

**MINUTES OF THE TWENTY FOURTH ANNUAL GENERAL MEETING OF SMITHS & FOUNDERS (INDIA) LIMITED (FORMERLY SHIMOGA TECHNOLOGIES LIMITED) HELD ON SATURDAY, 26<sup>TH</sup> SEPTEMBER, 2015 AT 10.30 A.M. AT MEWS LADIES CLUB, NO.37, 17<sup>TH</sup> CROSS, MALLESWARAM, BANGALORE 560 055.**

**Present :**

1. Mr. Suresh Shastry, Chairman
2. Mr. Sudhindra N Kalghatgi, Director
3. Mrs. Supriya Shastry, Director
4. Mr. Satish Shastry, Director
5. Mr. Umesh Shastry, Director
6. Mr. Naveen Shenoy, Company Secretary

Mr. V.Parthasarathy, Independent Director was granted leave of absence.

Number of Members present in person : 43  
Through proxies : Nil

**Also Present:** Mr. Devendra Nayak, Partner, M/s. B.N.Subramanya & Co., Chartered Accountants

The quorum being present, the Chairman called the meeting to order. The Chairman then welcomed the members present, to the 24<sup>th</sup> Annual General Meeting of the Company.

The Chairman introduced the gentlemen and the lady seated on the dais. The Chairman informed that the Register of Directors and Key Managerial Personnel and their shareholding was available for inspection of the members.

Thereafter the Chairman commenced the formal agenda of the meeting and with the consent of the members present, the Notice convening the meeting, Director's Report alongwith the annexures thereto and the Annual Accounts for the financial year ended 31<sup>st</sup> March, 2015 were taken as read.

The Chairman informed the members that the Auditors' Report need not be read as the Auditors' Report did not contain any qualifications, observations or comments on financial transactions or matter, which have any adverse effect on the functioning of the Company.

The Chairman informed the members that in compliance with the voting procedure under the Companies Act, 2013 and Listing Agreement, the Company had provided the facility of e-voting to the members to enable them to cast their vote electronically. The Chairman further informed that in line with the regulatory changes during the year, voting by show of hands is not permitted at the general meeting where e-voting is offered to the members and therefore, voting at the AGM would be conducted by Poll. Mr.Vighneshwar Bhat, Practicing Company Secretary of VB & Associates, Company Secretaries, was appointed as the Scrutinizer for conduct of the poll process.

The Chairman informed the members that the Company had tied up with Central Depository Services Limited (CDSL) for providing e-voting facility to exercise their vote by electronic means on the resolutions moved at the AGM.



The Chairman informed the members that the combined results of e-voting and Poll would be displayed on the website of the Company and Bombay Stock Exchange (BSE Ltd.).

The Chairman then addressed the members. In his address, the Chairman touched upon the performance of the Company for the year ended March 31, 2015 and the projected performance for the current year.

Thereafter, the Chairman took up the official business of the meeting:

**Ordinary Business:**

**Item No.1 : Adoption of the audited financial statements for the financial year ended March 31, 2015 and the Reports of Board of Directors' and Auditors' thereon.**

The Chairman invited queries on the financials from the members present. Some of the queries raised and replied by the Chairman are as follows:

- a) Dr. B. Ashok (DP/Client ID: IN30048412419423) – The Company being basically a jobber, why there is operational loss in the last 2 years. The Directors should defer their salaries and claim the same as arrears till the Company earns profits and declare dividend. Is there any plans for modernization of the plants.
- b) Mr. R.R.Manjunatha (DP/Client ID: IN1203070000277657) – The fees paid to Auditors is high in comparison with the turnover of the Company. Why the Unit at Chikkaballapura is sold ?.
- c) Mr. H.A. Sunil Kumar (DP/Client ID: IN30214810702590) – What is the Company's vision 5 years down the line from now ?. The next year being the Company's 25<sup>th</sup> Year, can we expect dividend ?.

The Chairman's reply:

- a) There is operational loss due to lower sales and high overheads.
- b) Salary paid to Directors, who were Directors of erstwhile Smiths & Founders (India) Limited, cannot be deferred as this is a commitment made as per the Scheme of Rehabilitation approved by the Hon.BIFR.
- c) There is no plan for modernization at present. The Company will think about it once the Chikkaballapura unit is sold.
- d) Will discuss with the Auditors and explore the possibility of reducing their fees.
- e) Chikkaballapura plant belonged to erstwhile Smiths & Founders (India) Limited where foundry activities were carried on. They stopped manufacturing activity there due to rising input costs. As currently the unit is lying idle, it is proposed to sell the unit and utilize the proceeds to cut down the Company's borrowings, save on interest costs and concentrate on its activities in Shimoga.
- f) The Company is yet to wipe out its accumulated losses and it will take some time to earn profits. He reminded the members that 2 years back the company on the verge of extinction.
- g) The Chairman assured the members that effective steps will be taken to reduce overheads and earn profits in the coming years.

The Chairman thanked the members for taking keen interest and concern in the affairs of the Company.





