

NOTICE

NOTICE IS HEREBY GIVEN THAT the 67th Annual General Meeting of the Members of the Company will be held on **Thursday, 9th day of August, 2018 at 11.30 A.M.** at Sumant Moolgaokar Auditorium, 'A Wing', Ground Floor, Maharashtra 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. Adoption of accounts - Ordinary Resolution:**

To receive, consider and adopt the audited financial statements of the Company for the Financial Year ended 31st March, 2018 together with the Report of the Board of Directors and the Auditors thereon and the consolidated audited financial statements of the Company for the Financial Year ended 31st March 2018.

2. Declaration of Final Dividend and confirmation of the Interim Dividend paid during March 2018 Ordinary Resolution:

To declare final dividend of Rs. 1.00 (50%) per equity share for the year ended 31st March 2018 and to confirm the declaration and payment of interim dividend of Rs. 2.50 (125%) per equity share for the Financial Year 2017-18.

3. Re-appointment of Mr. N. J. Rathi as Director- Special Resolution:

To appoint a Director in place of Mr. N. J. Rathi (DIN 00018597), who retires by rotation and being eligible, offers himself for re-appointment.

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

To accord approval to the terms of appointment of Mr. Rajesh B. Rathi as Managing Director of the Company for a period of 5 years effective from 1st June, 2018 to 31st May, 2023.

RESOLVED THAT in accordance with the provisions of Sections 196, 197, 203 and Schedule V of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013 and subject to such other approvals, as may be necessary, approval of the Members be and is hereby accorded to the appointment of Mr. Rajesh B. Rathi (DIN: 00018628) as the Managing Director of the Company for a period of five years effective from 1st June 2018 to 31st May 2023, at such remuneration, perquisites and benefits, as set out in the annexed explanatory statement and as also enumerated in the Letter of Appointment and terms of Remuneration dated May 24, 2018, a copy whereof, initialled by the Chairman of the meeting for the purposes of identification, which Letter is also hereby specifically approved.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to alter or vary the terms of appointment of Mr. Rajesh B. Rathi, Managing Director relating to remuneration, as it may, at its discretion, deem fit, from time to time, provided however that the remuneration after the alteration / variation shall not exceed the limits specified in applicable Sections under the Companies Act, 2013 read with Schedule V appended to the Companies Act, 2013, or any statutory amendment or re-enactment thereof and any such revision of remuneration within the overall limits set out under the Companies Act, 2013 shall be deemed to have been specifically approved by the Members in General Meeting.

RESOLVED FURTHER THAT pursuant to all the applicable provisions of the Companies Act, 2013, the remuneration, as set out in the annexed Statement to the Notice or any revised remuneration be paid as minimum remuneration to Mr. Rajesh B. Rathi, Managing Director in the event of absence or inadequacy of profits in any Financial Year during the tenure of his appointment subject to such approvals if mandated by the relevant provisions of the Companies Act, 2013 as it may then exist, or under any other contractual obligation imposed upon the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to settle any question, difficulty or doubt that may arise in giving effect to this Resolution and to do all acts and take all such steps as may be deemed necessary, proper and expedient to implement this Resolution.

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

To accord approval to the appointment of Mr. Ashish Vij, Chief Operating Officer – Pigment Division as a Non Independent Director in wholetime employment of the Company (Whole-time Director) for a period of 5 years effective from 24th May, 2018 to 23rd May, 2023.

RESOLVED THAT in accordance with the provisions of Sections 196, 197, 203 and Schedule V of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013 and subject to such other approvals, as may be necessary, the approval of the Members be and is hereby accorded to the appointment of Mr. Ashish Vij, Chief Operating Officer – Pigment Division (DIN: 0008140194) as a Non Independent Director in wholetime employment of the Company (Whole-time Director) for a period of five years effective from 24th May, 2018 to 23rd May, 2023 at such remuneration, perquisites and benefits, as set out in the annexed explanatory statement and as also enumerated in the Letter of Appointment and terms of Remuneration dated 24th May, 2018, a copy whereof, initialled by the Chairman of the meeting for the purposes of identification, which Letter is also hereby specifically approved.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to alter or vary the terms of appointment of Mr. Ashish Vij, Wholetime Director relating to remuneration, as it may, at its discretion, deem fit, from time to time, provided however that the remuneration after the alteration / variation shall not exceed the limits specified in applicable Sections under the Companies Act, 2013 read with Schedule V appended to the Companies Act, 2013, or any statutory amendment or re-enactment thereof and any such revision of remuneration within the overall limits set out under the Companies Act, 2013 shall be deemed to have been specifically approved by the Members in General Meeting.

RESOLVED FURTHER THAT pursuant to all the applicable provisions of the Companies Act, 2013, the remuneration, as set out in the annexed Statement to the Notice or any revised remuneration be paid as minimum remuneration to Mr. Ashish Vij, Wholetime Director in the event of absence or inadequacy of profits in any Financial Year during the tenure of his appointment subject to such approvals if mandated by the relevant provisions of the Companies Act, 2013 as it may then exist, or under any other contractual obligation imposed upon the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to settle any question, difficulty or doubt that may arise in giving effect to this Resolution and to do all acts and take all such steps as may be deemed necessary, proper and expedient to implement this Resolution.

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

To appoint Mr. Naresh T. Raisinghani as an Independent Director of the Company for a period of 5 years.

RESOLVED THAT pursuant to the provisions of Section 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (Act) and the Rules framed thereunder read with Schedule IV to the Act,

Mr. Naresh T. Raisinghani (DIN:00568298), a Non-Executive Director of the Company, who has submitted a declaration that he meets the criteria for Independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company for a term of five consecutive years from 9th August, 2018 to 8th August, 2023 and whose period of office shall not be liable to rotation.

RESOLVED FURTHER THAT the letter of appointment pursuant to the provisions of (i) SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 and (ii) Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India, New Delhi setting out the terms and conditions, be issued to the Independent Director, as finalized by the Board.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to settle any question, difficulty or doubt that may arise in giving effect to this Resolution and to do all acts and take all such steps as may be deemed necessary, proper and expedient to implement this Resolution.

7. 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 2018-19 to conduct Audit of Cost Records of the Company for "Insecticides and Industrial Mixers".

RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013, as amended, and the rules framed there under and subject to approvals as may be required from the Central Govt, the appointment of Parkhi Limaye & Co., Cost Accountants in practice (Registration No. 191), to audit the cost records with respect to "Insecticides and Industrial Mixers" of the Company for the Financial Year ending on 31st March, 2019 at a remuneration of Rs. 1,00,000/- (Rupees One Lac Only), plus service tax, as applicable and out of pocket expenses be and is hereby ratified and approved and the Board of Directors be and is hereby authorised to do all such acts, deeds, matters and things as ay be necessary, relevant, usual and / or expedient for implementing and giving effect to the resolution.

8. To consider and, if thought fit, to pass with or without modification(s) the following resolution as a Special Resolution under section 180(1)(c) of the Companies Act, 2013:

To increase the borrowing limits of the Company.

RESOLVED THAT in supersession of the earlier resolutions passed in this regard and pursuant to the provisions of Section 180 (1) (c) and other applicable provisions, if any, of the Companies Act, 2013, consent of the Company be and is hereby accorded to the Board of Directors for borrowing any sum or sums of moneys in Indian Rupees or Foreign currencies for and on behalf of the Company, from time to time from any one or more persons, Firms, Bodies Corporate, Banks, Financial Institutions or from others by way of advances, deposits, loans or otherwise and whether unsecured or secured by mortgage, charge, hypothecation or lien or pledge of the Company's assets and properties, whether movable or immovable situated at Roha and Mahad, Dist. Raigad and Ambadvet, Amralewadi, Tal. Mulshi, Dist. Pune or situated at any other place but excluding movable and immovable properties of the Company situated at 162, Wellesley Road, Pune 411 001, notwithstanding that the sum or sums of moneys so borrowed together with moneys, if any, already borrowed by the Company (apart from the temporary loans obtained from the Company's bankers in the ordinary course of business) will or may exceed the aggregate of the paid up capital of the Company, free reserves and securities premium account, provided that the total amount upto which the monies may be borrowed shall not exceed in the aggregate Rs.800 Crores (Rupees Eight Hundred Crores) at any point of time.

RESOLVED FURTHER THAT that the Board of Directors be and is hereby authorized and empowered to arrange or settle the terms and conditions on which all such monies are to be borrowed from time to time as to interest, repayment, security or otherwise howsoever at it may think fit and to do all such acts, deeds and things, to execute all such documents and writings as may be required.

9. **To consider and, if thought fit, to pass with or without modification(s) the following resolution as a Special Resolution under section 180(1)(a) of the Companies Act, 2013:**

To increase the limit for the creation of mortgage / charge on the assets of the Company.

RESOLVED THAT in supersession of the earlier resolutions passed in this regard and pursuant to the provisions of Section 180 (1) (a) of the Companies Act, 2013, consent of the Company be and is hereby accorded to the Board of Directors for mortgaging and or charging in such form and manner and on such terms and at such time(s) as the Board of Directors may deem fit, the whole or substantially the whole of the undertaking of the Company, all moveable and immoveable properties of the Company as also intangible properties (whether recorded in the books or not), both present and future where-so-ever situate and which presently includes movable and immovable properties situated at Roha and Mahad, Dist. Raigad and Ambadvet, (Sutarwadi), Tal. Mulshi, Dist. Pune or situated at any other place but excluding movable and immovable properties of the Company situated at 162, Wellesley Road, Pune 411 001 in favour of Financial Institutions / Investment Institution(s) / Bank(s) / Trustees to secure the borrowings and / or other credit facilities availed or proposed to be availed together with interest thereon and such other costs, charges, expenses and other monies payable by the Company as per the terms and conditions of the said loan / facility agreement/s entered into or proposed to be entered into by the Company, upto a maximum limit not exceeding Rs. 800 Crores (Rupees Eight Hundred Crores).

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to finalize with the Lending Agencies / Trustees, the documents for creating aforesaid mortgages, charges and or hypothecation and to accept any modifications to or modify, alter or vary, the terms and conditions of the aforesaid documents and to do all such acts and things and to execute all such documents as may be necessary for giving effect to this Resolution.

