

Notice

NOTICE OF THE 72ND ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the 72nd Annual General Meeting ("AGM") of the Members of the Company will be held on **Friday, 11th August, 2023 at 4.00 p.m. (IST)** through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM") to transact the following business. The venue of the meeting shall be deemed to be the Registered Office of the Company at 7th Floor, Eleven West Panchshil, Survey No. 25, Near PAN Card Club Road, Baner, Pune – 411 045, Maharashtra, India.

ORDINARY BUSINESS:

1. Adoption of accounts - Ordinary Resolution:

To receive, consider and adopt the audited standalone and consolidated financial statements of the Company for the Financial Year ended 31st March, 2023 together with the Report of the Board of Directors and the Auditors thereon.

2. Declaration of Final Dividend on Equity Shares for the FY 2022 - 23 - Ordinary Resolution:

To declare a Final Dividend of ₹1.50/- per Equity Share of face value of ₹2.00/- each per Equity Share (75%) for the year ended 31st March 2023.

3. To appoint a Director in place of Mr. Ashish Vij (DIN: 08140194), Wholetime Director, who retires by rotation in terms of Section 152(6) of the Companies Act, 2013, and being eligible, offers himself for re-appointment - Ordinary Resolution

SPECIAL BUSINESS:

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

"RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment thereof for the time being in force), consent of the members be and is hereby accorded for the payment of ₹60,000/- (Rupees Sixty Thousand only) plus applicable taxes and reimbursement of out of pocket expenses, to the Company's Cost Auditor, Mrs. Ashwini Kedar Joshi (Sole Proprietor), Cost Accountant, Pune, (Registration No. 102387), appointed by the Board of Directors of the Company, for auditing cost records maintained for the FY 2023-24.

RESOLVED FURTHER THAT the Board be and is hereby authorised to take all such actions and to do all such acts, deeds, matters and things as may be considered necessary, desirable and expedient for the purpose of giving effect to this Resolution."

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

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203, Schedule V and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any amendment(s), modification(s) or variation(s) thereto), applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations, 2015") as amended and the Articles of Association of the Company and based on the recommendation of the Nomination and Remuneration Committee and the Board of Directors of the Company, the consent of the Members be and is hereby accorded for the re-appointment of Mr. Rajesh Rathi (DIN: 00018628) as the Managing Director, for a further period of 5 (five) years commencing from 1st June, 2023 and ending on 31st May, 2028 upon the terms and conditions as recommended by the Nomination and Remuneration Committee and approved by the Board of Directors, as set out in Explanatory Statement annexed to this Notice.

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RESOLVED FURTHER THAT approval of the Members be and is hereby accorded for the payment of remuneration to Mr. Rajesh Rathi (DIN: 00018628), Managing Director, for a term of 5 (five) years with effect from 1st June, 2023, as detailed in the Explanatory Statement appended hereto, with authority to the Board of Directors (upon the recommendation of Nomination and Remuneration Committee), to alter or enhance, including periodical increase in his remuneration as may be permissible within the overall limits as prescribed under Section 197 of the Act and Rules made thereunder, Regulation 17(6)(e) of SEBI Listing Regulations, 2015 and other applicable laws, regulations, as amended from time to time.

RESOLVED FURTHER THAT the Board of Directors upon the recommendation of the Nomination and Remuneration Committee be and is hereby authorised to alter such terms and conditions as it may deem appropriate in compliance with the applicable provisions of the Act.

RESOLVED FURTHER THAT the Board be and is hereby authorised to take all such actions and to do all such acts, deeds, matters and things as may be considered necessary, desirable and expedient for the purpose of giving effect to this Resolution.”

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

“RESOLVED THAT pursuant to the provisions of Sections 196,197, 203, Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any amendment(s), modification(s) or variation(s) thereto), applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations, 2015”) as amended and the Articles of Association of the Company and based on the recommendation of the Nomination and Remuneration Committee and the Board of Directors of the Company, the consent of the Members be and is hereby accorded for the re-appointment of Mr. Ashish Vij (DIN: 08140194) as the Wholetime Director with the designation “Executive Director & Vice President – Operations”, for a further period of 5 (five) years commencing from 24th May, 2023 and ending on 23rd May, 2028 upon the terms and conditions as recommended by the Nomination and Remuneration Committee and approved by the Board of Directors, as set out in Explanatory Statement annexed to this Notice.

RESOLVED FURTHER THAT approval of the Members be and is hereby accorded for the payment of remuneration to Mr. Ashish Vij (DIN: 08140194), Wholetime Director, for a term of 5 (five) years with effect from 24th May, 2023, as detailed in the Explanatory Statement appended hereto, with authority to the Board of Directors (upon the recommendation of Nomination and Remuneration Committee), to alter or enhance, including periodical increase in his remuneration as may be permissible within the overall limits as prescribed under Section 197 of the Act and Rules made thereunder and other applicable laws, regulations, as amended from time to time.

RESOLVED FURTHER THAT the Board of Directors upon the recommendation of the Nomination and Remuneration Committee be and is hereby authorised to alter such terms and conditions as it may deem appropriate in compliance with the applicable provisions of the Act.

RESOLVED FURTHER THAT the Board be and is hereby authorised to take all such actions and to do all such acts, deeds, matters and things as may be considered necessary, desirable and expedient for the purpose of giving effect to this Resolution.”

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

“RESOLVED that pursuant to the provisions of Section 197, Schedule V and other applicable provisions of the Companies Act, 2013 (“the Act”) (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time, the Ordinary Resolution passed by the Members at the AGM held on 9th August, 2018 and pursuant to the recommendations of the Nomination and Remuneration Committee and the Board of Directors of the Company, the Members do hereby ratify and confirm the remuneration of ₹500.85 Lakhs paid to Mr. Rajesh Rathi (DIN: 00018628),

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Managing Director of the Company for the financial year 2022-23 as the minimum remuneration as per the terms of his appointment, including in particular an amount of ₹277.3 Lakhs paid to him for the financial year 2022- 23 being the amount in excess of the limits prescribed under the provisions of Section 197 read with Schedule V of the Act, in view of inadequacy of profits for the financial year 2022-23.

RESOLVED FURTHER THAT the Board be and is hereby authorised to take all such actions and to do all such acts, deeds, matters and things as may be considered necessary, desirable and expedient for giving effect to this Resolution.”

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

“RESOLVED that pursuant to the provisions of Section 197, Schedule V and other applicable provisions of the Companies Act, 2013 (“the Act”) (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time and the Special Resolution proposed for approval of the members at Item No.5, at the Annual General Meeting of the Company to be held on 11th August, 2023, the members do hereby accord their approval to pay remuneration to Mr. Rajesh Rathi (DIN: 00018628), Managing Director as approved by the members in the said Resolution as 'Minimum Remuneration' in case of no profits/inadequacy of profits for FY 2023-24 notwithstanding that the remuneration payable to Mr. Rajesh Rathi exceeds the limits prescribed under the provisions of Section 197 read with Schedule V of the Act and Reg 17(6)(e) of SEBI Listing Regulations, 2015.

RESOLVED FURTHER that the Board of Directors or a Committee thereof, be and is hereby, authorized to take such steps as may be necessary - statutory, contractual or otherwise, in relation to the above, to settle all matters arising out of and incidental thereto, to sign and execute deeds, applications, documents and writings that may be required, on behalf of the Company and generally to do all such other acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this Resolution.”

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

“RESOLVED THAT pursuant to the provisions of Sections 149 and 152, read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (“Act”), the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or amendment(s) or re-enactment(s) thereof, for the time being in force) and Regulation 17 and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time (“SEBI Listing Regulations, 2015”)(including any statutory modification(s) or amendment(s) or re-enactment(s) thereof, for the time being in force), Mr. Naresh T. Raisinghani (DIN:00568298), who was appointed as an Independent Director of the Company and being eligible and fulfilling the criteria of independence as provided in the Act and SEBI Listing Regulations, 2015 and in respect of whom the Company has received a notice in writing from a Member under Section 160(1) of the Act proposing his candidature for the office of Director of the Company, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, and to hold office for a second term of five consecutive years with effect from 24th May, 2023 up to 23rd May 2028.

RESOLVED FURTHER THAT pursuant to the provisions of Sections 149, 197 and other applicable provisions of the Companies Act, 2013, and Rules made thereunder, and Regulation 17 of SEBI Listing Regulations, 2015, Mr. Naresh T. Raisinghani be paid such fees and remuneration and profit related commission as the Board may approve from time to time and subject to such limits prescribed, or as may be prescribed from time to time.”

