rank pari passu in all respects including dividend with the existing equity shares of the Company.

RESOLVED FURTHER THAT the Bonus Shares so allotted shall always be subject to the terms and conditions contained in the Memorandum and Articles of Association of the Company.

RESOLVED FURTHER THAT no letter of allotment shall be issued in respect of the Bonus Shares but in the case of Members who hold Equity Shares in dematerialized form, the Bonus Shares shall be credited to the respective beneficiary accounts of the Members with their respective Depository Participants and in the case of Members who hold Equity Shares in physical form, the share certificates in respect of the Bonus Shares shall be dispatched, within such time as prescribed by law and the relevant authorities.

RESOLVED FURTHER THAT no fractional entitlement shall be allotted to the Members and all fractional entitlements remaining after allotment of Bonus Shares as aforesaid shall be consolidated into fully paid up bonus shares, rounded off, if any, to the next whole number, and shall be allotted to Mr. Sanjay K.Asher, Independent Director nominated by the Board as an Independent Trustee for those shareholders who are entitled to fractional entitlements of bonus shares and the said Trustee shall sell the same at the then prevailing market price through the stock exchange and pay to the Company net sale proceeds for distribution to the members in proportion to their fractional entitlements.

RESOLVED FURTHER THAT the issue and allotment of the Bonus Shares to Non-Resident Members, Foreign Institutional Investors (FIIs), Foreign Body Corporate/s and other foreign investors and / or distribution of net sale proceeds in respect of fractions to which such Members may be entitled shall be subject to the compliance under the applicable regulations under the Foreign Exchange Management Act, 1999 as administered by Reserve Bank of India and Income Tax Act, 1961, if required.

RESOLVED FURTHER THAT the Executive Directors of the Company be and are hereby jointly/severally authorized to do, perform and execute all such acts, deeds, matters and things as it may consider necessary, expedient, usual or proper to give effect to this resolution including but not limited to fixing of the record date as per the requirement of the Listing Agreement, execution of all necessary documents with the Stock Exchanges and the Depositories, and/or any other relevant statutory authority, and to settle any question or difficulty that may arise with regard or for any matters connected herewith or incidental hereto.

3. To Alter the Memorandum of Association of the Company and in this regard to consider, and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

RESOLVED THAT pursuant to the provision of Section 13 and all other applicable provisions, if any, of the Companies Act, 2013, including amendments thereto or re-enactment thereof, the Memorandum of Association of the Company be and is hereby altered as follows:

That the existing Clause V of the Memorandum of Association of the Company be substituted by following Clause as Clause V:

V. (A) "The Authorised Share Capital of the company" is Rs. 15,00,00,000/- (Rupees Fifteen Crore Only) divided into 7,50,00,000 (Seven Crore Fifty Lacs) Equity Shares of Rs. 2/- (Rupees Two Only) each, with

the rights, privileges and conditions attaching thereto as are provided by the regulation of the company for the time being, with power to increase and reduce the capital of Company and to divide the share capital into several classes and to attach thereto respective such preferential, deferred, qualified of special rights, privileges or conditions as may be determined by or in accordance with the regulation of the Company and to vary, modify or abrogate such rights, privileges or conditions in such manner as may for the time being be provided by the regulations of the Company.

V. (B) “ The minimum paid up capital of the company shall be Rs.5,00,000/- (Rupees Five Lac Only).”

RESOLVED FURTHER THAT The Executive Directors and / or Company Secretary of the Company be and is hereby authorised to do all such acts, deeds, matters and things and execute all such documents, instruments and writings and to file necessary forms to respective authorities as may be required in the said connection and to do such other acts as may be required.

4. To Alter the Articles of Association of the Company and in this regard to consider, and if thought fit, to pass, with or without modification(s) ,the following resolution as a Special Resolution :

RESOLVED THAT pursuant to the provision of Section 14 and all other applicable provisions, if any, of the Companies Act, 2013, including amendments thereto or re-enactment thereof, the Article of Association of the Company be and is hereby substituted as follows:

That the existing Article 4 of the Article of Association of the Company shall be substituted by the following Article as Article 4:

“The Authorised Share Capital of the Company shall be such as given in the Clause V of the Memorandum of Association or altered, from time to time, thereat. The Company shall have power to increase consolidate, subdivide, reduce or otherwise alter its share Capital, subject to the provisions of the Act.