10. **To consider and, if thought fit, to pass with or without modifications the following Resolution as a Special Resolution:**

To issue Non-Convertible Debt securities upto an aggregate limit of Rs. 250 Crores (Rupees Two Hundred Fifty Crores Only).

RESOLVED THAT in accordance with the provisions of Section 42, 71 and other applicable provisions, if any, of the Companies Act, 2013, (including any amendments thereto or re-enactment thereof, for the time being in force) and Rule 14 of the Companies 2 (Prospectus and Allotment of Securities) Rules, 2014 and any other law for the time being in force and the provisions in the Memorandum and Articles of Association of the Company, the guidelines/regulations issued by the Securities and Exchange Board of India ("SEBI") subject to the approval, permissions of SEBI, stock exchanges, Reserve Bank of India ("RBI"), the Foreign Investment Promotion Board ("FIPB"), Government of India and other concerned authorities, as may be necessary and subject to such conditions and modifications as may be prescribed or imposed by any of the aforementioned authorities while granting such approvals, permissions and sanctions, which may be agreed to by the Board of Directors of the Company, the consent of the members be and is hereby accorded to the Board of Directors of the Company for the issue and allotment on private placement basis, in one or more series or tranches, in such classes and with such rights or terms as may be considered necessary, one or more of the following non convertible debt securities, that is to say, secured debentures, unsecured debentures, bonds, subordinated debt securities, covered bonds, or other debt securities, whether constituting a charge (including charge in the nature of pledge) on any specific or general assets of the company or not (herein inclusively referred to as "Debt Securities"), such that the aggregate value of such Debt Securities, during the effective period shall not exceed the limit of Rs. 250 Crores (Rupees Two Hundred Fifty Crores Only) to Banks, Pension Funds, Mutual Funds / Investors and other entities/individuals including but not limited to Multilateral Development Organization, Institutional Investors, Financial Institutions, Companies etc.

RESOLVED FURTHER THAT consent of the shareholders of the Company be and is hereby accorded to the Board or any Committee thereof to deal with the matters relating to the finalization of the terms and conditions of such Debt Securities to be issued and allotted from time to time within the aggregate limit as

mentioned above, including, but not limited to, decide on any terms such as amount payable on application, calls from time to time, and offer the same on private placement basis to any one or more investors including any Banks, Pension Funds, Mutual Funds and other entities/individuals including but not limited to Multilateral Development Organization, Institutional Investors, Financial Institutions, Companies etc.

RESOLVED FURTHER THAT the Board or any Committee thereof be and is hereby authorized and empowered to consider, transact and decide matters, from time to time, pertaining to the private placement of Debt Securities, including finalization and issuance of any offer letter, opening of a separate bank account and allotment of the Debt Securities in one or more tranches, including, where so considered appropriate, amount payable on application and further amounts as may be called from time to time to offer or invite subscription for secured or unsecured redeemable non-convertible debentures in one or more series or tranches, aggregating upto Rs. 250 Crores (Rupees Two Hundred Fifty Crores Only) and without prejudice on such other terms and conditions as the Board of Directors may, from time to time, determine and consider proper and beneficial to the Company.

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the members hereby authorize the Board of Directors to do all such acts, deeds, matters and things, settle all question, difficulties or doubts that may arise in regard to the issue or allotment of such Debentures, utilization of the issue proceeds and to do all acts, deeds and things in connection therewith and incidental thereto as the Board may in its absolute discretion deem fit without being required to seek any further consent or approval of the members or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution.

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

To accord approval for continuance of Mr. D. N. Damania as an Independent Director till 8th August, 2019 in terms of amended provisions of SEBI Listing Regulations.

“RESOLVED THAT pursuant to the provisions of Regulation 17(1A) introduced by the SEBI (Listing Obligations and Disclosure Requirements)(Amendment) Regulations, 2018 and based on the recommendation of the Nomination and Remuneration Committee and the approval of the Board of Directors, approval of the Members be and is hereby accorded for continuance of Mr. D. N. Damania (DIN00403834) as an Independent Director of the Company for remainder of his term i.e. up to 8th August, 2019.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to settle any question, difficulty or doubt that may arise in giving effect to this Resolution and to do all acts and take all such steps as may be deemed necessary, proper and expedient to implement this Resolution.

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

To accord approval for continuance of Mr. S. Padmanabhan as an Independent Director till 8th August, 2019 in terms of amended provisions of SEBI Listing Regulations.

“RESOLVED THAT pursuant to the provisions of Regulation 17(1A) introduced by the SEBI (Listing Obligations and Disclosure Requirements)(Amendment) Regulations, 2018 and based on the recommendation of the Nomination and Remuneration Committee and the approval of the Board of Directors, approval of the Members be and is hereby accorded for continuance of Mr. S. Padmanabhan (DIN00001207) as an Independent Director of the Company for remainder of his term i.e. up to 8th August, 2019.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to settle any question, difficulty or doubt that may arise in giving effect to this Resolution and to do all acts and take all such steps as may be deemed necessary, proper and expedient to implement this Resolution.

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

Approval of Sudarshan Chemical Industries Limited Employee Stock Option Plan 2018 and Grant of Employees Stock Options to employees of the Company and Subsidiary Companies thereunder

“RESOLVED THAT pursuant to the provisions of Section 62(1)(b) and all other applicable provisions, if any, of the Companies Act, 2013 read with Rules framed there under (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the Memorandum and Articles of Association of the Company, provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, as amended from time to time (hereinafter referred to as “SEBI SBEB Regulations”) and subject to such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, which may be accepted by the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall be deemed to include any Committee, including the Nomination and Remuneration Committee, which the Board has constituted to exercise its powers, including the powers, conferred by this resolution), approval and consent of the Members of the Company (“Members”) be and is hereby accorded to the ‘Sudarshan Chemical Industries Limited Employee Stock Option Plan 2018’ (hereinafter referred to as the “SUDARSHAN ESOP 2018”/ “Plan”) and to the Board to create, offer and grant Employee Stock Options (“ESOPs”) under the Plan from time to time, to the permanent employees including Directors of the Company (other than Promoter(s) or belonging to the Promoter Group of the Company, Independent Directors and Directors holding directly or indirectly more than 10% of the outstanding equity shares of the Company), whether whole time or otherwise, whether working in India or out of India of any existing and future subsidiary company(ies) of the Company whether in or outside India (hereinafter referred to as an “Employee(s)”), as may be decided solely by the Board under the Plan, exercisable into not exceeding 2% (Two percent) of the paid-up equity share capital of the Company as on the date of passing the resolution in the Company in aggregate of face value of Rs. 2/- (Rupees Two) each either directly or through an Employee Welfare Trust (herein after referred to as “Trust”) to be set-up by the Company, at such price or prices, in one or more tranches and on such terms and conditions, as may be determined by the Board in accordance with the provisions of the Plan, SEBI SBEB Regulations and in due compliance with other applicable laws and regulations.

RESOLVED FURTHER THAT the benefits of SUDARSHAN ESOP 2018 as mentioned above be also extended to the Employee(s) of any existing and future subsidiary company(ies) of the Company whether in or outside India.

RESOLVED FURTHER THAT all actions taken by the Board in connection with the above and all incidental and ancillary things done are hereby specifically approved and ratified.

RESOLVED FURTHER THAT the Board for this purpose be and is hereby further authorised to issue and allot equity shares upon exercise of ESOPs from time to time in accordance with the Plan and such equity shares shall rank pari passu in all respects with the then existing equity shares of the Company.

RESOLVED FURTHER THAT the number of ESOPs that may be granted to the Employee(s), in any financial year and in aggregate under the Plan shall be less than 1% of the issued equity share capital (excluding outstanding warrants and conversions) of the Company.

RESOLVED FURTHER THAT in case of any corporate action(s) such as rights issues, bonus issues, change in capital structure, merger and/or sale of division/undertaking or other re-organisation, and others, if any additional equity shares are required to be issued by the Company to the Members (“Additional Shares”), the ceiling as aforesaid of not exceeding 2% (Two percent) of the paid-up equity share capital of the Company as on the date of passing the resolution, shall be deemed to increase in proportion of such Additional Shares issued to facilitate making a fair and reasonable adjustment with respect to ESOPs and equity shares to be issued and allotted.

RESOLVED FURTHER THAT in case the Equity Shares of the Company are either sub-divided or consolidated, then the number of shares to be allotted and the price of acquisition payable by the option grantees under the Plan shall automatically stand augmented or reduced, as the case may be, in the same proportion as the present face value of Rs. 2/- (Rupees Two) per equity share bears to the revised face value of the equity shares of the Company after such sub-division or consolidation, without affecting any other rights or obligations of the option grantees.

RESOLVED FURTHER THAT the Board be and is hereby also authorised at any time to modify, change, vary, alter, amend, suspend or terminate the SUDARSHAN ESOP 2018 subject to the compliance with the applicable laws and regulations and to do all such acts, deeds, matters and things as it may in its absolute discretion deem fit, for such purpose and also to settle any issues, questions, difficulties or doubts that may arise in this regard without being required to seek any further consent or approval of the Members and further to execute all such documents, writings and to give such directions and/or instructions as may be necessary or expedient to give effect to such modification, change, variation, alteration, amendment, suspension or termination of the SUDARSHAN ESOP 2018 and do all other things incidental and ancillary thereof.

RESOLVED FURTHER THAT the Company shall conform to the accounting policies prescribed from time to time under the SEBI SBEB Regulations and any other applicable laws and regulations to the extent relevant and applicable to the SUDARSHAN ESOP 2018.

RESOLVED FURTHER THAT the Board be and is hereby also authorised to take necessary steps for listing of the equity shares allotted under the SUDARSHAN ESOP 2018 on the Stock Exchanges, where the equity shares of the Company are listed as per the provisions of the listing regulations with the concerned Stock Exchanges and other applicable laws, guidelines, rules and regulations.