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

“RESOLVED THAT pursuant to the provisions of Sections 149 and 152, read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (“Act”), the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or amendment(s) or re-enactment(s) thereof, for the time being in force) and Regulation 17 and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations,

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2015, as amended from time to time ("SEBI Listing Regulations, 2015")(including any statutory modification(s) or amendment(s) or re-enactment(s) thereof, for the time being in force), Dr. Deepak Parikh (DIN: 06504537), who was appointed as an Independent Director of the Company and who holds office of Independent Director up to 31st March, 2024 and being eligible and fulfilling the criteria of independence as provided in the Act and SEBI Listing Regulations, 2015 and in respect of whom the Company has received a notice in writing from a Member under Section 160(1) of the Act proposing his candidature for the office of Director of the Company, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, and to hold office for a second term of five consecutive years with effect from 1st April 2024 up to 31st March, 2029."

RESOLVED FURTHER THAT pursuant to the provisions of Sections 149, 197 and other applicable provisions of the Companies Act, 2013, and Rules made thereunder, and Regulation 17 of SEBI Listing Regulations, 2015, Dr. Deepak Parikh be paid such fees and remuneration and profit related commission as the Board may approve from time to time and subject to such limits prescribed, or as may be prescribed from time to time."

NOTES:

1. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("Act") in respect of the Special Business to be transacted at the Annual General Meeting ("AGM"), and statement of additional information as required under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations, 2015"), and as per Secretarial Standard – 2 on General Meetings issued by The Institute of Company Secretaries of India ("ICSI") is annexed and forms an integral part of the Notice.
2. The Ministry of Corporate Affairs ("MCA"), vide its General Circular Nos. 14/2020 dated 8th April 2020, 17/2020 dated 13th April 2020, 20/2020 dated 5th May 2020, 22/2020 dated 15th June 2020, 33/2020 dated 28th September 2020, 39/2020 dated 31st December 2020, 02/2021 dated 13th January 2021, 10/2021 dated 23rd June 2021, 19/2021 dated 8th December 2021, 20/2021 dated 8th December 2021, 21/2021 dated 14th December 2021, 2/2022 dated 5th May 2022, 3/2022 dated 5th May 2022, 10/2022 dated 28th December 2022 and SEBI vide its Circular dated 5th January 2023, has allowed the Companies to conduct the AGM through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM") until 30th September 2023. In accordance with the said circulars of MCA, SEBI and applicable provisions of the Act and SEBI Listing Regulations, 2015, the 72nd AGM of the Company shall be conducted through VC / OAVM. National Securities Depository Limited ("NSDL") will be providing facility for voting through remote e-voting, for participation in the AGM through VC / OAVM facility and e-voting during the AGM. The procedure for participating in the meeting through VC / OAVM is explained in the notes below and is also available on the website of the Company at <https://www.sudarshan.com/notices.php>.
3. As explained above the AGM is being conducted through VC / OAVM, in compliance with the provisions of the Act and Rules made thereunder, SEBI Listing Regulations, 2015 and as per the abovementioned MCA and SEBI Circulars. In accordance with the Secretarial Standard – 2 issued by ICSI, read with clarification / guidance on applicability of Secretarial Standards – 1 and 2 issued from time to time, the proceedings of the AGM shall be deemed to be conducted at the Registered Office and Global Head Office of the Company which shall be deemed to be the venue of the AGM.
4. A member entitled to vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a member of the Company. In terms of the MCA Circulars, as the AGM is to be conducted through VC / OAVM, and since physical attendance of member is dispensed with, there is no requirement of appointment of proxies. Therefore, the facility for appointment of Proxy by the Members is not available for this AGM and hence the Proxy Form, Attendance Slip and Route Map are not annexed to this Notice. In this Notice, the terms member(s) or shareholder(s) are used interchangeably.

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ELECTRONIC DISPATCH OF NOTICE AND ANNUAL REPORT AND PROCESS FOR REGISTRATION OF EMAIL ID FOR OBTAINING COPY OF ANNUAL REPORT:

In accordance with the above-mentioned Circulars issued by the MCA and SEBI from time to time, copies of the financial statements (including Report of Board of Directors, Auditor's report or other documents required to be attached therewith), including the Notice of AGM are being sent only in electronic mode to Members whose e-mail address is registered with the Company / Registrar and Transfer Agent ("RTA") or Depository Participant(s) ("DP"). The Company will not be dispatching physical copies of such statements and the Notice of AGM to any member.

5. Members who have not updated their email address with the Company / RTA / DPs may do so by following the procedure given below:

a) Registration of email id for members holding shares in physical form –

The members of the Company who hold shares in physical form and who have not registered their email addresses may get their email addresses registered with the Company's RTA, Link Intime India Private Limited ("Link Intime"), by clicking the link: https://linkintime.co.in/emailreg/email_register.html or through their web site www.linkintime.co.in > Investor Services > E mail / Bank Registration > select 'SUDARSHAN CHEMICAL INDUSTRIES LIMITED' and follow the registration process as guided therein. On submission of the member's details, an OTP will be received by the member, which needs to be entered in the link for verification.

b) Registration of email id of members holding shares in Demat form –

Members are requested to register their email address, in respect of their demat holding with their respective DP's. In case of any queries/difficulties in registering the email address, Members may write to shares@sudarshan.com

6. A copy of the Notice of this AGM along with Annual Report for the FY 2022-23, is available on the website of the Company at www.sudarshan.com, on the website of Stock Exchanges i.e. BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE") at www.bseindia.com and www.nseindia.com respectively, and on the website of NSDL at www.evoting.nsdl.com.

PROCEDURE FOR JOINING THE AGM THROUGH VC / OAVM:

7. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned below in the Notice for Access to NSDL e-Voting system. After successful login, you can see link of "VC/OAVM link" placed under "Join General Meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/ Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
8. For convenience of the members and proper conduct of AGM, members can login and join at least 30 (thirty) minutes before the time scheduled for the AGM and shall be kept open throughout the proceedings of AGM. The facility of participation at the AGM through VC / OAVM will be made available on a first come first serve basis. The facility of participation at the AGM through VC/OAVM will be made available to at least 1,000 Members on a first come first serve basis as per the MCA Circulars. This will not include large shareholders (shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, Auditors, Chairman/Chairperson of the Committees of the Board of Directors, as applicable, etc. who are allowed to attend the AGM without the said restriction.
9. Members who need assistance before or during the AGM with use of technology, can send a request at evoting@nsdl.co.in or use Toll free no.: 1800 1020 990 /1800 224 430; or contact Ms. Pallavi Mhatre, Manager, NSDL at the designated email ID: evoting@nsdl.co.in.
10. Institutional Members are encouraged to attend and vote at the AGM through VC / OAVM. In case any Institutional Members, facing issues for participating in AGM can write to shares@sudarshan.com.

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11. Please note that participants connecting from Mobile devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio / Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.
12. Pursuant to the abovementioned MCA Circulars, physical attendance of the members is not required at the AGM, and therefore members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

PROCEDURE FOR SPEAKER REGISTRATION, SUBMISSION OF QUESTIONS / QUERIES:

13. As the AGM is being conducted through VC / OAVM, for the smooth conduct of proceedings of the AGM, members are encouraged to express their views / send their queries in advance mentioning their name, demat account number / folio number, email id, mobile number, their queries / views / questions at shares@sudarshan.com.
14. Members holding shares as on the cut-off date i.e. Friday, 4th August 2023, and who would like to speak or express their views or ask questions during the AGM may register themselves as speakers by sending an email to shares@sudarshan.com during Tuesday, 8th August 2023, 9.00 a.m. (IST) to Thursday, 10th August, 2023, 5.00 p.m. (IST) (e-voting period dates). Those members who have registered themselves as a speaker will only be allowed to speak/express their views/ask questions during the AGM.
15. Members can also express their views or post their questions during the AGM through a facility available in the VC / OAVM facility.
16. The Company reserves the right to restrict the number of questions and number of speakers, as appropriate for smooth conduct of the AGM.
17. Pursuant to Section 108 of the Act, read with the Companies (Management and Administration) Rules, 2014 ("Rules"), as amended, and in compliance with Regulation 44 of the SEBI Listing Regulations, 2015, as amended, and the Circulars issued by MCA, the Company is pleased to provide voting by electronic means ("remote e-voting") to the Members, to enable them to cast their votes electronically in respect of the business to be transacted at the AGM. For this the Company has entered into an agreement with NSDL for facilitating voting through electronic means, as the authorised agency. The facility of casting votes by a member using remote e-voting system will be provided by NSDL. **The e-voting Event Number ("EVEN") for this purpose is '124516'.**
18. The voting rights will be reckoned on the paid-up value of Equity Shares registered in the name of the members on Friday, 4th August, 2023 (on close of business hours) ("Cut-off date"). Only those Members whose names are recorded in the Register of Members of the Company or in the Register of Beneficial Owners maintained by the Depositories as on the Cut-off date will be entitled to cast their votes by remote e-voting.
19. The details of the process and manner for remote e-voting are explained herein below:

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: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

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Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
<p>Individual Shareholders holding securities in demat mode with NSDL.</p>	<ol style="list-style-type: none"> Existing IDeAS user can visit the e-Services website of NSDL viz. https://eservices.nSDL.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services and you will be able to see the e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nSDL.com. Select “Register Online for IDeAS Portal” or click at https://eservices.nSDL.com/SecureWeb/IdeasDirectReg.jsp. 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. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen-digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience. <p style="text-align: center;">NSDL Mobile App is available on</p> <div style="display: flex; justify-content: center; gap: 20px;">  App Store  Google Play </div> <div style="display: flex; justify-content: center; gap: 20px; margin-top: 10px;">   </div>
<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<ol style="list-style-type: none"> Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. The option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System My easi Tab and then use your existing my easi username & password. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by the company. On clicking the evoting option, the user will be able to see the e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there are also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers’ website directly. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option.