RESOLVED FURTHER THAT the Executive Directors and / or Company Secretary of the Company be and is hereby authorised to do all such acts, deeds, matters and things and execute all such documents, instruments and writings and to file necessary forms to respective authorities as may be required in the said connection and to do such other acts as may be required.

5. To approve the remuneration of the Cost Auditors for the Financial Year ending March 31, 2015 and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

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 not exceeding Rs. 2,20,000/- (Rupees Two Lacs Twenty Thousand Only) as remuneration to M/s. 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 for the Financial Year ending March 31, 2015.

RESOLVED FURTHER THAT the Executive 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.

6. To Invite/Accept/Renew Fixed Deposits and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

RESOLVED that pursuant to the provisions of sections 73, 76 and all other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Companies (Acceptance of Deposits) Rules, 2014 (“the Rules”) including any statutory modification(s) or re-enactment thereof for the time being in force), consent of the Members of the Company be accorded to the Company to invite/accept/renew from time to time unsecured Deposits from the public and/or Members of the Company upto the permissible limits as prescribed under the Act, read with relevant Rules.

RESOLVED FURTHER that for the purpose of giving effect to this Resolution, the Board of Directors of the Company be authorised to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, proper or desirable for such invitation/acceptance/renewal of Deposits by the Company and to settle any questions, difficulties or doubts that may arise in this regard and further to execute all necessary documents, applications, returns and writings as may be necessary, proper, desirable or expedient.

7. To substitute the existing Articles of Association with a new set of Articles of Association conforming to the provisions of Companies Act, 2013 and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

RESOLVED THAT consequent to the provisions of Section 14 and other applicable provisions, if any, of the Companies Act, 2013, (including any statutory modification(s) or re-enactment thereof, for the time being in force), the new set of the Articles of Association of the Company in the form and manner as per the draft Articles of Association placed before the meeting be and is hereby approved and adopted and the same shall be in substitution for, and to the entire exclusion of the existing set of Articles of Association of the Company.

RESOLVED FURTHER THAT the Executive Directors of the Company be and are hereby authorised to do all such acts, deeds, matters and things as may be required to give effect to this resolution.

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF. A PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES TO BE EFFECTIVE MUST BE RECEIVED 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.

2. The explanatory statement pursuant to section 102 of the Companies Act, 2013 in respect of the special business is annexed hereto.
3. Members attending the meeting are requested to complete the attendance slip and deliver the same at the entrance of the meeting hall. Attendance at the Meeting will not be allowed without the production of the attendance slip duly signed. Members, whose shares are in the dematerialized form, are requested to bring their Depository Account Number for Identification.

(4) (a) Voting through electronic means:

- (i) According to section 108 of Companies Act, 2013, read with Rule 20 of Companies (Management and Administration) Rules, 2014 e-voting is mandatory for all listed Companies or Companies having Shareholders not less than one thousand. Further, Clause 35B of the Listing Agreement also makes it mandatory for companies to offer e-Voting to its Members.
- (ii) In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 and the Listing Agreement, the Company is pleased to provide members the facility to exercise their right to vote at the Extraordinary General Meeting (EGM) by electronic means and the business may be transacted through e-Voting platform provided by National Securities Depository Limited (NSDL):
- (iii) A member may exercise his vote at any general meeting by electronic means and company may pass any resolution by electronic voting system in accordance with the Rule 20 of the Companies (Management and Administration) Rules, 2014.
- (iv) During the e-voting period, members of the Company, holding shares either in physical form or dematerialized form, as on a fixed date, may cast their vote electronically.
- (v) The e-Voting shall remain open from **Wednesday, 10th September, 2014 (from 9.00 A.M.) to Friday, 12th September, 2014 (upto 6.00 p.m.)**.
- (vi) E-Voting shall be completed three days prior to the date of Extraordinary General Meeting.