RESOLVED FURTHER THAT the Board be and is hereby further authorised to do all such acts, deeds and things, as it may in its absolute discretion, deem necessary including authorizing or directing the Trust to appoint Merchant Bankers, Brokers, Solicitors, Registrars, Advertisement Agency, Compliance Officer, Investors Service Centre and other Advisors, Consultants or Representatives, being incidental to the effective implementation and administration of SUDARSHAN ESOP 2018 as also to prefer applications to the appropriate Authorities, Parties and the Institutions for their requisite approvals as also to initiate all necessary actions for the preparation and issue of public announcement and filing of public announcement, if required, with the SEBI / Stock Exchange(s), and all other documents required to be filed in the above connection and to settle all such questions or difficulties whatsoever which may arise and take all such steps and decisions in this regard.

RESOLVED FURTHER THAT the Board be and is hereby also authorised to nominate and appoint one or more persons to represent the Company for carrying out any or all of the activities that the Board is authorised to do for the purpose of giving effect to this resolution.”

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

Grant of Employee Stock Options to the Employees of Company and that of the Subsidiary company(ies) by way of Secondary Acquisition under Sudarshan Chemical Industries Limited Employee Stock Option Plan 2018.

“RESOLVED THAT pursuant to the applicable provisions, of the Companies Act, 2013 read with Rules framed there under (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the Memorandum and Articles of Association of the Company, provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, as amended from time to time (hereinafter referred to as “SEBI SBEB Regulations”) and subject to such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, which may be accepted by the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall be deemed to include any Committee, including the Nomination and Remuneration Committee, which the

Board has constituted to exercise its powers, including the powers, conferred by this resolution), further pursuant to the approval and consent of the Members of the Company ("Members") accorded to the 'Sudarshan Chemical Industries Limited Employee Stock Option Plan 2018' (hereinafter referred to as the "SUDARSHAN ESOP 2018"/ "Plan") for creation, offer and grant from time to time Employee Stock Options ("ESOPs") in respect of the eligible employees and directors of the Company and its subsidiaries, further approval and consent of the Shareholders of the Company be and is hereby accorded for secondary acquisition of shares for implementation of Plan upto the fullest extent of limits prescribed hereunder and those under the SEBI SBEB Regulations as may be decided solely by the Board under the Plan, exercisable into not exceeding 2% (Two percent) of the paid-up equity share capital of the Company as on the date of passing the resolution in the Company in aggregate of face value of Rs. 2/- (Rupees Two) each, through an Employee Welfare Trust (hereinafter referred to as "Trust") to be set-up by the Company, at such price or prices, in one or more tranches and on such terms and conditions, as may be determined by the Board subject however that Secondary acquisition by the Trust in any financial year shall not exceed 2% (Two Percent) of the paid-up capital as at the end of the previous financial year, more particularly, in accordance with the provisions of the Plan, SEBI SBEB Regulations and in due compliance with other applicable laws and regulations.

RESOLVED FURTHER THAT in the event of expansion of share capital of the Company arising due to any corporate action(s), including by way of preferential allotment of shares or qualified institutions placement, the limits set hereunder prescribed for secondary acquisition shall accordingly apply to such increased capital, in proportion of such expanded share capital, subject however that, the Company shall adhere to the cap prescribed under sub-regulation (11) of regulation 3 of the SEBI SBEB Regulations.

RESOLVED FURTHER THAT in case of any corporate action(s) such as rights issues, bonus issues, change in capital structure, merger and/or sale of division/undertaking or other re-organisation, and others, if any additional equity shares are required to be issued by the Company to the Members ("Additional Shares"), the ceiling as aforesaid of not exceeding 2% (Two percent) of the paid-up equity share capital of the Company as on the date of passing the resolution, shall be deemed to increase in proportion of such Additional Shares issued to facilitate making a fair and reasonable adjustment with respect to ESOPs and equity shares to be issued and allotted.

RESOLVED FURTHER THAT in case the equity shares of the Company are either sub-divided or consolidated, then the number of shares to be allotted and the price of acquisition payable by the option grantees under the Plan shall automatically stand augmented or reduced, as the case may be, in the same proportion as the present face value of Rs. 2/- (Rupees Two) per equity share bears to the revised face value of the equity shares of the Company after such sub-division or consolidation, without affecting any other rights or obligations of the option grantees.

RESOLVED FURTHER THAT the Board be and is hereby also authorised at any time to modify, change, vary, alter, amend, suspend or terminate the SUDARSHAN ESOP 2018 subject to the compliance with the applicable laws and regulations and to do all such acts, deeds, matters and things as it may in its absolute discretion deem fit, for such purpose and also to settle any issues, questions, difficulties or doubts that may arise in this regard without being required to seek any further consent or approval of the Shareholders and further to execute all such documents, writings and to give such directions and/or instructions as may be necessary or expedient to give effect to such modification, change, variation, alteration, amendment, suspension or termination of the SUDARSHAN ESOP 2018 and do all other things incidental and ancillary thereof.

RESOLVED FURTHER THAT the Company shall conform to the accounting policies prescribed from time to time under the SEBI SBEB Regulations and any other applicable laws and regulations to the extent relevant and applicable to the SUDARSHAN ESOP 2018.

RESOLVED FURTHER THAT the Board be and is hereby further authorised to do all such acts, deeds and things, as it may in its absolute discretion, deem necessary including authorizing or directing the Trust to appoint Merchant Bankers, Brokers, Solicitors, Registrars, Advertisement Agency, Compliance Officer, Investors Service Centre and other Advisors, Consultants or Representatives, being incidental to

the effective implementation and administration of SUDARSHAN ESOP 2018 as also to prefer applications to the appropriate Authorities, Parties and the Institutions for their requisite approvals as also to initiate all necessary actions for the preparation and issue of public announcement and filing of public announcement, if required, with the SEBI/Stock Exchange(s), and all other documents required to be filed in the above connection and to settle all such questions or difficulties whatsoever which may arise and take all such steps and decisions in this regard.

RESOLVED FURTHER THAT the Board be and is hereby also authorised to nominate and appoint one or more persons to represent the Company for carrying out any or all of the activities that the Board is authorised to do for the purpose of giving effect to this resolution.”

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

Approval of Trust Route for the implementation of Sudarshan Chemical Industries Limited Employee Stock Option Plan 2018.

“RESOLVED THAT pursuant to the provisions of Section 62(1)(b) and all other applicable provisions, if any, of the Companies Act, 2013, read with Rules framed there under (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the Memorandum and Articles of Association of the Company, provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 as amended from time to time (hereinafter referred to as “SEBI SBEB Regulations”) and subject to such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, which may be accepted by the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall be deemed to include any Committee, including the Nomination and Remuneration Committee which the Board has constituted to exercise its powers, including the powers, conferred by this resolution), approval and consent of the Members of the Company (“Members”) be and is hereby accorded to the Board to consider implementing ‘Sudarshan Chemical Industries Limited Employee Stock Option Plan 2018’ (hereinafter referred to as the “SUDARSHAN ESOP 2018”/ “Plan”) through an Employee Welfare Trust (hereinafter referred to as “Trust”) and the Trust to subscribe, acquire, purchase, hold and deal in equity shares of the Company for the purpose of implementation of SUDARSHAN ESOP 2018 or any other employee stock plan or share based employee benefit plan which may be introduced by the Company from time to time, (hereinafter referred to as “Employees Benefit Plan”), or for any other purpose(s) as contemplated herein and in due compliance with the provisions of the SEBI SBEB Regulations, the Companies Act, 2013 (including rules framed thereunder) and other applicable laws and regulations.

RESOLVED FURTHER THAT the Company should conform to the accounting policies prescribed from time to time under the SEBI SBEB Regulations and any other applicable laws and regulations to the extent relevant and applicable to the SUDARSHAN ESOP 2018.

RESOLVED FURTHER THAT the Board be and is hereby authorised on behalf of the Company to do all such acts, deeds, matters and things as it may in its absolute discretion deem expedient and to settle any questions, difficulties or doubts that may arise with respect to the above matter without requiring the Board to secure any further consent or approval of the Shareholders and the Board be and is hereby further authorised to nominate one or more representatives of the Company to execute such further deeds, documents and writings that may be considered necessary and to carry out any or all activities that the Board is empowered to do for the purpose of giving effect to this resolution.”

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

Provision of Money by the Company for purchase of its own shares by the Trust / Trustees for the benefit of Employees under Sudarshan Chemical Industries Limited Employee Stock Option Plan 2018.

“RESOLVED THAT pursuant to the provisions of Section 62(1)(b), 67 and all other applicable provisions, if any, of the Companies Act, 2013 read with Rules framed thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the Memorandum and Articles of Association of the Company, provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 as amended from time to time (hereinafter referred to as “SEBI SBEB Regulations”), Rule 16 of the Companies (Share Capital and Debentures) Rules, 2015 as amended from time to time (hereinafter referred to as “Companies Rules”) and subject to such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, which may be accepted by the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall be deemed to include any Committee, including the Nomination and Remuneration Committee which the Board has constituted to exercise its powers, including the powers, conferred by this resolution), consent of the Shareholders of the Company be and is hereby accorded to the Board to grant loan, to provide guarantee or security in connection with a loan granted or to be granted to, the Employee Welfare Trust (hereinafter referred to as “Trust”) set-up or to be set up by the Company in one or more tranches not exceeding 5% (Five percent) of the aggregate of the paid-up share capital and free reserves for the purpose of subscription and/or purchase of equity shares of the Company by the Trust/ Trustees, in one or more tranches, subject to the ceiling of equity shares as may be prescribed under ‘Sudarshan Chemical Industries Limited Employee Stock Option Plan 2018’ (hereinafter referred to as the “SUDARSHAN ESOP 2018”/ “Plan”), or any other employee / plan or share based employee benefit plan which may be introduced by the Company from time to time (hereinafter referred to as “Employee Benefit Plan(s)”) from time to time, with a view to deal in such equity shares in line with contemplated objectives of the Plan or for any other purpose(s) as permitted under and in due compliance with the provisions of the SEBI SBEB Regulations, the Companies Rules and other applicable laws and regulations.