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	4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see the e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at 022 - 4886 7000 and 022 - 2499 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

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 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP 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 124516 then user ID is 124516001***

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5. Password details for shareholders other than Individual shareholders 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, please follow steps mentioned below in **process for those shareholders whose email ids are not registered**.
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.nsd.com.
 - b) **Physical User Reset Password?** (If you are holding shares in physical mode) option available on www.evoting.nsd.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 etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
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.

Step 2: Cast your vote electronically and join the General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join the General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and cast your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. 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.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

Notice

THE INSTRUCTIONS FOR MEMBERS FOR E-VOTING ON THE DAY OF THE AGM ARE AS UNDER:

1. The procedure for e-Voting on the day of the EGM/AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the EGM/AGM through VC/OAVM facility and have not cast their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the EGM/AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the EGM/AGM. However, they will not be eligible to vote at the EGM/AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the EGM/AGM shall be the same person mentioned for Remote e-voting.

THE INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the EGM/AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM" placed under "**Join meeting**" menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use the Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at (shares@sudarshan.com). The same will be replied by the company suitably.

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. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
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.: 022 - 4886 7000 and 022 - 2499 7000 or send a request to Ms. Pallavi Mhatre, Manager, NSDL at evoting@nsdl.co.in

Notice

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to shares@sudarshan.com).
2. In case shares are held in demat mode, please provide DPID-CLID (16-digit DPID + CLID or 16-digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to shares@sudarshan.com. If you are an Individual shareholder holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode**.
3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.
 - 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 Friday, 4th August 2023, and who continue to hold the shares as on the date of 72nd AGM will be entitled to vote at the AGM.
 - ii. The notice of the 72nd AGM is being sent to all members who are holding shares as on Friday, 7th July 2023.

Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes member of the Company after the notice is sent through e-mail and holding shares as of the cut-off date i.e. Friday, 4th August 2023, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or Issuer/ RTA. However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/ Password" or "Physical User Reset Password" option available on www.evoting.nsdl.com or call on toll free no. 1800 1020 990 and 1800 2244 30. In case of Individual Shareholders holding securities in demat mode who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date i.e. Friday , 4th August 2023, may follow steps mentioned in the Notice of the AGM under "Access to NSDL e-Voting system".

Members may cast their votes on electronic voting system from any place (remote e-voting). The remote e-voting period will commence at 9.00 a.m. (IST) on Tuesday, 8th August 2023 and will end at 5.00 p.m. (IST) on Thursday, 10th August 2023.

The remote e-voting module shall be disabled for voting thereafter.

In addition, the e-voting window shall be activated upon instruction of the Chairman of the meeting during the AGM. The e-voting during the AGM is integrated with the VC / OAVM platform and therefore no separate login is required.

Members attending the AGM who have not cast their vote by remote e-voting and are otherwise not barred from doing so shall be eligible to cast their vote through e-voting during the AGM. Members who have voted through remote e-voting shall be eligible to attend the AGM, however, they shall not be eligible to vote at the meeting. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently. Members holding shares in physical form are requested to access the remote e-voting facility provided by the Company through NSDL e-voting system at <https://www.evoting.nsdl.com/>.

- iii. Mr. Rajesh Karunakaran, Practicing Company Secretary, Pune, (Membership No. FCS 7441 & CP No. 6581) has been appointed as a Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- iv. The Scrutinizer shall after the conclusion of remote e-voting, will first count the votes cast during the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make a consolidated Scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same and declare the result of voting forthwith.

Notice

The Results declared along with a Scrutinizer's Report will be placed on the Company's website at www.sudarshan.com and on the website of NSDL at www.nsdl.co.in immediately after the result is declared by the Chairman or a person authorised by him and simultaneously be forwarded to the Stock Exchanges viz. BSE and NSE at www.bseindia.com and www.nseindia.com respectively. The results will be announced within the time stipulated under the applicable laws.

20. (a) The Members, whose names appear in the Register of Members/list of Beneficial Owners as on Friday, 4th August 2023, i.e. the Record Date will be paid the Final Dividend for the financial year ended 31st March 2023, as recommended by the Board, if approved at the AGM.
- (b) Pursuant to Section 125 of the Companies Act, 2013, and Rules made thereunder, as amended, all unclaimed dividends for the Accounting Years ended up to 31st March 2015 have been transferred to the Investor Education and Protection Fund ("IEPF") of the Central Government. Unclaimed dividends for subsequent years will also be transferred to the IEPF if they remain unclaimed for a period of seven consecutive years from the date, they became due for payment. For more information, members are requested to refer to the Shareholders Information section forming part of this Annual Report.
- (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, Maharashtra, India, 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.
- (d) It may be in the interest of Members to hold securities in joint names.
- (e) As per Regulation 40 of the SEBI Listing Regulations, 2015, as amended, securities of the listed entity can be transferred only in dematerialized form with effect from 1st April 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares members holding shares in the physical form are therefore requested to dematerialize their shares in their own interest.
- (f) SEBI vide its Circular dated 20th April 2018, has mandated registration of Permanent Account Number (PAN) and Bank Account Details for all security holders. Members holding shares in physical form are therefore requested to visit the website of Company's RTA Link Intime India Private Limited ("Link Intime"), by clicking the link: https://linkintime.co.in/emailreg/email_register.html or through their web site www.linkintime.co.in > Investor Services > E mail / Bank Registration > select 'SUDARSHAN CHEMICAL INDUSTRIES LIMITED' and follow the registration process as guided therein. On submission of the member's details, an OTP will be received by the member, which needs to be entered in the link for verification.
- (g) 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, the Registrar is obliged to use only the data provided by the Depositories.
- (h) 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, Maharashtra
 Tel. No. 020-2616 0084, 020-2616 1629.
 Tele fax. 020-2616 3503
 E-mail: pune@linkintime.co.in Website: www.linkintime.co.in

Notice

The Company has designated e-mail address - shares@sudarshan.com and 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.

- (i) Members holding shares under different folios may approach the Company for consolidation of ledger folios into one folio.
- (j) Members are requested to intimate changes if any, pertaining to their name, postal address, email address, telephone/mobile numbers, Permanent Account Numbers ("PAN"), mandates, nominations, power of attorney, bank details etc.
 - (i) For shares held in electronic form: to their respective Depository Participants ("DPs");
 - (j) For shares held in physical form: to the Company / RTA, in prescribed Form ISR-1 and other forms pursuant to SEBI Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated 3rd November 2021.
- (k) Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated 25th January 2022, has mandated listed companies to issue securities in dematerialized form only while processing service requests viz. Issue of Duplicate Share Certificates/Letter of Confirmation, claim from Unclaimed Suspense Account of the Company, transmission, transposition etc. Accordingly, members are requested to make service requests by submitting a duly filled and signed Form ISR-4. It may be noted that any service request shall be processed only after the folio is KYC compliant. In view of the same and to eliminate all risks associated with physical shares and to avail various benefits of dematerialization, members are advised to dematerialize the shares held by them in physical form. The member may contact the Company / RTA for assistance in this respect.
- (l) 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.
- (m) Members can avail of the nomination facility in respect of securities held by them in physical form as per Section 72 of the Companies Act, 2013, Rules made thereunder and SEBI Circular dated 3rd November 2021, and clarification Circular dated 14th December 2021. Members desiring to avail this facility may send their nomination in the prescribed Form SH-13 or Form ISR-3 (Declaration to Opt-out) duly filled into RTA. Members holding shares in the electronic form may contact their respective DP's. The Forms may be downloaded from the Company's website.
- (n) Details as required by Regulation 36(3) of SEBI Listing Regulations, 2015 and Secretarial Standard -2 on General Meeting issued by ICSI in respect of the Director seeking appointment / re-appointment at this AGM form part of the Explanatory Statement annexed hereto.
- (o) During the AGM, the Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts or arrangements in which Directors are interested under Section 189 of the Act, and relevant documents referred to in this Notice of AGM and Explanatory Statement and the Certificate certifying that ESOP Scheme of the Company is being implemented in accordance with the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 shall be available for inspection upon login at NSDL e-voting system at <https://www.evoting.nsdl.com> and on the website of the Company, www.sudarshan.com.

