

12th August, 2016

DCS – Listing,
BSE Limited,
1st Floor, New Trading Ring,
Rotunda Building, P.J.Towers,
Dalal Street, P.J.Towers,
Mumbai 4000 001

Listing Department,
National Stock Exchange of India Limited,
Exchange Plaza, 5th Floor,
Plot No.C/1,G Block,
Bandra Kurla Complex,Bandra (East),
Mumbai 400 051

Dear Sir,

Sub : Proceedings of the 65th AGM – Regulation No. 30 of the SEBI – (Listing Obligations and Disclosure Requirements) Regulations, 2015 – PART A

In connection with the above subject matter, we are attaching herewith the proceedings of the 65th Annual General Meeting of the Company held on 12th August, 2016 at 11.30 A.M. The AGM concluded at 12.30 P.M.

Kindly take the same on record and further arrange to publish the same in your website for the information of our shareholders, investors and public at large.

Thank you.

Yours truly,

For Sudarshan Chemical Industries Limited



P.S.Raghavan
Company Secretary

Encl : As above



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SUDARSHAN CHEMICAL INDUSTRIES LIMITED
REGD.OFFICE: 162 WELLESLEY ROAD, PUNE – 411 001

**PROCEEDINGS OF THE 65TH ANNUAL GENERAL MEETING OF THE
COMPANY HELD ON FRIDAY, 12TH AUGUST, 2016.**

The 65th Annual General Meeting of the Members of the Company was held on Friday, 12th August, 2016 at 11.30 A.M. at Sumant Moolgaokar Auditorium, A Wing, Ground Floor, Mahratta Chamber of Commerce, Industries and Agriculture, Trade Tower, ICC Complex, Senapati Bapat Road, pune 411 016 .

The following Directors / Members were present at the meeting :

1. Mr. P.R.Rathi, Chairman and Managing Director / Member
2. Mr. R.B.Rathi, Dy. Managing Director / Member
3. Mr. S.N. Inamdar , Independent Director
4. Mr. D. N. Damania , Independent Director / Member
5. Mr. S. Padmanabhan , Independent Director
6. Mr.S.K.Asher, Independent Director
7. Mrs.R.F.Forbes, Independent Director
8. Mr.N.T.Raisinghani, Non Independent Director
9. Mrs.S.A.Panse, Independent Director
10. Mr.N.J.Rathi, Non Executive Director / Member
11. Mr.K.L.Rathi, Non Executive Director / Member

In addition 57 Shareholders / Proxy holders attended the meeting.

The Chairman ascertained the quorum and commenced the proceedings of the meeting at 11.30 A.M. The Chairman introduced the Directors to the shareholders.



The Chairman informed that the Company has received 3 Letters appointing Authorized Representatives for 22,52,100 equity shares of Rs. 2/- each amounting to 3.26 % of the total 69.22 million Equity Shares. The Company has also received 23 Proxy Forms for 3,99,44,050 equity shares of Rs.2/- each i.e. 57.69 % of the total 69.22 million Equity Shares.

As required under Section 170(1), Section 145 and Section 189(4) of the Companies Act, 2013, the Register of Directors' Shareholdings, the Auditors' Report and the Register of Contracts in which the Directors are interested are kept open for inspection. A copy of the Memorandum and Articles of Association of the Company and proof of service of Notice of 65th AGM along with the Annual Report for FY 2015-16 is also kept open for inspection.

The Notice of the Annual General Meeting dated 27th May, 2016 has been sent to all the shareholders of the Company. The Chairman enquired as to whether, he can take the same as read with their permission. All the members present agreed to the same.

Thereafter, Mr. P.R.Rathi, Chairman and Managing Director read the Chairman's speech as under.

Ladies and Gentlemen,

On behalf of the Board of Directors, I would like to welcome you all to the 65th Annual General Meeting of the Company. It is with a heavy heart that I inform you about the passing away of Shri P.P. Chhabriaji on 5th of May 2016 at Pune. He was one of our longest serving Independent Directors. He joined the Board in 1997 and since then, we have enjoyed the benefit of his wise counsel. I request you all to stand in silence for two minutes as a mark of respect to the departed soul.

The Annual Report must have reached all of you and you must have had a chance to peruse the same.

Last year the global economy experienced a slowdown and in India we also had poor monsoon. Even in this challenging environment on a standalone basis the company's revenue from operations for the year ended 31st March 2016 aggregated to Rs.1220 Crs as against Rs.1113 Crs an increase of 9.6% over the previous year. Profit After Tax for the year ended 31st March 2016 was Rs.71.6 Crs as against Rs.42.4 Crs during the previous year an increase of 68.8%. In view of this the Board has paid an interim dividend of 125% (Rs.2.50) per equity share and recommended a final dividend of 25% (Rs.0.50) per equity share taking the aggregate dividend to 150% (Rs.3.00) per equity share the highest so far, reflecting the confidence in the future.

The improvement in performance of your company over the past few years is due to an overall strategic plan. Our vision is to become the fourth largest Pigment manufacturer in the world.



In order to achieve this, the company decided to lay more emphasis on export markets as substantial portion of the pigment market lies outside India. Members will recall that two overseas subsidiaries Sudarshan Europe B.V. and Sudarshan North America have been formed. These subsidiaries have successfully developed very good sales and logistic team and infrastructure for direct contact with the top International customers. This has definitely helped in market penetration.

Recently your company has formed another subsidiary in China, Sudarshan Shanghai Trading Company Ltd. This company is expected to perform a critical role of sourcing raw materials from China at competitive prices as well as serving key customers in Asia Pacific region.

In order to support this foray in to international market, the company over the years has invested in upgrading its manufacturing facilities and also increasing the capacities.