RESOLVED FURTHER THAT any loan provided by the Company shall be repayable to and recoverable by the Company from time to time during the term of the SUDARSHAN ESOP 2018 and or Employee Benefit Plan(s) as the case may be subject to exercise price being paid by the employees on exercise of Employee Stock Options under the respective Employee Benefit Plan.

RESOLVED FURTHER THAT the Trust shall not deal in derivatives and shall undertake transactions as permitted by SEBI SBEB Regulations.

RESOLVED FURTHER THAT the Trustees of the Trust shall not vote in respect of the shares held by such Trust.

RESOLVED FURTHER THAT for the purposes of disclosures to the stock exchange, the shareholding of the Trust shall be shown as non-promoter and non-public shareholding.

RESOLVED FURTHER THAT the Trustees of the Trust shall ensure compliance of the provisions of the SEBI SBEB Regulations, Companies Rules and all other applicable laws at all times in connection with dealing with the shares of the Company including but not limited to maintenance of proper books of account, records and documents as prescribed.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds and things as may be necessary or expedient and also authorised to nominate and appoint one or more persons to represent the Company for carrying out any or all of the activities that the Committee was authorised to do for the purpose of giving effect to this resolution.”

NOTES:

- 1(a) As required by (i) Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and (ii) Secretarial Standard on General Meetings (“SS-2”), issued by the Institute of Company Secretaries of India, New Delhi the details of Directors retiring by rotation / seeking appointment / re-appointment at the ensuing General Meeting are provided herein below:**

Particulars	Mr. Rajesh B. Rathi	Mr. N. T. Raisinghani	Mr. N. J. Rathi
Age	50	53	83
Qualification	B.E. Mech. Engg. MIT, Pune, B.S.Chem. Engg Ohio University, USA. M.B.A.- Pittsburgh University – USA	Bachelors in Mechanical Engg. from University of Mumbai & Management from Harvard Business School	M.Com – University of Pune & M.B.A. from USA
Experience (including expertise in specific functional area) / Brief Resume	24 years. He is spearheading the Pigment operations. The Pigment operations have grown considerably under his leadership and is poised for quantum growth.	28 years He is in the business of Business Coach for Entrepreneurs, Strategy Deployment, Innovation and OPEX Expert, & Overall Consulting experience.	42 Has been associated with the Company for more than four decades.
Terms and Conditions of Appointment / Reappointment	As recommended by NRC and further approved by the Board of Directors	As recommended by NRC and further approved by the Board of Directors	As approved by the shareholders in the ensuing Annual General Meeting
Remuneration last drawn (including sitting fees, if any)	Rs.2.42 Crores Total CTC	Sitting fees & Commission on yearly basis	Covered under the Pension Scheme of the Company. Also being paid sitting fees and commission.
Remuneration proposed to be paid	Rs. 2.42 Crores Total CTC	Sitting fees & Commission on yearly basis	Covered under the Pension Scheme of the Company. Also being paid sitting fees and commission.
Date of first appointment on the Board	23 rd May, 2008	13 th February, 2015	30 th January, 2003
Shareholding in the Company as on 31 st March, 2018	32,84,140 shares 4.74%	700	7,97,650 1.15%
Relationship with other Directors / Key Managerial Personnel	Related to Mr. A. B. Rathi, Non Executive Director in capacity as Brother	NIL	NIL
Number of meetings of the Board attended during the year	6	5	5
Directorships of other Boards as on 31 st March, 2018	Directorship in 9 companies including foreign subsidiaries	Directorship in 1 Company	Directorship in 5 companies.
Membership / Chairmanship of Committees of other Boards as on 31 st March, 2018	Chairmanship in 1 Committee	Nil	Nil

As required under SEBI Listing Regulations, 2015, the information / data to be provided for the retiring Director is given below:

Mr. N. J. Rathi - Other directorships:

S.No.	Name of the Company	Board position held
1.	RIECO Industries Ltd.	Director
2.	Rathi Enterprises Pvt. Ltd.	Director
3.	Rabro Speciality Chemicals Pvt. Ltd.	Director
4.	NJR Finance Private Limited	Director
5.	Crop Care Federation of India	Director

Disclosure of relationship between directors inter se -

Mr. N. J. Rathi is part of the Promoter Group.

Mr. Rajesh B. Rathi - Other directorships:

S.No.	Name of the Company	Board position held
1.	RIECO Industries Ltd.	Director
2.	Rathi Enterprises Private Limited	Director
3.	Rathi Brothers Private Limited	Director
4.	Balkrishna Rathi Finance Pvt. Ltd.	Director
5.	Rabro Speciality Chemicals Pvt. Ltd.	Director
6.	Marathwada Chemical Industries Private Limited	Chairman
7.	Sudarshan CSR Foundation	Director
8.	Sudarshan North America, Inc.	Director
9.	Sudarshan (Shanghai) Trading Company Limited	Director

Disclosure of relationship between directors inter se -

Mr. Rajesh B. Rathi is part of the Promoter Group and is the brother to Mr. A. B. Rathi, Non-Executive Director.

Mr. N. T. Raisinghani - Other directorships:

S.No.	Name of the Company	Board position held
1.	Brakethrough Management Group India Private Limited	Director

- (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. PROXIES SHALL NOT HAVE THE RIGHT TO SPEAK AT THE MEETING.

- (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. 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 Regulation 44 of the Listing Regulations, 2015, the Company is pleased to provide members the facility to exercise their right to vote at the 67th 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.

3. How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:

Step 1 : Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>

Step 2 : Cast your vote electronically on NSDL e-Voting system.

Details on Step 1 is mentioned below:

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholders’ section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Your password details are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
 - c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, your 'initial password' is communicated to you on your postal address.
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
 - a) Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number / folio number, your PAN, your name and your registered address.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

3. Details on Step 2 is given below:

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
3. Select "EVEN" of company for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. 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. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to karunakaran2004@yahoo.com with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. 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 download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in
4.
 - I. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on 2nd August, 2018 and who continue to hold the shares as on the date of 67th Annual General Meeting will be entitled to vote by poll only at the venue of the Annual General Meeting.
 - II. The notice of the 67th AGM is being sent to all members who are holding shares as on 6th July, 2018.
 - III. 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. 2nd August, 2018, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or pune@linkintime.co.in
 - IV. **The e-voting period commences on Monday, 6th August, 2018 (9:00 AM) and ends on Wednesday, 8th August, 2018 (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 2nd August, 2018, 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.
 - V. 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.
 - VI. 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.
 - VII. The Scrutinizer shall within a period not later than three (3) days from the conclusion of the 67th 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.
 - VIII. 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.
- 5(a) **The Register of Members and Share Transfer Books of the Company will remain closed from Monday, 23rd July, 2018 to Thursday, 9th August, 2018 (both days inclusive).**
- (b) Pursuant to Section 125 of the Companies Act, 2013 all unclaimed dividends for the Accounting Years ended upto 31st March, 2010 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.

- (c) In terms of the SEBI Listing Regulations, 2015, the Company has opened 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 and has transferred to the said account 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 will approach IDBI Bank Limited, Pune for release of his / her shares subject to completion of necessary documentation.

Members may also note that the dividends pertaining to these unclaimed shares have also been transferred to a separate Current Accounts with IDBI Bank Limited, Pune for better control, monitoring and year end reporting.

- (d) It may be in the interest of Members to hold securities in joint names.
- (e) Members who are still holding the shares in physical form should consider surrendering the shares with the concerned Depository Participant since it is legally beneficial to hold the shares in demat form. **As per SEBI's latest directive, Members holding shares in physical form should get the same dematerialised on or before 4th December, 2018 failing which request for physical share transfers will not be accepted by the Company / R&T Agents.**
- (f) 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.
- (g) As per RBI notification, with effect from 1st 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.
- (h) 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 31st July, 2018 failing which physical dividend warrants will be issued to the Members for the Financial Year 2017-18.
- (i) Based on the records available with the Depositories, the Company has tied up with Axis Bank Limited, for payment of final dividend for the Financial Year 2017-18.
- (j) 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.
- (k) 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, 2nd 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

- (l) The Company has designated an e-mail address - 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.
- (m) Members holding shares under different folios may approach the Company for consolidation of ledger folios into one folio.
- (n) Members are requested to notify immediately any change in their address / bank account details.
- (o) As per Rule 18 of the Companies (Management and Administration) Rules, 2014, we are sending the Annual Report, i.e., Notice convening the 67th Annual General Meeting, Financial Statements, Directors' Report, Auditors' Report, etc. for the year ended 31st March, 2018, 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

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. 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. 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 AGM.

- (p) 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.
- (q) 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.
- (r) Members can avail of the nomination facility by filing Form SH-13 as prescribed under Section 72 of the Companies Act, 2013 and Rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014 with the Company. Blank forms will be supplied on request.
- (s) The Final Dividend on equity shares as recommended by the Board, if approved at the 67th Annual general Meeting, will be paid within thirty days from the date of declaration to those Members or their mandates whose name appear :
 - (i) As Members in the Register of Members of the Company on 9th August, 2018 and
 - (ii) As Beneficial Owners on 9th August, 2018 as per the lists to be furnished by NSDL and CDSL in respect of shares held in electronic form.

All documents referred to in the Notice and accompanying explanatory statement are open for inspection at the Registered Office of the Company on all working days of the Company during office hours upto the date of the Annual General Meeting and at the venue of the Annual General Meeting

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

Pune, 27th June, 2018

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 Ordinary Business / Special Business mentioned in the Notice and should be taken as forming part of the Notice.

Item No. 3 of the Notice:

In terms of provisions of Section 152 of the Companies Act, 2013, Mr. N. J. Rathi, Director is liable to retire by rotation at the Annual General Meeting. Being eligible, he has offered himself for re-appointment. Further, pursuant to provisions of Regulation 17(1A) introduced by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements)(Amendment) Regulations, 2018 effective from 1st April, 2019, no listed entity shall appoint a person or continue the directorship of any person as a non-executive director who has attained the age of seventy five years unless a special resolution is passed to that effect, in which case the explanatory statement annexed to the notice for such matter shall indicate the justification for appointing/ continuing the appointment of such a person.