DIVIDEND RELATED INFORMATION

- 21. The Members, whose names appear in the Register of Members/list of Beneficial Owners as on Friday, 4th August 2023, i.e. the Record Date will be paid the Final Dividend for the financial year ended 31st March 2023, as recommended by the Board, if approved at the AGM, on or before 4th September, 2023.
- 22. Members holding shares in demat form are hereby informed that bank particulars registered with their respective Depository Participants, with whom they maintain their demat accounts, will be used by the Company for the payment of dividend. The Company or its Registrar cannot act on any request received directly from the Members holding shares in demat form for any change of bank particulars. All changes such as tax residential status, Permanent Account Number (PAN), email id, phone number etc. are to be intimated only to the Depository Participant(s) of the Members.

Notice

Members holding shares in demat form are requested to intimate any change in their address and/or bank mandate immediately to their Depository Participants.

23. Members holding shares in physical form are requested to intimate any change of address and/or bank mandate and changes such as tax residential status, Permanent Account Number (PAN), email id, phone number etc. to Link Intime India Private Limited (Link Intime), Registrar and Share Transfer Agent of the Company or Investor Service Department of the Company immediately by sending a request on e-mail at shares@sudarshan.com or contact Link Intime at [https:// web.linkintime.co.in/EmailReg/Email_Register.html](https://web.linkintime.co.in/EmailReg/Email_Register.html) or through their web site www.linkintime.co.in > Investor Services > Email / Bank Detail Registration > select "SUDARSHAN CHEMICAL INDUSTRIES LIMITED". In case the Company is unable to pay the dividend to any shareholder by electronic mode, due to non-availability of the details of the bank account, the Company shall dispatch the dividend warrant to such shareholder by post.
24. Shareholders may note that the Income Tax Act, 1961, as amended by the Finance Act, 2020, mandates that dividends paid or distributed by a Company after 1st April 2020 shall be taxable in the hands of the Shareholders. The Company shall therefore be required to deduct Tax at Source (TDS) at the time of making the final dividend. In order to enable us to determine the appropriate TDS rate as applicable, Members are requested to submit the documents in accordance with the provisions of the Income Tax Act, 1961.
 - a) **For Resident shareholders**, TDS shall be made under Section 194 of the Income Tax Act, 1961 at 10% on the amount of Dividend declared and paid by the Company during FY 2022-23 provided PAN is registered by the Shareholder. If the shareholders do not have PAN / have not registered their valid PAN to their account, TDS would be deducted @ 20% as per Section 206AA of the Income Tax Act, 1961. However, no tax shall be deducted on the Dividend payable to a resident Individual if the total dividend to be received by them during FY 2022-23 does not exceed ₹5,000. Please note that this includes the future dividends, if any, which may be declared by the Board in FY 2023-24. Separately, in cases where the shareholder provides Form 15G (applicable to all individuals) / Form 15H (applicable to an Individual above the age of 60 years), provided that the eligibility conditions are being met, no TDS shall be deducted. TDS will not be deducted if the shareholder is exempted from TDS provisions through any circular(s) or notification(s) and provides an attested copy of the Permanent Account Number (PAN) along with documentary evidence in relation to the same.

In order to provide exemption from withholding of tax, following organizations must provide a self-declaration as listed below:

- i. Insurance companies: Declaration stating the status of as "Insurance Company" and provisions of Section 194 of the Act are not applicable to them along with self-attested copy of registration certificate and PAN card.
- ii. Government Bodies and Specified Corporations established under Central Act / Regulations, whose income is exempt from tax and Mutual Funds: Declaration by Mutual Fund shareholder eligible for exemption u/s 10(23D) of the Income- tax Act, 1961 along with self-attested copy of registration documents and PAN card.
- iii. Alternative Investment Fund (AIF) established in India: Declaration that the shareholder is eligible for exemption under section 10(23FBA) of the Act and they are established as Category I or Category II AIF under the SEBI regulations, along with copy of self-attested registration documents and PAN card.
- iv. New Pension System Trust: Declaration along with self-attested copy of documentary evidence supporting the exemption and self-attested copy of PAN card.
- v. Other shareholders – Declaration along with self-attested copy of documentary evidence supporting the exemption and self-attested copy of PAN card.
- vi. Shareholders who have provided a valid certificate issued u/s. 197 of the Act for lower / nil rate of deduction or an exemption certificate issued by the income tax authorities along with Declaration.
- vii. Please also note that where tax is deductible under the provisions of the Act and the PAN of the shareholder is either not available or PAN available in records of the Company /Registrar and Share Transfer Agent ("RTA") is invalid / inoperative, tax shall be deducted @ 20% as per section 206AA of the Act.

Notice

viii. Also, the shareholders are requested to ensure Aadhar Number is linked with PAN, as per the timelines prescribed. In case of failure of linking Aadhar Number with PAN within the prescribed timelines, PAN shall be considered as inoperative and, in such scenario, tax shall be deducted at higher rate of 20% as prescribed under the Act. The last date to link Aadhar Number with PAN was extended to 30th June, 2023. The provisions for a higher tax deduction shall be applicable after that date, unless further extended.

All documents submitted by shareholders will be verified and the Company will consider the same while deducting the appropriate taxes in accordance with the provisions of the Income Tax Act, 1961.

- b) For Non-resident shareholders**, taxes are required to be withheld in accordance with the provisions of Section 195 of the Income Tax Act, 1961 at the rates in force. As per the relevant provisions of the Income Tax Act, 1961, the withholding tax shall be at the rate of 20% (plus applicable surcharge and cess) on the amount of Dividend payable to them. In the case of GDRs and FII/FPs, the withholding tax shall be as per the rates specified in Section 196C and 196D of the Act respectively plus applicable surcharge and cess on the amount of Dividend payable to them. However, as per Section 90 of the Income Tax Act, 1961, the non-resident shareholder has the option to be governed by the provisions of the Double Tax Avoidance Agreement (DTAA) between India and the country of tax residence of the shareholder if they are more beneficial to them. For this purpose, i.e. to avail the Tax Treaty benefits, the non-resident shareholder will have to provide the following:
- i. Self-attested copy of PAN card, if any, allotted by the Indian Income Tax Authorities;
 - ii. Copy of Tax Residency Certificate ("TRC") (for the period April 2023 to March 2024) (refer format) obtained from the tax authorities of the country of which the shareholder is resident;
 - iii. Completed and digitally signed Self-declaration in Form 10F in electronic format submitted on Income Tax portal (refer format). Pursuant to Notification No. 03/2022 dated 16th July, 2022 of the Central Board of Direct Tax ("CBDT"), it has been mandated for non-resident to issue Form 10F in electronic format (to be obtained through e-filing portal of income tax website) duly verified in manner as prescribed in the said Notification.
 - iv. Self-declaration (refer format) by the non-resident shareholder of meeting DTAA eligibility requirement (for the period April 2023 to March 2024) and satisfying beneficial ownership requirement (Non-resident having PE in India would need to comply with provisions of section 206AB of the IT Act).
 - v. In the case of Foreign Portfolio Investors, self-attested copy of SEBI registration certificate.
 - vi. Self-Declaration by the shareholder regarding the satisfaction of the Place of Effective Management (POEM), principal purpose test, GAAR, Simplified Limitation of Benefit test (wherever applicable), as regards the eligibility to claim recourse to concerned Double Taxation Avoidance Agreements.
 - vii. In case of shareholder being tax resident of Singapore, please furnish the letter issued by the competent authority or any other evidences demonstrating the non-applicability of Article 24 - Limitation of Relief under India-Singapore Double Taxation Avoidance Agreement (DTAA) including meeting of all conditions laid down by DTAA.

The above-mentioned formats are available on the website of the Company <https://www.sudarshan.com/notices.php>.

25. Please note that the Company is not obligated to apply the beneficial DTAA rates at the time of tax deduction/withholding on dividend amounts. Application of beneficial DTAA Rate shall depend upon the completeness and satisfactory review by the Company of the documents submitted by Non-Resident shareholder. In absence of the same, the Company will not be obligated to apply the beneficial DTAA rate at the time of tax deduction on final dividend.
26. Rate of TDS @10% u/s 194 of the Act is subject to provisions of section 206AB of Income Tax Act, 1961 (effective from 1st July 2021) which introduces special provisions for TDS in respect of non-filers of income-tax return. As provided in section 206AB, tax is required to be deducted at the highest of following rates in case of payments to specified persons:
- at twice the rate specified in the relevant provision of the Act; or
 - at twice the rate or rates in force; or
 - at the rate of 5%.

Notice

Where sections 206AA and 206AB are applicable simultaneously i.e. the specified person has not submitted the PAN as well as not filed returns; the tax shall be deducted at the higher of the two rates prescribed in these two sections.

The term 'specified person' is defined in sub section (3) of section 206AB of the Act who satisfies the following conditions:

- A person who has not furnished the income tax return for the assessment year relevant to the previous year immediately preceding the financial year in which tax is required to be deducted, for which the time limit of filing of return of income under section 139(1) of the Act has expired; and
- The aggregate of TDS and TCS in his case is ₹50,000 or more in the said previous years.