In order to fructify these investments your company has done detailed planning and execution with the help of Balance Score Card, continuous improvement through business excellence programs, improvement in manpower productivity and cost reduction.

R&D also has played a great role in commercializing these investments. The main thrust of R&D has been development of new grade of pigments, development of pigment for automotive paint application, improvement in quality of existing pigments to meet customers changing requirements, new grades of Effect pigments for Cosmetic applications, cost reduction by process improvement and cycle time reduction.

The company continues to lay strong emphasis on Environment, Health and Safety and these have been recognized by Dyestuffs Manufacturers' Association of India (DMAI) by giving the following awards:

- a. Excellent performance in pollution control for large Scale unit.
- b. Excellent performance in Safety & Hazard control (Second Award for large scale unit).
- c. Excellent performance in exports of Pigments (Award for large scale unit).

We reiterate that we will expand our business footprints while protecting the environment.

Human Resource is an invaluable asset and key success factor for the company. During the year under review, several new initiatives were undertaken. The company has received four accolades at World HRD Congress for-

1. **Dream Company to Work for** – This is a very prestigious award. About 400 companies had participated and our Company is listed amongst the top 50 companies in India. More so Sudarshan is the only Chemical Company in the top 50 list.



2. **Global Excellence award** – Managing Health at Work- For Fit Sudarshan Initiative.
3. **Best Organisational Development Programme** – Living Sudarshan Culture – For Training and Development program for our strategic initiative this year on the Vision Mission Values cascade which was towards creating unique Sudarshan Culture.
4. **Best HR strategy in line with Business** – Appreciative Conversation – Performance Management System – For delivering towards business objective the Company showcased the Performance Management System where the base philosophy is of Appreciative Conversations.

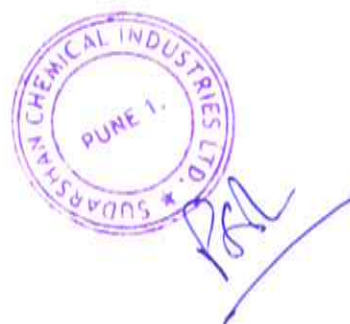
The Company's grand vision is "Growing together" with all its stakeholders in a manner that is spiritually fulfilling, socially just and environmentally sustainable. Our Corporate Social Responsibility activities under the aegis of "SUDHA" contribute to this vision by insuring that all the initiatives are driven with this perspective in mind. In the year 2015-16 the Company has spent an amount of Rs.1.30 Crs for Corporate Social Responsibility activities. The Company has taken up several projects to improve the standard of living and growth in the disadvantaged communities residing in towns and villages in the vicinity of the Company's facilities.

We believe in adopting best practices of Corporate Governance and strive for continuous improvement. Our guiding principles and practices followed by us are summarized in the Report of Corporate Governance. These are articulated through Company's Code of Conduct, Values, Corporate Governance Guidelines and charters of various sub-committees of the Board. These policies seek to focus on enhancement of long term shareholder value.

To conclude, I wish to convey my thanks and acknowledgement for the co-operation and assistance extended by the Central Government, State Government, Financial Institutions, the Company's Bankers, Dealers, Customers and Suppliers. I would also like to congratulate each & every member of the Sudarshan Family for their sincere and committed contribution. I look forward to their continued support and co-operation.

I am grateful to my colleagues on the Board for their valuable guidance and contribution in steering the Company to higher levels of achievement. I take this opportunity to also thank Pragati Leadership for their efforts in building leadership competencies and BMGI for guiding us in the journey of excellence towards fortifying our Company's position as a top dominant player in the Pigment Industry.

I thank you all for attending today's Annual General Meeting of the Company.



The Chairman informed the Members that since there are no qualifications, adverse observations or comments on financial transactions or matters in the Independent Auditors' Report for the year ended 31st March, 2016, the Independent Auditors Report is not required to be read by the Company Secretary at this AGM.

The Chairman further informed that in accordance with the provisions of Section 109 of the Companies Act, 2013, the items of the notice are also required to be transacted by poll. Mr. Rajesh Karunakaran, Practicing Company Secretary has been appointed as the Scrutinizer to oversee the Poll process.

The Chairman further requested the Scrutinizer and 2 shareholders present at this meeting to show the Poll Boxes to the Members present at the AGM. Once this was done, the Scrutinizer locked the poll boxes.

The Chairman informed the Members that he will place the items mentioned in the Notice of the Annual General Meeting for consideration by members. The Company Officials have distributed the ballot papers to all the Members and will also guide them through the Poll process.

The Chairman requested the Members who has questions to ask on the Company's Annual Accounts, activities, items of agenda etc. to come on the dais to speak.

Few shareholders raised queries on the audited Annual Accounts for the FY 2015-16 and the same were suitably replied by the Chairman.

Thereafter, the Chairman requested the Members to cast their votes through the Ballot Paper provided and put the same in the Ballot Box after filling in all details. He further requested Mr.P.S.Raghavan, Company Secretary, to give guidance in this regard. Accordingly, Mr.P.S.Raghavan, Company Secretary, guided the shareholders in the poll process.

After all the Members have cast their votes, the Chairman informed that the result of the voting will be announced latest by 14th August, 2016 and the same will be placed on the website of the Company www.sudarshan.com and also be available on the website of the BSE Limited www.bseindia.com and the National Stock Exchange of India Limited www.nseindia.com. The results will also be published in The Indian Express and Loksatta (both Pune editions) subsequently.



The Chairman declared that the poll process is over, the meeting stands concluded (12.30 P.M.) and further invited the Members to join for High Tea arranged outside the Auditorium.

Certified True Copy

For Sudarshan Chemical Industries Limited



P.S.Raghavan
Company Secretary