Mr. N.J.Rathi, Non Executive & Promoter Director's age as on 1st April, 2019 would be exceeding seventy five years. Approval of the Members by way of Special Resolution is sought for continuance of Mr. N.J.Rathi as a Non Executive & Promoter Director of the Company till the date of his next rotation.

The Board of Directors are of the view that the contribution of Mr. N.J.Rathi as a Non Executive & Promoter Director has been immensely useful and it would be imperative to continue to avail his services in the near future also.

The Board commends the Special Resolution set out at Item No. 3 of the Notice for approval by the Members.

None of the other Directors / Key Managerial Personnel and / or their relatives are interested / concerned, financially or otherwise, in the passing of the resolution as set out in Item No. 3 of the Notice.

Item No. 4 of the Notice:

Mr. Rajesh B. Rathi is 50 years of age and is B.E. Mech. Engg. From MIT, Pune, B.S. Chem. Engg from Ohio University USA and MBA from Pittsburgh University USA and is spearheading the Pigment operations. The Pigment operations have grown considerably under his leadership and is poised for quantum growth.

To recognise his ongoing vital contribution to the Company, the Board of Directors at its meeting held on 8th February, 2018 have appointed Mr. Rajesh B. Rathi (holding DIN 00018628) as Managing Director of the Company with effect from 1st June 2018 for the period of five years subject to approval of shareholders in ensuing Annual General Meeting and on the basis of recommendation of Nomination and Remuneration Committee. Letter of Appointment covering terms of remuneration has been issued to Mr. Rajesh B. Rathi Managing Director on 24th May, 2018. The main terms and conditions of his appointment as Managing Director, as contained in the said Letter are furnished below:

Term of appointment :- Five years with effect from 1st June, 2018

Salary :- Basic Salary – Rs. 6,05,355/- per month

Performance Linked Variable Allowance :- Rs. 6,65,891/- per month

Annual Increment :- 20% on Gross Remuneration or as may be recommended by the Nomination and Remuneration Committee

Perquisites / Benefits / Allowances:

House rent allowance / Rent free accommodation, Free Housing, Furniture, Medical Allowance / Medical Reimbursement, Allowances for utilities such as Gas, Electricity, Water, Leave Travel Allowance, Fees of Clubs, Personal Accident Insurance premium, Hospitalization, Provision for car with driver as per Company Policy, Fuel Reimbursement, Car Maintenance, Telephone, Mobile, Fax, Computer, Watchman, Domestic Servant, Gardner, Ex-gratia, Canteen, compensation for loss of Office as computed under the provisions of Companies Act, 2013, Provident Fund, Superannuation, Pension as per Company Policy, Gratuity, Leave encashment, Retirement benefits, Severance Compensation and other perquisites as per the Rules of the Company.

Commission: As may be decided by the Board of Directors:

Such remuneration by way of commission, in addition to salary and perquisites and allowances payable, to be merit-based and calculated with reference to net profit of the Company in a particular financial year, as may be determined by the Board of Directors of the Company at the end of each Financial Year, subject to the overall ceilings stipulated in Companies Act. The Commission shall be paid after the Annual Accounts are approved by the Board of Directors and adopted by the shareholders.

Minimum Remuneration:

Notwithstanding anything to the contrary herein contained where, in any financial year during the currency of the tenure of the Managing Director, Company has no profits or its profits are inadequate, the Company will continue to pay the same remuneration by way of salary and perquisites and allowances as specified above.

In compliance with the provisions of Sections 2(54), 2(78), 197 and 203 of the Companies Act 2013 (Act) and other applicable provisions, if any, the appointment and terms of remuneration specified above are now being placed before the Members for their approval as an ordinary resolution.

The Letter of Appointment and terms of remuneration issued to Mr. Rajesh B. Rathi Managing Director on 24th May, 2018 is available for inspection by Members during business hours and upto the date of the Annual General Meeting.

This explanatory statement may also be read and treated as disclosure in compliance with the requirements of Section 190 of the Companies Act, 2013.

Details of Mr. Rajesh B. Rathi are provided in the Notice pursuant to the provisions of (i) the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and (ii) Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India, New Delhi.

The Directors recommend the Ordinary resolution for approval by the Members.

Except Mr. Rajesh B. Rathi and Mr. A. B. Rathi who are related to each other, none of the other Directors / Key Managerial Personnel of the Company / their relatives are in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No.4 of the Notice.

Item No. 5 of the Notice :

Mr. Ashish Vij, Chief Operating Officer for both Roha and Mahad Plants, joined the services of the Company on 8th December, 2005. He is B.E.Chem. and has with him 26 years working experience.

The Nomination and Remuneration Committee in its meeting held on 24th May, 2018 has recommended the appointment of Mr. Ashish Vij, as a Non Independent Director in full time employment of the Company (Wholtime

Director) for a period of 5 years i.e. upto 23rd May, 2023 and the same has been approved by the Board of Directors. Letter of Appointment and terms of remuneration has been issued to Mr. Ashish Vij on 24th May, 2018. The main terms and conditions of his appointment as Wholetime Director, as contained in the said Letter are furnished below:

Term of appointment :- Five years with effect from 24th May, 2018

Salary:-Basic Salary – Rs. 5,28,480/- per month

Performance Linked Variable Allowance:- Rs. 4,06,523/- per month

Annual Increment :- 20% of Gross Remuneration or as may be recommended by the Nomination and Remuneration Committee

Perquisites / Benefits / Allowances:

House rent allowance / Rent free accommodation, Free Housing, Furniture, Medical Allowance / Medical Reimbursement, Allowances for utilities such as Gas, Electricity, Water, Leave Travel Allowance, Fees of Clubs, Personal Accident Insurance premium, Hospitalization, Provision for car with driver as per Company Policy, Fuel Reimbursement, Car Maintenance, Telephone, Mobile, Fax, Computer, Watchman, Domestic Servant, Gardner, Ex-gratia, Canteen, compensation for loss of Office as computed under the provisions of Companies Act, 2013, Provident Fund, Superannuation, Pension as per Company Policy, Gratuity, Leave encashment, Retirement benefits, Severance Compensation and other perquisites as per the Rules of the Company.

Commission: As may be decided by the Board of Directors:

Such remuneration by way of commission, in addition to salary and perquisites and allowances payable, to be merit-based and calculated with reference to net profit of the Company in a particular Financial Year, as may be determined by the Board of Directors of the Company at the end of each Financial Year, subject to the overall ceilings stipulated in Companies Act. The Commission shall be paid after the Annual Accounts are approved by the Board of Directors and adopted by the shareholders.

Minimum Remuneration:

Notwithstanding anything to the contrary herein contained where, in any financial year during the currency of the tenure of the Wholetime Director in full time employment, Company has no profits or its profits are inadequate, the Company will pay the same / revised remuneration by way of salary and perquisites and allowances as specified above.

In compliance with the provisions of Sections 2(54), 2(78), 197 and 203 of the Companies Act 2013 (Act) and other applicable provisions, if any, the appointment and terms of remuneration specified above are now being placed before the Members for their approval as an ordinary resolution.

The Letter of Appointment and terms of remuneration issued to Mr. Ashish Vij on 24th May, 2018 is available for inspection by Members during business hours and upto the date of the Annual General Meeting.

This explanatory statement may also be read and treated as disclosure in compliance with the requirements of Section 190 of the Companies Act, 2013.

Details of Mr. Ashish Vij are provided below pursuant to the provisions of (i) the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and (ii) Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India, New Delhi.

Particulars	Mr. Ashish Vij
Age	49
Qualification	B.E. Chem. Engg. Punjab University, Chandigarh.
Experience (including expertise in specific functional area) / Brief Resume	26 years. Experienced in Chemical Process Industries handling, continuous & Batch plants in capacity as Production Head.
Terms and Conditions of Appointment / Reappointment	As recommended by NRC and further approved by the Board of Directors
Remuneration last drawn	Rs. 1.40 Crores Total CTC
Remuneration proposed to be paid	Rs. 1.62 Crores Total CTC
Date of first appointment on the Board	24 th May, 2018
Shareholding in the Company as on 31 st March, 2018	Nil
Relationship with other Directors / Key Managerial Personnel	N.A.
Number of meetings of the Board attended during FY 2018-19	2
Directorships of other Boards as on 31 st March, 2018	Nil
Membership / Chairmanship of Committees of other Boards as on 31 st March, 2018	Nil

The Directors recommend the Ordinary resolution for approval by the Members.

Except Mr. Ashish Vij, none of the other Directors / Key Managerial Personnel of the Company / their relatives are in anyway, concerned or interested, financially or otherwise, in the resolution set out at Item No.5 of the Notice.

Item No. 6 of the Notice :

Mr. Naresh T. Raisinghani is the CEO and Executive Director of Breakthrough Management Group International Mumbai. He has done his Management from Harvard Business School and his Bachelors in Mech. Engg. From University of Mumbai .

In accordance with the provisions of Section 149 read with Schedule IV to the Companies Act, 2013 appointment of an Independent Director requires approval of Members. Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors have proposed that Mr. Naresh T. Raisinghani (DIN: 02787784), be appointed as an Independent Director on the Board of the Company for a period of 5 consecutive years i.e. upto 8th August, 2023. The appointment of Mr. Naresh T. Raisinghani, shall be effective upon approval by the Members in the General Meeting.

Mr. Naresh Raisinghani 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. The Company has received a declaration from Mr. Naresh Raisinghani that he meets the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

In the opinion of the Board, Mr. Naresh T. Raisinghani fulfils the conditions for his appointment as an Independent Director as specified in the Act and the Listing Regulations. Mr. Naresh T. Raisinghani is independent of the management and possesses appropriate skills, experience and knowledge.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No.6 of the Notice. This statement may also be regarded as an appropriate disclosure under the Listing Regulations.

Details of Mr. Naresh T. Raisinghani are provided in the Notice pursuant to the provisions of (i) the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and (ii) Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India, New Delhi.

The Board commends the Ordinary Resolution set out at Item No.6 of the Notice for approval by the Members.

None of the other Directors / Key Managerial Personnel and / or their relatives are interested / concerned, financially or otherwise, in the passing of the resolution as set out in Item No.6 of the Notice.