(vii) The Board of Directors at their meeting held on 9th August, 2014 have appointed Mr. Rajesh Karunakaran, Practicing Company Secretary as the scrutinizer for e-Voting to unblock the votes in favour or against, if any, and to report forthwith to the Chairman. The Scrutinizer will be responsible to conduct e-Voting in a fair and transparent manner.

(viii) Vote once casted by the member cannot be changed / altered.

(b) The instructions for e-voting and other relevant information are as under:

- (i) The Notice of the EGM of the Company inter alia indicating the process and manner of e-Voting process and the Proxy Form is being dispatched to all the members. Initial logging ID and password is provided separately in the e-voting form.
- (ii) NSDL shall also be sending the User-Id and Password, to those members whose shareholding is in the dematerialized format and whose email addresses are registered with the Company/ Depository Participant(s).
- (iii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
- (iv) Click on Shareholder – Login
- (v) Put user-Id and Password as initial password noted in step (ii) above. Click Login. If you are already registered with NSDL for e-Voting, then you can use your existing USER ID and Password for Login.
- (vi) If you are logging in for the first time, password change menu appears. Change the password with new password of your choice with minimum 8 digits / characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (vii) Home page of e-Voting opens. Click on e-Voting: Active Voting Cycles.
- (viii) Select “EVEN” (E-Voting Event Number) of Sudarshan Chemical Industries Limited. For and EVEN, you can Login any number of times on e-voting platform of NSDL till you have voted on the resolution during the voting period.
- (ix) Now you are ready for e-Voting as Cast Vote page opens.
- (x) Cast your vote by selecting appropriate option and click on “Submit” and also “Confirm” when prompted.
- (xi) Upon confirmation, the message “Vote cast successfully” will be displayed.

- (xii) Once you have voted on the resolution, you will not be allowed to modify your vote.
- (xiii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail evoting@nsdl.co.in . You can also forward the documents at the Company's e-mail ID i.e. shares@sudarshan.com.
- (xiv) In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-Voting user manual for Shareholders available at the Downloads section of **www.evoting.nsdl.com**. Or contact NSDL by e-mail at evoting@nsdl.co.in.
- (xv) If you are already registered with NSDL for e-voting then you can use your existing User-ID and password for casting your vote.
- (xvi) 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).
- (xvii) **The e-Voting period commences on Wednesday, 10th September, 2014 (from 9:00 A.M.) and ends on Friday, 12th September, 2014 (upto 6:00 P.M.)**. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 14th August, 2014, may cast their vote electronically. The e-Voting module shall also be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder will not be allowed to change it subsequently.
- (xviii) The voting rights of Shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on, 14th August, 2014.
- (xix) Since the Company is required to provide facility to the members to exercise their right to vote by electronic means, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on 14th August, 2014 and not casting their vote electronically, may cast their vote at the Extra-Ordinary General Meeting.
- (xx) The Scrutinizer shall within a period of not exceeding three (3) working days from the conclusion of the e-Voting period unlock 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 against, if any, and send it forthwith to the Chairman of the Company.
- (xxi) The results shall be declared on or after the Extraordinary General Meeting. The results declared along with the Scrutinizers Report shall be placed on the Company's website www.sudarshan.com and on the website of NSDL within two (2) days of passing of the resolution at the Extraordinary General Meeting of the Company on 19th September, 2014 and communicated to BSE and NSE.

(c) Members are requested to notify immediately any change in their address / bank account details.

(d) As part of the Green Initiative in Corporate Governance, Notice convening the Extraordinary General Meeting, in electronic form, will be sent to the e-mail address registered by Members with the Depositories / R & T Agents.

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 all official documents electronically in the near future.

E-mail for Communication – shares@sudarshan.com

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

Pune, August 09, 2014

P. S. RAGHAVAN
COMPANY SECRETARY

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

Item No.1 :

The existing Authorised Share Capital of the Company is Rs. 8,00,00,000/- (Rupees Eight Crore Only) comprising of 80,00,000 (Eighty lacs) Equity Shares of Rs. 10/-(Rupees Ten Only) each. The present Subscribed and Paid-up Share Capital of the Company is Rs. 6,92,27,250/- (Rupees Six Crore Ninety Two Lacs Twenty Seven Thousand Two Hundred Fifty Only) comprising of 69,22,725 (Sixty Nine Lacs Twenty Two Thousand Seven Hundred Twenty Five) Equity Shares of Rs. 10/-(Rupees Ten Only) each fully paid-up.