The non-resident who does not have a permanent establishment is excluded from the scope of a specified person.

The Company will check the PAN and Return status on the Bulk compliance functionality provided by the Govt and continue to deduct TDS at the appropriate rates.

In terms of Rule 37BA of Income Tax Rules 1962, if final dividend income on which tax has been deducted at source is assessable in the hands of a person other than the deductee, then such deductee should file declaration with Company in the manner prescribed by the Rules. Accordingly, in order to enable us to determine the appropriate TDS/withholding tax rate applicable, we request you to provide these details and documents as mentioned above on or before Friday, 29th July 2023. No request in this regard will be accepted by the Company/RTA after the said date.

27. Kindly note that the aforementioned documents are required to be submitted on the RTA's portal at <https://linkintime.co.in/formsreg/submission-of-form-15g-15h.html> or through their web site www.linkintime.co.in > Investor Services > Tax Exemption Registration > select "SUDARSHAN CHEMICAL INDUSTRIES LIMITED" and follow the registration process as guided therein or can be forwarded to shares@sudarshan.com on or before Friday, 29th July 2023 in order to enable the Company to determine and deduct appropriate TDS/withholding tax rate. No communication on the tax determination/deduction shall be entertained post Friday, 29th July 2023. It may be further noted that in case the tax on said dividend is deducted at a higher rate in absence of receipt of the aforementioned details/documents from you, there would still be an option available with you to file the return of income and claim an appropriate refund, if eligible.
28. We shall arrange to e-mail the soft copy of TDS certificate to you at your registered e-mail ID in accordance with the provisions of the Income Tax Act 1961 after filing of the quarterly TDS Returns of the Company, post payment of the said Dividend.
29. The Company vide its earlier separate e-mail communication had informed the Members regarding this change in the Income Tax Act, 1961 as well as the relevant procedure to be adopted by the Members to avail the applicable tax rate.
30. The Ministry of Corporate Affairs had notified provisions relating to unpaid/unclaimed dividend under Sections 124 and 125 of Companies Act, 2013 and Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016. As per these Rules, dividends which are not encashed/claimed by the shareholder for a period of seven consecutive years shall be transferred to the Investor Education and Protection Fund ('IEPF') Authority. The IEPF Rules mandate the Companies to transfer the shares of shareholders whose dividends remain unpaid/unclaimed for a period of seven consecutive years to the demat account of IEPF Authority. In terms of the said provisions, dividend amount for the year ended 31st March, 2016, remaining unpaid/unclaimed for a period of seven consecutive years and corresponding shares related to such dividend, shall become due for transfer in September, 2023 to IEPF Fund. Hence, the Company urges all the shareholders to encash/claim their respective dividend during the prescribed period. A list containing details of shareholders whose dividend and corresponding shares are liable to be transferred to IEPF Fund in September, 2023, as explained above, is available on the website of the Company. The Member(s) whose dividend/shares as transferred to the IEPF Authority can now claim their shares from the Authority by following the Refund Procedure as detailed on the website of IEPF Authority <http://iepf.gov.in/IEPF/refund.html>.

Notice

31. Members are requested to contact Link Intime/Investor Service Department of the Company for encashing the unclaimed dividends standing to the credit of their account. The detailed dividend history and due dates for transfer to IEPF are available on the website of the Company at www.sudarshan.com.

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

MANDAR VELANKAR
GENERAL COUNSEL AND COMPANY SECRETARY
MEMBERSHIP NO.: ACS 14469

Pune, 23rd May 2023
Sudarshan Chemical Industries Limited
Registered Office and Global Head Office:
7th Floor, Eleven West Panchshil, Survey No. 25
Near PAN Card Club Road, Baner, Pune – 411 045,
Maharashtra, India
CIN : L24119PN1951PLC008409
Website: www.sudarshan.com
Email: shares@sudarshan.com

Notice

Explanatory statement pursuant to section 102 of the Companies Act, 2013

In conformity with the provisions of section 102 of the Companies Act, 2013, and statement of additional information as required under SEBI Listing Regulations, 2015, 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. 4 OF THE NOTICE:

The Board of Directors at their meeting held on 23rd May 2023, based on the recommendation of the Audit Committee, appointed Mrs. Ashwini Kedar Joshi (Sole Proprietor), Cost Accountant, Pune (Firm Registration No.: 102387) as Cost Auditor of the Company for auditing the cost records for the FY 2023-24 for its 'Specified Products', at a remuneration of ₹60,000/- (Rupees Sixty Thousand only) plus applicable taxes thereon and reimbursement of out-of-pocket expenses. The proposed remuneration is commensurate with the proportion of turnover of 'Specified Products' to the total turnover of the Company.

Pursuant to the provisions of Section 148 of the Companies Act, 2013, and Rules made thereunder, remuneration payable to the Cost Auditors is required to be ratified by the members of the Company.

The Board recommends the Ordinary Resolution set out in Item No. 4 of the notice, for the approval of members of the Company. None of the Directors or Key Managerial Personnel of the Company, or their respective relatives is in any way concerned or interested in the resolution set out in Item No. 4 of the Notice.

ITEM NO. 5 OF THE NOTICE:

Mr. Rajesh Rathi has been the Managing Director of the Company since 1st June, 2018. Prior to his stint as Managing Director, he has been associated with the Company for more than two decades in various capacities. Over these years, Mr. Rajesh Rathi has been instrumental in driving tremendous growth of Pigment Division as a significant contributor to the success of the Company. After taking over as the Managing Director in 2018, under his leadership, the Company embarked on the transformation journey to be amongst the top three pigment manufacturers of the World. Despite challenging circumstances arising from Covid-19, turbulent geo-political situation on account of Russia-Ukraine crisis and inflationary pressure, the Company has shown the resilient performance under the leadership of Mr. Rajesh Rathi.

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors had accorded its approval for appointment of Mr. Rajesh Rathi as a Managing Director for a term of 5 years effective 1st June, 2023, to 31st May, 2028 upon the terms and conditions as recommended by the Nomination and Remuneration Committee and approved by the Board of Directors.

The details of remuneration, as approved by the Board of Directors at its meeting held on 23rd May 2023, based on recommendation of Nomination and Remuneration Committee are as given below:

Sr. No.	Particulars	Amount (₹)
1.	Salary (₹ Per month) (Eligible for revision every year as determined by the Board.)	17,07,750/-
2.	Other Allowances (₹ Per month) viz. House Rent Allowance, Children Education and Hostel Allowance, Conveyance, Leave Travel Allowance etc.,(Eligible for revision every year as determined by the Board.)	10,26,163/-
3.	Performance Linked Variable Allowance (PLVA) (₹ Per month) (payable annually and eligible for revision every year as determined by the Board.) The Board may also consider granting special incentive based on the recommendation of the Nomination and Remuneration Committee in addition to the PLVA.	18,26,344/-
4	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,	As per Policy of the Company

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	Mobile, Fax, Computer, Watchman, Domestic Servant, Gardner, Ex-gratia, Canteen, compensation for loss of Office as computed under the provisions of Companies Act, 2013	
5	Retirals: Provident Fund, Superannuation, Gratuity Fund - As per the Company's Policy	As per Policy of the Company

The Company does not have a practice of paying severance fees nor have a stock option Programme for the Managing Director.

Subject to the control and supervision of the Board of Directors, Mr. Rajesh Rathi, shall continue to be in charge of the management of the affairs of the Company and shall perform such duties and exercise such powers as may be entrusted to him from time to time by the Board and Members except such matters which are specifically required to be undertaken by the Board under the applicable provisions of the Articles of Association of the Company or under the Act and the Rules made thereunder or under the SEBI Listing Regulations, 2015, as amended from time to time.

Details as required pursuant to Regulation 36(3) of the SEBI Listing Regulations, 2015, and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, as applicable are provided hereunder.