Item No. 7 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 of the Company. On the recommendation of the Audit Committee at its meeting held on 24th May, 2018, the Board has approved the appointment of Parkhi Limaye & Co., Cost Accountants as the Cost Auditor of the Company for the Financial Year 2018-19 for auditing the cost records of the Company pertaining to "Insecticides and Industrial Mixers" on a remuneration exclusive of reimbursement of service tax and all out of pocket expenses incurred, if any, incurred in connection with the cost audit. The remuneration of the Cost Auditor is required to be ratified and confirmed by Members in accordance to the provisions of Section 148 read with Rule 14 of the Companies (Cost Records and Audit) Rules, 2014 as amended.

The Directors recommend the Ordinary Resolution for approval by Members.

None of the Directors, Key Managerial Personnel and/or their relatives are concerned or interested in the Resolution set out at Item No.7 of the Notice.

Item No. 8 of the Notice:

Pursuant to the provisions of Section 180 (1) (c) of the Companies Act, 2013, the Board of Directors shall not except with the approval of the Company in General Meeting, borrow money, where the money to be borrowed, together with the money already borrowed by the company will exceed aggregate of its paid-up share capital free reserves and securities premium account, apart from temporary loans obtained from the company's bankers in the ordinary course of business. The shareholders had earlier approved the borrowing limits of the Company upto Rs.500 Crores. In view of the proposed business expansion, growing operations and the need for higher credit requirement, it is now proposed to obtain the permission of the Members to increase the borrowing limits up to Rs.800 Crores (Indian Rupees Eight Hundred Crores).

The Board recommends the Special Resolution set out at Item number 8 of the Notice for approval by the Members.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way concerned or interested, financially or otherwise, in the resolution set out at Item number 8 of the Notice.

Item No. 9 of the Notice:

Pursuant to the provisions of Section 180 (1) (a) of the Companies Act, 2013 the Company requires consent of the shareholders to be obtained by passing special resolution for the purpose of mortgaging / creating charges on the properties of the Company to secure the loans availed by the Company. The shareholders had earlier approved the borrowing limits of the Company up to Rs.500 crores. By this proposal the approval of the Members is sought for mortgaging / creating charge on the assets of the Company to secure the loans availed by the Company up to a limit of Rs. 800 Crores (Indian Rupees Eight Hundred Crores).

The Board recommends the Special Resolution set out at Item Number 9 of the Notice for approval by the Members.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way concerned or interested, financially or otherwise, in the resolution set out at Item Number 9 of the Notice.

Item No. 10 of the Notice:

The Board of Directors is evaluating meeting the fund requirements of the Company through various Instruments, viz, general purpose corporate loans, borrowings from Banks and financial institutions, debentures etc. A mix of these instruments would result in optimum utilization of funds at optimum cost and help to meet the various business requirements of the Company. The Board of Directors of the Company are among others evaluating the feasibility of borrowing money through the issue of Non Convertible Debentures and / or other debt securities, subject to the approval of the Members of the Company by passing a Special Resolution. Pursuant to Rule 14 of The Companies (Prospectus and Allotment of Securities) Rules 2014, issue of any non-convertible debentures on a private placement basis requires prior approval of the members of the Company by way of a Special Resolution and such approval shall be valid for all private placements made during a period of 12 months effective from the date of passing of the resolution (effective period). Accordingly consent of the Members is being sought to enable the Board of Directors to offer or invite subscriptions for redeemable Non Convertible Debentures and / or other debt securities on a private placement basis in one or more series or tranches and on such terms and conditions as may be deemed expedient.

The Board recommends the Special Resolution set out at Item Number 10 of the Notice for approval by the Members.

None of the Directors or the Key Managerial Personnel or their relatives are in any way interested or concerned, financially or otherwise in this Resolution.

Item Nos. 11 and 12 of the Notice:

Pursuant to the provisions of Regulation 17(1A) introduced by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements)(Amendment) Regulations, 2018 effective from 1st April, 2019, no listed entity shall appoint a person or continue the directorship of any person as a non-executive director who has attained the age of seventy five years unless a special resolution is passed to that effect, in which case the explanatory statement annexed to the notice for such matter shall indicate the justification for appointing/ continuing the appointment of such a person.

Mr. S. Padmanabhan and Mr. D.N.Damania are the Independent Directors whose age as on 1st April, 2019 would be exceeding seventy five years. The first term of these Independent Directors is up to 8th August, 2019. Approval of the shareholders by way of special resolution is sought for continuance of Mr. S. Padmanabhan and Mr. D.N.Damania as Independent Directors during the remainder of their term i.e. up to 8th August, 2019.

The Nomination and Remuneration Committee and the Board of Directors are of the view that the contribution Mr. S. Padmanabhan, Mr. D.N.Damania as Directors has been immensely useful and it would be imperative to continue to avail their services till the end of their term.

The Board commends the Special Resolutions set out at Item Nos.11 and 12 of the Notice for approval by the Members.

None of the other Directors / Key Managerial Personnel and / or their relatives are interested / concerned, financially or otherwise, in the passing of the resolution as set out in Item Nos. 11 and 12 of the Notice.

Item Nos. 13 and 14 of the Notice:

Sudarshan Chemical Industries Limited (“Sudarshan” or “the Company”) values its employees the most and believes in their complete well-being. Hence the Company has instituted several initiatives and programs to ensure a healthy and happy workforce as part of its mission to work in an exciting and vibrant environment. The Company has in place an aggressive corporate strategy.

In order to drive the above strategy, the Company intends to implement an Employee Stock Option Plan (hereinafter referred to as “SUDARSHAN ESOP 2018”) for its identified key employees to achieve a host of objectives. This ESOP would be over and above the current variable pay.

The Company seeks approval of the Shareholders in respect of SUDARSHAN ESOP 2018 and for grant of Stock Options to the eligible employees/ Directors of the Company, that of its Subsidiary company(ies), if any, as may be decided by Board and / or the Nomination and Remuneration Committee (“Committee”) from time to time in due compliance with Companies, Act, 2013 (including rules framed thereunder), SEBI SBEB Regulations and other applicable laws and regulations.

The main features of the SUDARSHAN ESOP 2018 are as under:

1. Total number of Options to be granted:

Options exercisable into fully paid-up equity shares of face value of Rs.2/- each not exceeding 2% (Two percent) of the paid-up equity share capital of the Company as on the date of passing the resolution would be available for grant to the eligible employees of the Company and / or eligible employees of the Subsidiary company(ies), if any, in aggregate under proposed SUDARSHAN ESOP 2018, in one or more tranches. Vested Options lapsed due to non-exercise and/or unvested Options that get cancelled due to resignation / termination of the employees or otherwise, would be available for being re-granted at a future date. The Board is authorised to re-grant such lapsed / cancelled options as per the provisions of proposed SUDARSHAN ESOP 2018.

The SEBI SBEB Regulations require that in case of any corporate action(s) such as rights issues, bonus issues, merger and sale of division, and others, a fair and reasonable adjustment needs to be made to the Options granted. Accordingly, if any additional equity shares are required to be issued pursuant to any corporate action, the above ceiling of Options or equity shares shall be deemed to increase in proportion of such additional equity shares issued subject to compliance of the SEBI SBEB Regulations.

2. Identification of classes of employees entitled to participate in SUDARSHAN ESOP 2018

Following class / classes of employees are entitled to participate in SUDARSHAN ESOP 2018:

Identified key management employees including Directors and other identified employees of the Company who are critical to business including foreign citizens who are employees of a wholly owned subsidiary outside India (subject to exchange control laws and regulatory approvals outside India, if any)

Following class / classes of employees are not eligible:

- a) an employee who is a Promoter or belongs to the Promoter Group;
- b) a Director who either by himself or through his relatives or through any body corporate, directly or indirectly holds more than 10% of the outstanding Equity Shares of the Company; and
- c) an Independent Director within the meaning of the Companies Act, 2013.

3. Requirements of vesting and period of vesting:

The Options granted shall vest in accordance with the terms of the each grant under the proposed SUDARSHAN ESOP 2018, so long as an employee continues to be in the employment of the Company or the subsidiary company, if any, as the case may be.

4. Maximum period within which the Options shall be vested:

Options granted under the proposed SCIL ESOP 2018 would vest in accordance with the terms of the each grant, subject to maximum period of 7 years / 8 years depending upon the conditions in the Plan from the date of grant of such Options.

5. Exercise price or pricing formula:

The exercise price per Option shall be at the Fair Market Value as on the date of grant (as per Companies Act, 2013 exercise price should be at least the face value) to the employees.

6. Exercise period and the process of Exercise:

The vested Options shall be allowed to be exercised on and from the date of vesting. The vested Options need to be exercised within a maximum period of 5 years from the date of vesting of such Options. The vested Option shall be exercisable by the employees by a written application to the Company expressing his / her desire to exercise such Options in such manner and on such format as may be prescribed by the Committee from time to time. The Options shall lapse if not exercised within the specified exercise period. In case of death, permanent disability, permanent incapacity, resignation, retirement etc, the exercise period shall be as per the proposed SUDARSHAN ESOP 2018.

7. Appraisal process for determining the eligibility of employees under SUDARSHAN ESOP 2018:

The appraisal process for determining the eligibility of the employees will be decided by the Committee from time to time. The employees would be granted Options under the proposed SUDARSHAN ESOP 2018 based on various parameters such as criticality of the position, performance rating, period of service, rank or designation and such other parameters as may be decided by the Committee from time to time.

8. Maximum number of Options to be issued per employee and in aggregate:

The number of Options that may be granted to any specific employee of the Company or of its subsidiary company under the Plan, in any financial year and in aggregate under the SUDARSHAN ESOP 2018 shall be less than 1% of the issued Equity Share Capital (excluding outstanding warrants and conversions) of the Company.

9. Maximum quantum of benefits to be provided per employee under SUDARSHAN ESOP 2018 :

The maximum quantum of benefits underlying the options issued to eligible employees shall depend upon the market value of the shares as on the date of sale of shares arising out of exercise of options.