The Company's Management believes that having a greater numbers of equity shares at a reduced face value per equity share will enhance the liquidity, increase investor interest in the company and its business, and bring the trading price into a more accessible range for retail investors. The Board of Directors in their meeting held on 9th August 2014 have proposed sub division of the face value of the equity shares of the Company from the present Rs. 10/- each to Rs. 2/- per equity share.

Any fractions arising from such split / sub-division , if any, will be aggregated into whole shares and the number of whole shares so arising shall be held by Mr. Sanjay K. Asher, Independent Director / Trustee who shall dispose off the said whole shares and the proceeds of sale of such whole shares will be distributed proportionately among the members who would otherwise be entitled to fractional entitlements.

All members holding physical share certificates on effective date, shall receive (to the extent of their entitlement to equity shares after split/sub-division) share certificates representing such split/sub-divided shares and the proportionate amount for the sale of fractional entitlements if any. Further, all share certificates representing the existing equity shares shall cease to have effect on the record date.

All members holding their existing shares under dematerialized form on the Effective Date, shall be credited with split/sub-divided fully paid Equity Shares (to the extent of their entitlement to equity shares after split/sub-division) in lieu of their existing shares and the intimation thereof be given to National Securities Depositories Limited (NSDL) and Central Depository Services Limited (CDSL) to act thereon. The proportionate amount for the sale of fractional entitlements if any shall be distributed to such members.

In case of Non Resident members, the price for the sale of fractional shares resulting from the consolidation of fractional entitlements shall be subject to and in terms of the receipt of requisite approvals of Reserve Bank of India or any other authority as may be required as also subject to tax deduction where applicable. The approval is sought to be given to the Board of Directors of the Company to fix the record date and issue fresh Equity Shares of the denomination of Rs. 2/- each to the members in place of existing Equity Shares of Rs. 10/- each. Further with subsequent to the split /sub-division of the Share Capital, the Capital Clause of the Memorandum and Articles of Association of the company will be altered suitably.

None of the Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in this resolution. This statement may also be regarded as a disclosure under clause 49 of the listing agreement with the Stock Exchanges.

The Board recommends the Special Resolution as set out at Item No 1 .of the Notice for approval by the shareholders.

Item No. 2:

The present level of Reserves & Surplus of your Company as on 31st March, 2014 stand at Rs. 246,09,00,051/-.In order to reward the shareholders of the Company for their continuous support and to create more liquidity in the shares, your Directors propose to issue 1 (One) Bonus Equity Share of Rs. 2/-each for every 1 (One fully-paid up Equity Shares of Rs. 2/- each held. Such Fully Paid-up Bonus Shares shall be distributed to the Members of your Company, whose names shall appear on its Register of Members or in the respective beneficiary account with their respective Depository Participants, on the Record Date to be determined by the Board of Directors of your Company for the purpose of issue of Bonus Shares, in the proportion of One new equity share for every One existing equity share held by them respectively on the Record Date. Any fractional entitlement arising out of the issue and allotment of the Bonus Shares , if any, shall be consolidated into fully paid up bonus shares which shall be allotted to Mr. Sanjay K.Asher, Independent Director / Trustee nominated by the Board for those shareholders who are entitled to fractional entitlements of bonus shares. If any fractional entitlement arises while allotting the shares to the Trustee, the same shall be rounded off to the next whole number. The said Trustee shall sell the same at the then prevailing market price through the stock exchange and pay to the Company net sale proceeds for distribution to the members in proportion to their fractional entitlements.

The Bonus Shares so allotted shall rank pari passu in all respects including dividend with the existing equity shares of the Company.

In terms of the Articles of Association of the Company, any capitalization of Reserves will require the approval of shareholders to be obtained by way of an ordinary resolution. Accordingly, the Board recommends the said resolution as set out at Item No. 2 for approval of the shareholders.