Name of the Director	Mr. Rajesh Rathi
DIN	DIN: 00018628
Date of Birth (Age)	13 th November 1968 (54 Years)
Initial date of appointment on the Board	23 rd May, 2008
Experience and Expertise and brief resume	Mr. Rajesh Rathi has completed BE (Mechanical) from MIT, Pune; BSc (Chemical) from Ohio University, USA and MBA from Pittsburgh University, USA. He has been associated with the Company for more than two decades in various capacities. Over these years, Mr. Rajesh Rathi has been instrumental in driving tremendous growth of Pigment Division as a significant contributor to the success of the Company. After taking over as the Managing Director in 2018, under the leadership of Mr. Rajesh Rathi, the Company embarked on the transformation journey to be amongst the top four pigment manufacturers of the World.
No. of Meetings of the Board attended during the year	Mr. Rajesh Rathi attended 5 (Five) Meetings of the Board of Directors held during the year 2022-23.
List of Directorship/ Membership / Chairmanship of Committees	<p>Directorships held in other entities and companies –</p> <ol style="list-style-type: none"> 1. RIECO Industries Limited 2. Sudarshan CSR Foundation 3. Marathwada Chemical Industries Private Limited 4. Rathi Enterprises Private Limited 5. Rathi Brothers Private Limited 6. Balkrishna Rathi Finance Private Limited 7. Rabro Speciality Chemicals Private Limited 8. Rathi Vessels and Systems LLP 9. STRR Consulting LLP 10. Pigment Manufacturers' Association of India 11. Sudarshan Europe B.V. 12. Sudarshan North America Inc. 13. Sudarshan Mexico S de R. L. de CV 14. Sudarshan (Shanghai) Trading Company Limited 15. Sudarshan Japan Limited <p>Memberships and Chairmanships in Committees –</p> <ol style="list-style-type: none"> 1. Stakeholders' Relationship Committee – Member 2. Corporate Social Responsibility Committee – Member 3. Risk Management Committee - Member

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Listed Entities from which person has resigned during past 3 years.	None
No. of shares held in the Company including shareholding as a beneficial owner.	5,450,154 Equity Shares (7.87%) (Mr. Rathi is holding 4,050,359 Equity Shares i.e. 5.85% in the individual capacity)
Disclosure of relationship between Directors and Key Managerial Personnel of the Company.	Mr. Rathi is not related to any Director(s) / KMPs of the Company
Terms & Conditions of appointment / re-appointment.	As provided in the Explanatory Statement.
Details of remuneration sought to be paid.	Please refer to the Explanatory Statement.
Details of remuneration last drawn.	Please refer Report on Corporate Governance forming part of the Annual Report for FY 2022-23.

The appointment and remuneration of Mr. Rajesh Rathi is in compliance with the provisions of Sections 196, 197, 203, the rules made thereunder and other relevant and applicable provisions, if any, of the Act and the Articles of Association of the Company and SEBI Listing Regulations, 2015.

He is not disqualified from being appointed as Director in terms of Section 164 of the Act and he is not debarred from holding office of director pursuant to any SEBI order or any other regulatory authority and is also eligible to act as Managing Director of the Company pursuant to applicable provisions of the Act.

The Company has not defaulted in payment of dues to any bank or public financial institution or non-convertible debenture holders or other secured creditor, if any.

Members' approval is hereby sought for the re-appointment of Mr. Rajesh Rathi as Managing Director of the Company for a period of 5 (five) years effective 1st June, 2023 and fixing the remuneration payable to him in that capacity.

None of the Directors or Key Managerial Personnel of the Company or their relatives except Mr. Rajesh Rathi himself and his relatives, in any way, concerned or interested, whether financially or otherwise, in the resolutions set out in Item No. 5 of the Notice.

ITEM NO. 6 OF THE NOTICE:

Mr. Ashish Vij has been associated with the Company since December, 2005 in various capacities including his elevation to the position of Wholetime Director in 2018. Mr. Ashish Vij has played a pivotal role in matching the global standards for manufacturing operations of the Company over a period of more than 17 years. Since taking over as the Wholetime Director of the Company, under the leadership of Mr. Ashish Vij, the Company has embarked on the journey towards upgrading its manufacturing sites to become the World Class Manufacturing sites.

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors had accorded its approval for appointment of Mr. Ashish Vij as a Wholetime Director for a term of 5 years effective 24th May, 2023, to 23rd May, 2028 upon the terms and conditions as recommended by the Nomination and Remuneration Committee and approved by the Board of Directors.

The details of remuneration, as approved by the Board of Directors at its meeting held on 23rd May 2023, based on recommendation of Nomination and Remuneration Committee are as given below:

Sr. No.	Particulars	Amount (₹)
1.	Salary (₹ Per month) (Eligible for revision every year as determined by the Board.)	6,93,346/-
2.	Other Allowances (₹ Per month) viz. House Rent Allowance, Children Education and Hostel Allowance, Conveyance, Leave Travel Allowance etc.,(Eligible for revision every year as determined by the Board.)	3,77,829/-
3.	Performance Linked Variable Allowance (PLVA) (₹ Per month) (payable annually and eligible for revision every year as determined by the Board in accordance with the PLVA Policy of the Company.)	5,72,010/-

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4	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,	As per Policy of the Company as may be applicable
5	Retirals: Provident Fund, Superannuation, Gratuity Fund - As per the Company's Policy	As per Policy of the Company

The Company does not have a practice of paying severance fees to its Wholetime Directors.

Mr. Ashish Vij, in his capacity as the Wholetime Director of the Company, shall be responsible for effective management of manufacturing operations of the Company.

Details as required pursuant to Regulation 36(3) of SEBI Listing Regulations, 2015 and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, as applicable are provided hereunder.

Name of the Director	Mr. Ashish Vij
DIN	DIN: 08140194
Date of Birth (Age)	2 nd May, 1970 (53 Years)
Initial date of appointment on the Board	24 th May, 2018
Experience and Expertise and brief resume	Mr. Ashish Vij has completed his BE (Chemical) UDCI from Punjab University. He is a certified Six Sigma Black Belt and Lean Practitioner from Uniworld, USA and Breakthrough Management Group India. He has also completed the Strategy Intervention Programme from the Strategy Academy of Mr. Ranjan Das (Strategy Prof. of IIMC). He has been associated with the Company for more than 15 years.
No. of Meetings of the Board attended during the year	Mr. Ashish Vij attended 5 (Five) Meetings of the Board of Directors held during the year 2022-23.
List of Directorship/ Membership / Chairmanship of Committees	Directorships held in other entities and companies – 1. Sudarshan (Shanghai) Trading Company Limited Memberships and Chairmanships in Committees – 1. Risk Management Committee – Member
Listed Entities from which person has resigned during past 3 years.	None
No. of shares held in the Company including shareholding as a beneficial owner.	4,151 Equity Shares (0.01%) (Mr. Vij is holding 4,001 Equity Shares i.e. 0.01% in the individual capacity)
Disclosure of relationship between Directors and Key Managerial Personnel of the Company.	Mr. Ashish Vij is not related to any Director(s) / KMPs of the Company
Terms & Conditions of appointment / re-appointment.	As provided in the Explanatory Statement.
Details of remuneration sought to be paid.	Please refer to the Explanatory Statement.
Details of remuneration last drawn.	Please refer Report on Corporate Governance forming part of the Annual Report for FY 2022-23.

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The appointment and remuneration of Mr. Ashish Vij is in compliance with the provisions of Sections 196, 197, 203, the rules made thereunder and other relevant and applicable provisions, if any, of the Act and the Articles of Association of the Company and SEBI Listing Regulations, 2015.

Mr. Ashish Vij is not disqualified from being appointed as Director in terms of Section 164 of the Act and he is not debarred from holding office of director pursuant to any SEBI order or any other regulatory authority and is also eligible to act as Wholetime Director of the Company pursuant to applicable provisions of the Act.

The Company has not defaulted in payment of dues to any bank or public financial institution or non-convertible debenture holders or other secured creditor, if any.

Members' approval is hereby sought for the re-appointment of Mr. Ashish Vij as Wholetime Director of the Company for a period of 5 (five) years effective 24th May, 2023 and fixing the remuneration payable to him in that capacity.

None of the Directors or Key Managerial Personnel of the Company or their relatives except Mr. Ashish Vij himself and his relatives, in any way, concerned or interested, whether financially or otherwise, in the resolutions set out in Item No. 6 of the Notice.

ITEM NOS. 7 AND 8 OF THE NOTICE:

The Members of the Company at its Meeting held on 9th August, 2018 approved the appointment and remuneration payable to Mr. Rajesh Rathi, Managing Director of the Company, up to expiry of his term on 31st May, 2023, in accordance with the applicable provisions of Sections 196, 197, 198 and 203 of the Companies Act, 2013 ("the Act") and Rules made thereunder.

During the year under review, the Company faced many challenges viz. complex geo-political situation arising out of Russia-Ukraine crisis leading to adverse impact on global demand and unprecedented increase in prices of raw materials and indirect materials. Further, strict lock-down restrictions imposed in China resulted in drastic reduction in domestic demand in China for pigment products. Global markets were flooded with excess supplies and also contributed to an adverse impact on demand. The commercialization of capital expansion programmes of the Company was delayed on account of global restrictions imposed on account of two waves of Covid-19. All these factors primarily resulted in lower sales volumes and lower margins, leading to lower profits as compared to previous years. Due to these unprecedented factors, in FY 2022-23, the EBIDTA on standalone basis declined to ₹18,562.3 Lakhs as compared to ₹24,166.4 Lakhs in FY 2021-22. The profit before tax declined to ₹3,782.7 Lakhs in FY 2022-23 from ₹13,745.8 Lakhs in FY 2021-22, resulting in inadequate profits for payment of managerial remuneration within the limits prescribed by the provisions of the Act.