10. Accounting and Disclosure Policies:

The Company shall follow the 'Guidance Note on Accounting for Employee Share-based Payments' and/ or any relevant Accounting Standards as may be prescribed by the Institute of Chartered Accountants of India from time to time, including the disclosure requirements prescribed therein.

11. Method of Option Valuation:

To calculate the employee compensation cost, the Company shall use the valuation method as prescribed under Ind-AS for valuation of the Option granted.

12. Primary / Secondary Route:

The Board shall decide on exploring the option for issuance of shares upon exercise, either by way of primary issue or by way of secondary acquisition, subject however to adherence with applicable laws and regulations as prevailing and in force from time to time.

The Board of Directors of the Company have approved SUDARSHAN ESOP 2018 envisaging the grant of employee stock options. In terms of provisions of Section 62(1)(b) and all other applicable provisions, if any, of the Companies Act, 2013 consent of the Shareholders is being sought by way of a Special Resolution(s) set out at Item Nos. 13 and 14 of this Notice.

None of the Directors and/or Key Managerial Personnel of the Company and/or their relatives are in any way concerned in the aforesaid Special Resolution(s), except to the extent of their entitlements, if any.

Your Directors recommend the Special Resolution(s) proposed at Item Nos. 13 and 14 of this Notice for your approval.

Item No. 15 of the Notice:

The Company intends to implement Sudarshan Chemical Industries Limited Employee Stock Option Plan 2018 ("SUDARSHAN ESOP 2018"/ "Plan") with a view to attract and retain key talents working with the Company and its Subsidiary company(ies), if any. Your Company may explore implementation of the Plan through an Employee Welfare Trust ("Trust") route with a view to efficiently manage the Plan and if required to enable cashless exercise of vested options. Options exercisable into fully paid-up equity shares of face value of Rs.2/- each not exceeding 2% (Two percent) of the paid-up equity share capital of the Company as on the date of passing the resolution would be available for grant to the eligible employees of the Company and / or eligible employees of the Subsidiary company(ies), if any, in aggregate under SUDARSHAN ESOP 2018, in one or more tranches.

The Board of Directors of the Company have approved SUDARSHAN ESOP 2018 envisaging aforesaid number of equity shares. In term of the provisions of relevant regulation of the SEBI SBEB Regulations, the consent of the Shareholders is being sought by way of a Special Resolution set out at Item No.15 of this Notice.

None of the Directors and/or Key Managerial Personnel of the Company and/or their relatives are in any way concerned in the aforesaid Special Resolution, except to the extent of their entitlements, if any.

Your Directors recommend the Special Resolution proposed at Item No. 15 of this Notice for your approval.

Item No. 16 of the Notice:

The Company intends to implement Sudarshan Chemical Industries Limited Stock Option Plan 2018 ("SUDARSHAN ESOP 2018"/ "Plan") with a view to attract and retain key talents working with the Company and its Subsidiary company(ies), if any, by primary issue of shares directly or through Trust route. The SEBI SBEB Regulations govern share based employee benefit schemes / plans being implemented by a Company.

These Regulations permit Trust route in Plan implementation.

The Board passed a resolution authorising exploring to set-up an Employee Welfare Trust namely Sudarshan

Chemical Industries Limited Employees Welfare Trust (“Trust”) or such other name as the Board deems fit and approved the proposal for sanction of loan by the Company to the Trust. This proposed amount of loan would be within the statutory limit of 5% of the aggregate of paid-up share capital and free reserves, as prescribed under SEBI SBEB Regulations read with Rule 16 of the Companies (Share Capital and Debenture) Rules, 2014 (“Companies Rules”).

Particulars in respect of the Trust:

a) The class/classes of employees for whose benefit the Plan is being implemented and money is being provided for purchase and subscription of the shares:

The Plan will be implemented and money will be provided for purchase and subscription of shares for the benefit of employees within the meaning of the Plan. The class/ classes of employees who are eligible subject to selection by the Board and / or the Nomination and Remuneration Committee (“Committee”) are as under:

Following class / classes of employees are entitled to participate in SUDARSHAN ESOP 2018:

Identified key management employees including Directors and other identified employees of the Company who are critical to business including foreign citizens who are employees of a wholly owned subsidiary outside India (subject to exchange control laws and regulatory approvals outside India, if any)

Following class / classes of employees are not eligible:

- a) an employee who is a Promoter or belongs to the Promoter Group;
- b) a Director who either by himself or through his relatives or through any body corporate, directly or indirectly holds more than 10% of the outstanding Equity Shares of the Company; and
- c) an Independent Director within the meaning of the Companies Act, 2013.

b) The particulars of the Trustee or employees in whose favour such shares are to be registered:

It is contemplated that one or more of the designated Trustees may acquire and hold the Shares in due compliance of the relevant provisions of SEBI SBEB Regulations and other applicable provisions. The Trustees shall transfer the Shares in favour of the employees on exercise of the Employee Stock Options after realisation of exercise price and applicable income tax.

c) The particulars of trust and name, address, occupation and nationality of trustees and their relationship with the promoters, directors or key managerial personnel, if any:

An Irrevocable Trust in the nature of an Employee Welfare Trust may be set-up with the name Sudarshan Chemical Industries Limited Employees Welfare Trust (“Trust”) or such other name as the Board deems fit having its registered office at 162, Wellesley Road, Pune – 411001.

d) Particulars of the Trustees being appointed :

The Trustee(s) would be appointed by the Board and / or the Committee duly authorised by the shareholders thereof and in compliance with the applicable provisions of the Companies Act, 2013 and the SEBI SBEB Regulations.

A person shall not be appointed as a trustee to hold such shares, if he (a) is a director, key managerial personnel or promoter of the company or its subsidiary or associate company or any relative of such director, key managerial personnel or promoter; or (b) beneficially holds 10% (Ten percent) or more of the paid-up share capital of the Company.

e) Any interest of key managerial personnel, directors or promoters in such scheme or trust and effect thereof:

Promoters are not eligible to be covered under the Plan. However, key managerial personnel, directors may be covered or interested under the Plan but only to the extent of stock options as may granted to them, if any, under the Scheme / Trust and in due compliance with the SEBI SBEB Regulations.

f) The detailed particulars of benefits which will accrue to the employees from the implementation of the Plan:

The eligible employees shall be granted Employee Stock Options under the Plan which would vest subject to vesting conditions prescribed by the Committee or Board. After vesting and on exercise of the Options, the Trust / Trustees shall transfer corresponding number of Equity Shares to the employees. The employees may deal in the shares by way of selling /holding or otherwise deal in their absolute discretion subject to applicable laws and regulations immediately after exercise or may hold and sell after a definite period of time at his/ her discretion. The employees would get the benefit on sell of shares depending on sale price of such Shares. In case of cashless system of exercise of vested Options, the Committee shall be entitled to specify such procedures and/or mechanisms for the equity shares to be dealt with thereon as may be necessary and the same shall be binding on the Option grantees.

g) The details about who would exercise and how the voting rights in respect of the shares to be purchased under the Plan would be exercised:

As per SEBI SBEB Regulations, the Trustees shall not vote in respect of equity shares held in the Trust. In these circumstances, the voting rights can be exercised by an employee only when the equity shares are transferred to them after due process of exercise of Options.

In term of the provisions of relevant regulation of the SEBI SBEB Regulations read with Rule 16 of the Companies Rules, consent of the Shareholders is being sought by way of a Special Resolution set out at Item No.16 of this Notice.

None of the Directors and / or Key Managerial Personnel of the Company and/or their relatives are in any way concerned in the aforesaid Special Resolution, except to the extent of their entitlements, if any.

Your Directors recommend the Special Resolution proposed at Item No. 16 of this Notice for your approval.

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

Pune, 27th June, 2018

P. S. RAGHAVAN
COMPANY SECRETARY

SUDARSHAN CHEMICAL INDUSTRIES LIMITED

Regd. Office / Global Head Office : 162 Wellesley Road, Pune 411 001
CIN : L24119PN1951PLC008409

Dear Member,

Subject : Registration of e-mail address

This is to inform you that Rule 18 of the Companies (Management and Administration) Rules, 2014, permits companies to serve the documents viz. annual reports, notices of general meetings / postal ballot, other documents etc. to the members through electronic mode. In this regard please see Note No. 5(o) forming part of the Notice of the Annual General Meeting dated 27th June, 2018.

In view of the above, we are pleased to send the above referred documents to you through electronic mode. This will also ensure prompt receipt of communication and avoid loss in postal transit.

We therefore request you to register your e-mail address and / or changes therein from time to time with the Company's e-mail id - **shares@sudarshan.com** or with NSDL / CDSL.

Notwithstanding the electronic mode of communication, in case you require physical copies of annual reports and other documents you may send an email at **shares@sudarshan.com** by quoting the name of first / sole shareholder, Folio no / DP ID and Client ID. On receipt of this e-mail, the above documents will be posted to you free of cost.

We request your whole hearted support to this "Green Initiative" by opting for electronic mode of communication.

Yours faithfully,

For Sudarshan Chemical Industries Limited

sd/-

P. S. Raghavan
Company Secretary

Place : Pune
Date : 27th June, 2018

REGISTRATION OF E – MAIL ADDRESS FORM

As per Rule 18 of the Companies (Management and Administration) Rules, 2014,

Link Intime India Private Limited

Unit : Sudarshan Chemical Industries Limited

Akshay Complex, Block No. 202, 2nd Floor,

Off Dhole Patil Road,

Near Ganesh Temple,

Pune 411001

I / we shareholder (s) of Sudarshan Chemical Industries Limited hereby accord my / our approval to receive documents viz annual reports, notices of general meetings / postal ballot, other documents etc. in electronic mode.

I / we request you to note my / our latest email address, as mentioned below. If there is any change in the E–mail address, I / we will promptly communicate the same to you. I / we attach the self attested copy of PAN Card / Aadhar Card / Passport towards identification proof for the purpose of verification.