None of the Directors/Key Managerial Personnel of the Company/their relative is, in any way, concerned or interested, financially or otherwise, in this resolution. This statement may also be regarded as a disclosure under clause 49 of the listing agreement with the Stock Exchanges.

Item No. 3 & 4 :

In order to facilitate the issue Bonus Shares as referred to in Item Nos. 1 and 2 can happen , provided the Authorised Share Capital of the Company is required to be suitably enhanced.

In view of the above, the Board of Directors in its meeting held on 9th August, 2014 have approved the increase in the Authorised Share Capital of the Company from the existing Rs.8,00,00,000/- to Rs. 15,00,00,000/-. The Board has also approved the amendments to be carried out in the Capital Clause of the Memorandum of Association and Articles of Association respectively.

The alteration to respective Capital Clauses in the Memorandum of Association and Articles of Association of the Company will require the approval of shareholders to be obtained by way of a Special Resolution.

Accordingly, the Board recommends the said resolution as set out at Item Nos. 3 & 4 for approval of the shareholders.

A copy of the revised Memorandum of Association and Articles of Association of the Company shall be open for inspection by the Members at the Registered Office / Global Head Office of the Company between 10.30 A.M. to 12.30 P.M. on any working day prior to the Extraordinary General Meeting and at the venue of the meeting.

None of the Directors/Key Managerial Personnel of the Company/their relative is, in any way, concerned or interested, financially or otherwise, in this resolution. This statement may also be regarded as a disclosure under clause 49 of the listing agreement with the Stock Exchanges.

Item No. 5:

The Board of Directors, on recommendation of the Audit Committee, at their meeting held on August 9th 2014, has approved the appointment and remuneration of M/s. Parkhi Limaye & Co., Cost Accountants in practice, as Cost Auditors of the Company to conduct the audit of the cost records of the Company in respect of Insecticides and Pigment products for the financial year ending 31st March, 2015 on a remuneration not exceeding Rs. 2,20,000/-. In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the Company. Accordingly consent of the members is sought for payment of remuneration to the Cost Auditors of the Company as indicated above.

None of the Directors/Key Managerial Personnel of the Company/their relative is, in any way, concerned or interested, financially or otherwise, in this resolution. This statement may also be regarded as a disclosure under clause 49 of the listing agreement with the Stock Exchanges.

The Board recommends the ordinary Resolution set out at Item No. 5 of the Notice for approval by the shareholders.

Item No.6:

The Company had a Fixed Deposit Scheme, pursuant to the provisions of the Companies Act, 1956 read with Companies (Acceptance of Deposits) Rules, 1975, wherein it accepted/renewed unsecured deposits from Members of the Company and from public.

Vide Notification dated 26th March, 2014, the Ministry of Corporate Affairs ("MCA") notified sections 73, 74(1) of the Companies Act, 2013 ("the Act") relating to the acceptance of Deposits by companies from its members and public, which has taken effect from 1st April, 2014. The Companies (Acceptance of Deposits) Rules, 2014 ("the Rules") also came into force on 1st April, 2014.

Under the Act only an eligible company is allowed to accept deposits from persons other than its Members and eligible company has been defined in the Rules to mean a public company as referred to in sub-section

(1) of Section 76, having a net worth of not less than One Hundred Crore Rupees or a turnover of not less than Five Hundred Crore Rupees and which has obtained the prior consent of the company in general meeting by means of a special resolution and also filed the said resolution with the Registrar of Companies before making any invitation to the Public for acceptance of deposits.

The Act prescribes that any company inviting/accepting/renewing deposits would have to obtain credit rating from recognized credit rating agency. The Company has obtained credit rating for its fixed deposit scheme from a recognized credit rating agency and shall inform the public about the rating given prior to inviting deposits from the Public. Company will also be taking deposit insurance, if any and subject to notification of the same by the Central Government, towards the Unsecured Deposits accepted. It would be therefore necessary to comply with the Act and the Rules before commencing acceptance/renewal of deposits from Member and the Public.

Accordingly, consent of the Members is sought for passing a Special Resolution as set out at Item No. 6 of the Notice.