In absence of profit and / or inadequacy of profit calculated as per provisions of Section 197 read with Section 198 of the Act, the company may pay remuneration over the ceiling limit specified in Schedule V of the Act, subject to approval of members by way of Special Resolution.

Details of Remuneration paid to Mr. Rajesh Rathi during the FY 2022-23 are as follows.

Sr. No.	Particulars	Amount (₹)
1.	Fixed Remuneration	3,29,04,972
2.	Performance Linked Variable Allowance paid during the year 2022-23 for performance during the previous year.	1,41,06,109
3	Retirals: Provident Fund, Superannuation, Gratuity Fund - As per the Company's Policy	As per Policy of the Company and applicable legal provisions

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Further, in terms of Regulation 17(6)(e) of SEBI Listing Regulations, 2015, approval of members by way of Special Resolution is required where the overall remuneration payable to executive directors being promoter or part of promoter group exceeds ₹5 crore or 2.5% of the net profits of the company, whichever is higher.

During the Financial Year 2022-23, Mr. Rajesh Rathi has drawn remuneration amounting to ₹500.85 Lakhs which is exceeding the limits prescribed under Section 197 of the Companies Act, 2013 read with Schedule V to the Act by ₹277.3 Lakhs. The said remuneration is also marginally exceeding the limit prescribed in terms of Regulation 17(6)(e) of the Listing Regulations.

The Details of past remuneration drawn by Mr. Rajesh Rathi are as follows:

Sr. No.	Financial Year	Remuneration paid to Mr. Rajesh Rathi in Amt (₹ Lakhs)	Statutory limit available in terms of the prescribed by the Act In Amt (₹ Lakhs)	% Utilization
1	2021-22	683.37	735.45	93
2	2020-21	634.47	890.83	71
3	2019-20	306.56	839.63	36
4	2018-19	239.21	653.06	37
5	2017-18	292.18	708.06	41

Historically, remuneration paid to Mr. Rathi has always been well within statutory limits. Even the total managerial remuneration paid to Executive Directors and Non-Executive Directors has been well within the overall statutory limits. The approach of the Nomination and Remuneration Committee has been very conservative in fixing and recommending managerial remuneration. In the first quarter of the financial year 2022-23, anticipating the potential drop in revenues and profitability, the entire Leadership Team led by Mr. Rajesh Rathi unanimously decided not to avail any increment to their remuneration during the financial year. Accordingly, remuneration payable to Mr. Rajesh Rathi, Managing Director, was not revised during the financial year 2022-23.

Overall, the financial year 2022-23 had been challenging not only for the Company but for the entire Pigment Industry on sales as well as margin front on account of various factors. There was severe pressure in the first three quarters on account of weak demand outlook resulting from a volatile geo-political situation, unprecedented rise in raw material prices. Although the last quarter of the Financial Year showed a strong revival and performance on overall business and financial parameters, a moderate ramp up in operational and financial performance can be expected in the short term. However, the Company is hopeful about the recovery and regaining normalization in the medium term on account of positives such as a wider range of product portfolio, measures in progress for cost efficient operations, softening of raw material prices etc.

Considering the above facts, the Nomination and Remuneration Committee and the Board recommended the payment of managerial remuneration of ₹500.85 Lakhs, notwithstanding that the annual remuneration paid for FY 2022-23 to Mr. Rajesh Rathi exceeds the limits prescribed under Section 197 of the Act and Regulation 17(6)(e) of the Listing Regulations. In view of the inadequate profits for FY 2022-23, approval is being sought from the Members vide a Special Resolution under Section 197 of the Act read with Schedule V and Regulation 17(6)(e) of the Listing Regulations.

Further, taking into consideration the current geo-political situation and taking short term view of the revival process by way of abundant caution, the Nomination and Remuneration Committee has recommend the payment of remuneration on the lines of terms proposed in Item No. 5 relating to "Re-appointment of Mr. Rajesh Rathi as Managing Director and fixing his terms of re-appointment", as Minimum Remuneration, notwithstanding the losses / inadequacy of profits during the ongoing Financial Year 2023-24.

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Information as required under Schedule V is as below:

I. General Information:

i. Nature of Industry

Sudarshan Chemical Industries Limited is a global color and effect pigment manufacturer with experience of over 70 years supplying pigments and solvent dyes for coatings, plastics, printing and digital printing, cosmetics, and special applications.

ii. Date or expected date of commencement of commercial production.

The Company was incorporated in 1951 and has already commenced commercial production since long.

iii. Financial performance based on indicators:

Standalone Financial Performance based on given indicator (₹ in Lakhs)

Particulars	2022-23	2021-22	2020-21
Total Income	198,025.5	192,729.3	171,442.3
Profit Before Tax	3,782.7	13,745.8	181,24.4
Profit After Tax	3,141.0	10,037.6	13,623.4

Consolidated Financial Performance based on given indicator (₹ in Lakhs)

Particulars	2022-23	2021-22	2020-21
Total Revenue (Total Income)	230,652.2	220,580.8	187,112.7
Profit Before Tax	5,973.9	17,112.2	19,038.8
Profit After Tax	4,476.9	12,996.6	14,111.1

iv. **Foreign Investments or Collaborations, if any** – At present, the Company does not have foreign collaborators and thus does not have equity participation by foreign collaborators in the Company.

II. Information about the appointee

Sr. No.	Particulars	Details
1	Background Details	As stated in Item No. 5 of this Explanatory Statement
2	Past Remuneration Details	As stated above
3	Recognition or Awards	<p>Under the leadership of Mr. Rajesh Rathi, the Company has won many awards, recognitions, a few of which are listed below;</p> <ul style="list-style-type: none"> Silver medal in EcoVadis CSR Assessment 2022 National CSR Excellence Award 2022 Certified as a Great Place to Work for consequently 4 years. Global Clean Village Award by Energy Foundation, Delhi for adopting villages towards Sustainable Development Corporate HR Best Practices award 2021 - by NHRD Mahabrand 2021-22, Brands of Maharashtra in the year 2021-22. Lokmat Achievers Award 2021 Exports of Pigments Award 2018-19 Exports of Pigments Award 2016-17 Pollution Control Award 2016-17 Suryagaurav National Award 2021 for exemplary contribution in the field of CSR & Skill Development in the Kokan region of Maharashtra.

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4	Job Profile and Suitability	Mr. Rajesh Rathi has been the Managing Director of the Company since 1 st June, 2018, whereby he is entrusted with substantial powers of management in terms of the applicable provisions of the Companies Act, 2013. Prior to his stint as Managing Director, he was associated with the Company for more than two decades in various capacities. Over these years, Mr. Rajesh Rathi has been instrumental in driving tremendous growth of Pigment Division as a significant contributor to the success of the Company. After taking over as the Managing Director in 2018, under the leadership of Mr. Rajesh Rathi, the Company embarked on the transformation journey to be amongst the top three pigment manufacturers of the World. Despite challenging circumstances arising from Covid-19, turbulent geo-political situation on account of Russia Ukraine crisis and inflationary pressure, the Company has shown the resilient performance under the leadership of Mr. Rajesh Rathi.
5	Remuneration proposed	The details of remuneration including excess remuneration proposed to be paid to Mr. Rajesh Rathi is stated above.
6	Comparative Remuneration Profile with respect to Industry, size of the company, Profile of position and Person	The total remuneration for FY 2022-23 including excess remuneration proposed to be paid (duly approved by the Nomination and Remuneration Committee and the Board of Directors) is in line with the trends of similar sized and capacity organizations in the industry and is commensurate with Mr. Rajesh Rathi's experience, competence and roles and responsibilities at the Company.
7	Pecuniary Relationship, directly or indirectly with the company or relationship with the managerial personnel, if any	Other than remuneration (including excess remuneration proposed to be paid), Mr. Rajesh Rathi has no pecuniary relationship with the Company or its Key Managerial Personnel. Mr. Rajesh Rathi is not related to any of the Directors of the Company and holds 4,050,359 (5.85%) shares in the Company.

III. Other information:

i. Reason for loss or inadequate Profits:

During the year under review, the Company faced many challenges viz. complex geo-political situation arising out of Russia-Ukraine crisis leading to adverse impact on global demand and unprecedented increase in prices of raw materials and indirect materials. Further, Strict lock-down restrictions imposed in China resulted in drastic reduction in domestic demand in China for pigment products. Global markets were flooded with excess supplies and also contributed to an adverse impact on global demand. The commercialization of capital expansion programmes of the Company was delayed on account of global restrictions imposed on account of two waves of Covid-19. All these factors primarily resulted in lower sales volumes and lower margins, leading to lower profits as compared to previous years. Due to these unprecedented factors, in FY 2022-23, the EBIDTA on standalone basis declined to ₹18,562.3 Lakhs as compared to ₹24,166.4 Lakhs in FY 2021-22. The profit before tax declined to ₹3,782.7 Lakhs in FY 2022-23 from ₹13,745.8 Lakhs in FY 2021-22, resulting in inadequate profits for payment of managerial remuneration within the limits prescribed by the provisions of the Act.

ii. Steps taken or proposed to be taken for improvement:

Given the difficult external environment, the management has aggressively focused on cost reduction initiatives throughout the year. The Management has also worked extensively on the reduction of working capital, especially on inventory level, faster collection of Accounts receivables, releasing free cashflow, which has helped in reducing the working capital debt levels.