Folio No / DP ID and Client ID	
Name of first / sole share holder	
Name of joint share holder(s) if any	
Registered Address	
E-mail address (to be registered)	

Place:

Date :

(Signature of shareholder)

SUDARSHAN CHEMICAL INDUSTRIES LIMITED

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

CIN : L24119PN1951PLC008409**ECS Mandate Form for payment of Dividend**(In case of physical holding - send to our Registrar and Transfer Agent
In case of demat holding - send to your Depository Participant)

I/We request you to arrange for payment of my / our dividend through ECS facility for credit the same to my / our account as per details given below :

1. First / Sole Shareholder's Name	
2. If shares not Dematerialised - Registered Folio No.	
3. If shares Dematerialised - DPID No. and Client ID No.	
4. * Particulars of Bank Account	
a. Bank Name	
b. Branch Name	
c. Address of the Branch	
d. 9 - digit MICR code number of the Bank and Branch as appearing on the MICR Cheque issued by the Bank.	
e. Account type	Savings () Current ()
f. Account Number as appearing on the Cheque Book	

Please attach a cancelled photocopy of cheque issued by the Bank for verification of the above details.

I/We hereby declare that the particulars given above are correct and complete. If any transaction is delayed or not effected at all for reasons of incomplete or incorrect information or for any other reason, I/We would not hold the Company responsible. In case of ECS facility not being available for any reason, the account details provided above may be incorporated in the payment instrument and sent to my/our Bankers at the address provided above and to be considered as a mandate by me/us. This instruction will hold good for payment of dividend for subsequent years also unless revoked by me/us in writing.

Yours faithfully,

Name and signature of First/Sole Shareholder

Place :

Date :

Note : * In case if you have already submitted the above information kindly ignore this communication.

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SUDARSHAN CHEMICAL INDUSTRIES LIMITED

Regd. Office / Global Head Office : 162 Wellesley Road, Pune 411 001
CIN : L24119PN1951PLC008409

Dear Member,

In order to give you better service and also to safeguard your interest, you are requested to inform us your Bank Account details, if not already informed, to be printed on all future dividend warrants to be mailed to you at your address registered with the Company. You are requested to fill in the coupon below (signature should match with your signature on record) and mail the same to the Company at the earliest.

The dividend warrant, printed with your name, bank, branch name and account number, will be mailed to your residential address, as usual, or directly to your bank, if instructed by you.

Thank you.

Yours truly,

P. S. RAGHAVAN
 Company Secretary

Notes :

Incorporation of Bank Account details in Dividend Warrants shall be without any liability whatsoever on the part of the Company.

You are also requested to intimate any error or change in your name and/or address as given on the envelope of this communication.

----- (Tear here) -----

Company Secretary
 Sudarshan Chemical Industries Limited
 162 Wellesley Road, Pune 411 001

Name : _____
 Address : _____

Dear Sir,

Ref : Folio No.

I/We refer to your recent communication. As desired, I/We give my/our Bank Account details to be printed on my/our Dividend Warrant(s):

Name of first named member _____
 (Capital letters)

Current/Saving Account No. _____

Name of Bank _____

Branch at _____

Address of Bank _____

Date

Signature _____

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SUDARSHAN CHEMICAL INDUSTRIES LIMITED

Regd. Office / Global Head Office : 162 Wellesley Road, Pune 411 001
CIN : L24119PN1951PLC008409

PROXY FORM

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

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 67th Annual General Meeting of the Company, to be held on Thursday, 9th day of August, 2018 at 11.30 A.M. at Sumant Moolgaokar Auditorium, A – Wing, Ground Floor, Maharashtra Chamber of Commerce, Industries and Agriculture, ICC Complex, Senapati Bapat Road, Pune 411 016 and at any adjournment thereof in respect of such resolutions as are indicated overleaf.

Sr. No.	Resolutions	Vote (Optional see Note 3) *		
		FOR	AGAINST	ABSTAIN
ORDINARY BUSINESS				
1.	Approval of Financial Statements of the Company for the Year ended 31 st March, 2018.			
2.	Approval for declaration of final dividend for the year ended 31 st March, 2018 and confirmation of the Interim Dividend paid during March, 2018.			
3.	Appointment of Mr. N. J. Rathi, as Director liable to retire by rotation.			
SPECIAL BUSINESS				
4.	Appointment of Mr. Rajesh B. Rathi as Managing Director of the Company for a period of 5 years w.e.f. 1 st June, 2018.			
5.	Appointment of Mr. Ashish Vij as Wholetime Director of the Company for a period of 5 years w.e.f. 24 th May, 2018.			
6.	Appointment of Mr. Naresh T. Raisinghani as an Independent Director of the Company for a period of 5 years w.e.f. 9 th August, 2018.			
7.	Approval for payment of remuneration to Parkhi Limaye & Co., Cost Auditors for the Financial Year 2018-19 to conduct Audit of Cost Records of the Company for "Insecticides and Industrial Mixers".			
8.	Increase in the borrowing limits of the Company.			
9.	Increase in the limit for the mortgage / charge on the assets of the Company.			
10.	Issue of debt securities upto an aggregate limit of Rs. 250 crores.			
11.	To accord approval for continuance of Mr. D. N. Damania as an Independent Director till 8 th August, 2019 in terms of amended provisions of SEBI Listing Regulations.			
12.	To accord approval for continuance of Mr. S. Padmanabhan as an Independent Director till 8 th August, 2019 in terms of amended provisions of SEBI Listing Regulations.			
13.	Approval of Sudarshan Chemical Industries Limited Employee Stock Option Plan 2018 and Grant of Employees Stock Options to employees of the Company and Subsidiary Companies thereunder.			
14.	Grant of Employee Stock Options to the Employees of Company and that of the Subsidiary company(ies) by way of Secondary Acquisition under Sudarshan Chemical Industries Limited Employee Stock Option Plan 2018.			

15.	Approval of Trust Route for the implementation of Sudarshan Chemical Industries Limited Employee Stock Option Plan 2018.			
16.	Provision of Money by the Company for purchase of its own shares by the Trust / Trustees for the benefit of Employees under Sudarshan Chemical Industries Limited Employee Stock Option Plan 2018.			

Signed this _____ day of _____ 2018.

Affix
Rs. 1/-
Revenue
Stamp

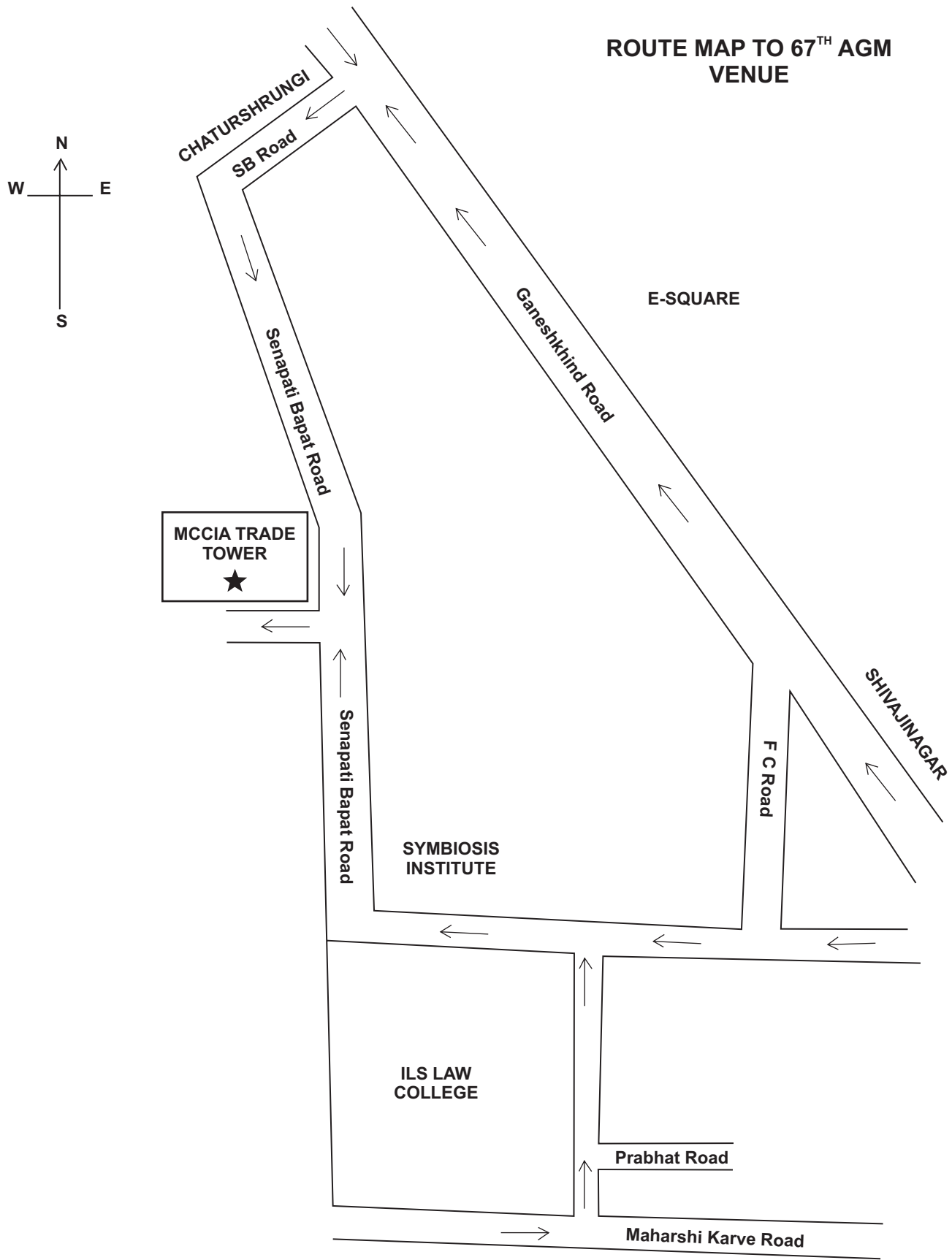
Signature of Shareholder

Signature of Proxy holder

Notes :

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 67th Annual 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.

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SUDARSHAN

SUDARSHAN CHEMICAL INDUSTRIES LIMITED

Regd. Office : 162 Wellesley Road, Pune 411 001