None of the Directors/Key Managerial Personnel of the Company/their relative is, in any way, concerned or interested, financially or otherwise, in this resolution. This statement may also be regarded as a disclosure under clause 49 of the listing agreement with the Stock Exchanges.

The Board recommends the Special Resolution set out at Item No. 6 of the Notice for approval by the shareholders.

Item No. 7:

The Companies Act, 2013 and the Rules made there under (the 'Act') has been enacted to replace the existing Companies Act, 1956. The Act is now largely in force. On September 12, 2013, the Ministry of Corporate Affairs ('MCA') had notified 98 Sections for implementation. Subsequently, on March 26, 2014, MCA notified most of the remaining Sections [barring those provisions which require sanction / confirmation of the National Company Law Tribunal ('Tribunal') and certain other provisions including, inter alia, relating to Investor Education and Protection Fund (Section 125) and valuation by registered valuers (Section 247)].

The substantive sections of the Act dealing with the operations and management of companies have been notified. The existing Articles of Association of the Company based on the Companies Act, 1956 and some regulations in the existing Articles of Association may not, therefore, be in conformity with the Act.

With the coming into force of the Act, the existing Articles of Association require alteration or deletions in several regulations in the Articles of Association. Hence, it is considered expedient to wholly replace the existing Articles of Association by a new set of Articles of Association to align the provisions of the Articles of Association with the provisions of the Act.

A copy of the revised Memorandum of Association and Articles of Association of the Company shall be open for inspection by the Members at the Registered Office / Global Head Office of the Company between

10.30 A.M. to 12.30 P.M. on any working day prior to the Extraordinary General Meeting. This document can also be downloaded from www.sudarshan.com. and will also be available for inspection at the venue of the Extraordinary General Meeting .

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the Special Resolution set out in Item No. 5 of the Notice, except to the extent of their shareholding in the Company.

The Board recommends the Special Resolution set out at Item No. 7 of the Notice for approval by the Members.

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

Pune, August 09, 2014

P. S. RAGHAVAN
COMPANY SECRETARY

SUDARSHAN CHEMICAL INDUSTRIES LIMITED

Regd. Office / Global Head Office : 162 Wellesley Road, Pune 411 001

PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of
the Companies (Management and Administration) Rules, 2014]
CIN : L24119PN1951PLC008409

Name of the Member(s) :
Registered Address :
E-Mail ID :
Folio No./Client ID :
DP ID :

I/We, being member(s) holding _____ shares of the above named company, hereby appoint

1. Name : _____

Address : _____

E-mail ID : _____

Signature : _____ or failing him

2. Name : _____

Address : _____

E-mail ID : _____

Signature : _____ or failing him

3. Name : _____

Address : _____

E-mail ID : _____

Signature : _____

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Extra Ordinary General Meeting of the Company, to be held on Friday, the 19th day of September, 2014 at 11.00 A.M. at Regd. Office / Global Head Office : 162 Wellesley Road, Pune 411 001 and at any adjournment thereof in respect of such resolutions as indicated on the reverse.

Sr. No.	Resolutions	Vote (Optional see Note 3)*		
		For	Against	Abstain
1	To Sub - divide the Equity Shares of the Company.			
2	To approve the issue of Bonus Shares.			
3	To alter the Capital Clause of the Memorandum of Association of the Company.			
4	To alter the Capital Clause of the Articles of Association of the Company.			
5	To approve the remuneration of the Cost Auditors for the Financial Year ending on March 31, 2015.			
6	To Invite/Accept/Renew Fixed Deposits.			
7	To substitute the existing Articles of Association with a new set of Articles of Association conforming to the provisions of Companies Act, 2013.			

Signed this _____ day of _____ 2014

Affix
Rs. 1/-
Revenue
Stamp

Signature of Shareholder

Signature of Proxy holder

Note :

1. This form of proxy in order to effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. For the resolutions, explanatory statement and notes, please refer to Notice of the Extra Ordinary General Meeting.
3. *It is optional to indicate your preference. If you leave the 'For', 'Against' or 'Abstain' column blank against any or all resolutions, your proxy will be entitled to vote in the manner as he/she thinks appropriate.