The company has on 6th April, 2023, completed the sale of its freehold, clear and marketable titled land admeasuring approximately 5.76 acres along with the structures standing thereon located at 162 Wellesley Road, Pune – 411 001, Maharashtra, India, for a total net consideration of Rs. 356 Crores. The company plans to strengthen the balance sheet from the proceeds realized from the transaction.

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There are also positive tailwinds from external side like consolidation of top players in the industry, emergence of India as key global manufacturing industry and softening of raw material prices and energy costs etc.

iii. Expected increase in productivity and Profits in measurable terms:

The world economy remains volatile with growing geo-political tensions. At the same time, we are very well prepared internally with all the capital expansion projects being commissioned, with wider range of product portfolio, cost efficient operations and capacities to quickly ramp up the sales. With the initiatives being undertaken by the Company, the Company is hopeful of turnaround in performance in the medium term.

The Company has not defaulted in payment of dues to any bank or public financial institution or non-convertible debenture holders or other secured creditor, if any.

None of the Directors or Key Managerial Personnel of the Company or their relatives, except Mr. Rajesh Rathi himself, and his immediate relatives, in any way, concerned or interested, whether financially or otherwise, in the resolution as set out in Item Nos. 7 and 8 of the Notice.

The Board recommends the Special Resolutions as set out in Item Nos. 7 and 8 of the Notice for approval of the Members.

ITEM NO. 9 OF THE NOTICE

Based on the recommendation of the Nomination and Remuneration Committee and Board of Directors, the shareholders appointed Mr. N. T. Raisinghani (DIN: 00568298) as an Independent Director at 67th Annual General Meeting for a term of 5 years. Since the first term as Independent Director is expiring, based on the recommendation of the Nomination and Remuneration Committee, considering his skills, experience and knowledge he possessed, the Board of Directors at its meeting held on 23rd May, 2023, re-appointed Mr. N. T. Raisinghani as an Additional Director (Independent) with effect from 24th May, 2023, till the ensuing 72nd Annual General Meeting, and further recommended for approval of shareholders, the re-appointment of Mr. Raisinghani as an Independent Director for a second term of 5 years effective 24th May, 2023 upto 23rd May, 2028, so as to ensure that his total tenure as Independent Director does not exceed 10 years, as stipulated by the provisions of the Companies Act, 2013, and Rules made thereunder.

In the opinion of the Board, Mr. Naresh Raisinghani fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder and Regulation 16(1)(b) of the SEBI Listing Regulations, 2015, for his appointment as an Independent Director of the Company.

Accordingly, the Board recommends the resolution set out at Item No. 9 of the Notice, for the approval of the members.

Details as required pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, as applicable are provided hereunder.

Name of the Director	Mr. Naresh Raisinghani
DIN	DIN:00568298
Date of Birth (Age)	18 th April, 1965 (57 Years)
Initial date of appointment on the Board	13 th February, 2015
Experience and Expertise and brief resume	Mr. Naresh Raisinghani is the CEO and Executive Director of BMGI, India, which is engaged in providing consultancy services to reputed corporate houses. He has completed his Owner / President Management Program from Harvard Business School and his Bachelors in Mechanical Engineering from University of Mumbai. Mr. Raisinghani is widely regarded as a leading thinker and an expert on Operational Excellence, Innovation and Strategy Deployment.
No. of Meetings of the Board attended during the year	Mr. Naresh Raisinghani attended 5 (Five) Meetings of the Board of Directors held during the year 2022-23.
List of Directorship/ Membership / Chairmanship of Committees	Directorships held in other entities and companies – 1. Breakthrough Management Group India Private Limited

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	Memberships and Chairmanships in Committees – 1. Risk Management Committee – Member 2. Nomination and Remuneration Committee - Member
Listed Entities from which person has resigned during past 3 years.	None
No. of shares held in the Company including shareholding as a beneficial owner.	1,310 Equity Shares (0.01%) (Mr. Raisinghani is holding 710 Equity Shares i.e. 0.01% in the individual capacity)
Disclosure of relationship between Directors and Key Managerial Personnel of the Company.	Mr. Naresh Raisinghani is not related to any Director(s) / KMPs of the Company
Terms & Conditions of appointment / re-appointment.	As per the Resolution No. 9 of this Notice, Mr. Naresh Raisinghani shall hold office for a term of 5 (five) years with effect from 24 th May, 2023 to 23 rd May, 2028.
Details of remuneration sought to be paid.	Please refer to the Explanatory Statement.
Details of remuneration last drawn.	Please refer Report on Corporate Governance forming part of the Annual Report for FY 2022-23.

Mr. Naresh Raisinghani is not debarred or disqualified from being re-appointed as a Director of the Company by the Board/Ministry of Corporate Affairs or any such other statutory authority.

Except Mr. Naresh Raisinghani, being appointee, none of the Directors or Key Managerial Personnel of the Company, or their respective relatives, are in any way concerned or interested in the resolution set out at Item No. 9 of the notice.

ITEM NO. 10 OF THE NOTICE

Dr. Deepak Parikh (DIN: 06504537), was appointed as an Independent Director by the members of the Company at its 68th Annual General Meeting held on 7th August, 2019, for the period of 5 (five) years with effect from 1st April, 2019 to 31st March, 2024.

Based on the recommendation of the Nomination and Remuneration Committee, considering the skills, experience, knowledge Dr. Deepak Parikh possesses and the report of performance evaluation of Dr. Deepak Parikh for the Financial Year 2022-23, the Board at its meeting held on 23rd May, 2023, recommended for the approval of the members, the re-appointment of Dr. Deepak Parikh as an Independent Director for a second term of consecutive five years from 1st April, 2024 upto 31st March, 2029 in terms of Section 149 read with Schedule IV to the Act, SEBI Listing Regulations, 2015, or any amendment thereto or modification thereof.

In the opinion of the Board, Dr. Deepak Parikh fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder and Regulation 16(1)(b) of the SEBI Listing Regulations, 2015, for his appointment as an Independent Director of the Company.

Accordingly, the Board recommends the resolution set out at Item No. 10 of the Notice, for the approval of the members.

Details as required pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, as applicable are provided hereunder.

Name of the Director	Dr. Deepak Parikh
DIN	DIN: 06504537
Date of Birth (Age)	25 th July, 1961 (61 Years)
Initial date of appointment on the Board	1 st April, 2019
Experience and Expertise and brief resume	Dr. Parikh has a PhD in Polymer Science and Engineering from the University of Tennessee, USA and has experience of more than 30 years in speciality chemicals, commodity plastics, chemicals and materials. Dr. Parikh is associated with various companies in India and abroad as a Management Consultant, Independent Director.
No. of Meetings of the Board attended during the year	Dr. Deepak Parikh attended 5 (Five) Meetings of the Board of Directors held during the year 2022-23.

Notice

List of Directorship/ Membership / Chairmanship of Committees	Directorships held in other entities and companies – <ol style="list-style-type: none"> 1. Finolex Industries Limited 2. Sudarshan Japan Limited Memberships and Chairmanships in Committees – None
Listed Entities from which person has resigned during past 3 years.	None
No. of shares held in the Company including shareholding as a beneficial owner.	None
Disclosure of relationship between Directors and Key Managerial Personnel of the Company.	Dr. Deepak Parikh is not related to any Director(s) / KMPs of the Company
Terms & Conditions of appointment / re-appointment.	As per the Resolution No. 10 of this Notice, Dr. Deepak Parikh shall hold office for a term of 5 (five) years with effect from 1 st April, 2024 upto 31 st March, 2029.
Details of remuneration sought to be paid.	Please refer to the Explanatory Statement.
Details of remuneration last drawn.	Please refer Corporate Governance Report forming part of the Annual Report for FY 2022-23.

Dr. Deepak parikh is not debarred or disqualified from being re-appointed as a Director of the Company by the Board/Ministry of Corporate Affairs or any such other statutory authority.

Except Dr. Deepak Parikh, being appointee, none of the Directors or Key Managerial Personnel of the Company, or their respective relatives, are in any way concerned or interested in the resolution set out at Item No. 10 of the notice.

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

MANDAR VELANKAR
GENERAL COUNSEL AND COMPANY SECRETARY
MEMBERSHIP NO.: ACS 14469

Pune, 23rd May, 2023.

Sudarshan Chemical Industries Limited
 Registered Office and Global Head Office:
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 Near PAN Card Club Road, Baner, Pune – 411 045,
 Maharashtra, India
 CIN : L24119PN1951PLC008409
 Website: www.sudarshan.com
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