Dr. B. Ashok (DP/Client ID: IN30048412419423) Proposed and Mr.R.R.Manjunatha (DP/Client ID: IN1203070000277657) Seconded following resolution as an ORDINARY RESOLUTION:

**" RESOLVED THAT** the audited financial statements of the Company for the financial year ended March 31, 2015 and the reports of the Board of Directors' and Auditors' Report thereon be and are hereby considered and adopted".

**Item No. 2 : Re-appointment of Mr. Umesh Shastry as Director.**

Mr. C.V.Ravindranath (Folio No.0000909) Proposed and Mr. Manohar S. (DP/ Client ID: IN30023910924760) Seconded the following resolution as an ORDINARY RESOLUTION:

**" RESOLVED THAT** Mr. Umesh Shastry, who retires by rotation at the conclusion of this Annual General Meeting and being eligible offers himself for re-appointment, be and is hereby appointed as Director of the Company liable to retirement by rotation".

**Item No. 3 : Re-appointment of Mr. Satish Shastry as Director.**

Mr. N.S.Ranganatha Gupta (DP/Client ID: 30214810070345) Proposed and Mr. Sunil Kumar H.A. (DP/ Client ID: IN30214810702590) Seconded the following resolution as an ORDINARY RESOLUTION:

**" RESOLVED THAT** Mr. Satish Shastry, who retires by rotation at the conclusion of this Annual General Meeting and being eligible offers himself for re-appointment, be and is hereby appointed as Director of the Company liable to retirement by rotation".

**Item No. 4 : Ratification of appointment of Auditors and to fix their remuneration.**

Mr. Suresh Shastry (DP/Client ID: IN30113526807500) Proposed and Mr. M.Sajjan Raj (DP/Client ID: IN30135620264478) Seconded the following resolution as an ORDINARY RESOLUTION:

**"RESOLVED THAT** pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and other applicable rules, if any, and pursuant to the resolution passed by the members at the Twenty Third Annual General Meeting held on December 27, 2014, the appointment of M/s. B.N. Subramanya & Co., Chartered Accountants, (Firm Registration No. FRN 004142S) as Auditors of the Company, to hold office until the conclusion of the Twenty Seventh Annual General Meeting of the Company to be held in the year 2018, at such remuneration as shall be fixed by the Board of Directors of the Company, be and is hereby ratified".

**Special Business:**

**Item No. 5: Approval for transfer, sale and/or dispose of the undertaking at Chikkaballapura, Karnataka.**

The Chairman took up Item No. 5 of the Agenda and read out the resolution pertaining to approval for transfer, sale and/or dispose of the undertaking at Chikkaballapura, Karnataka. The Special Resolution for Item No.5 of the Notice read as follows:



**"RESOLVED THAT** pursuant to the provisions of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013 and the Memorandum and Articles of the Company, and subject to other consents, approvals and permissions as may be required, consent of the Company be and is hereby accorded to the Board of Directors to transfer, sell and/or dispose of the undertaking of the Company at 24 & 24 A, KIADB Industrial Area, Chikkaballapura, 562101, Karnataka to a suitable entity or such other party/parties as may be approved by the Board of Directors ( including any Committee thereof ) by way of sale or assignment at such consideration and on such terms and conditions as may be decided by the Board of Directors with power to the Board of Directors to finalise and execute necessary documents including agreements, deeds of assignment / conveyance and other documents with such modifications as may be required from time to time and do all such other acts, deeds, matters and things as may be deemed necessary and/or expedient in their discretion for completion of transfer, sale and or/ disposal of the undertaking in the best interest of the Company

RESOLVED FURTHER THAT the board of Directors be and is hereby authorised to delegate all or any of the powers herein conferred in such manner as it may deem fit".

The resolution was Proposed by Mr. Sunil Kumar H.A. (DP/ Client ID: IN30214810702590) and Seconded by Mr. N.S.Ranganatha Gupta (DP/Client ID: 30214810070345).

**VOTE OF THANKS:**

Mrs. Supriya Shastry proposed vote of thanks to the Chairman and on behalf of the Board of Directors thanked the members present for making it convenient to attend this meeting.

The consolidated results of e-voting and Poll were declared by the Chairman on September 29, 2015 on the website of the Company and Bombay Stock Exchange (BSE Ltd.). The details of the results declared are given as an annexure to the Minutes.

The Chairman then declared the meeting closed.



Suresh Shastry  
**CHAIRMAN**

Bangalore  
Date: 03.10.2015





**Twenty Fourth Annual General Meeting held on 26 September, 2015**

**Declaration of results of e-voting**

As per the provisions of the Companies Act, 2013 and also the Listing Agreement, the Company had provided the facility of e-voting to the Shareholders to enable them to cast their vote electronically on the resolutions proposed in the Notice of the 24<sup>th</sup> Annual General Meeting (AGM). The e-voting was open from 23<sup>rd</sup> September, 2015 to 25<sup>th</sup> September, 2015.

In line with the provisions of the Companies Act, 2013 and in terms of the clarification issued by MCA, voting by Show of Hands was not permitted at the general meeting where e-voting has been offered to the Shareholders. Therefore, voting at the 24<sup>th</sup> AGM was conducted by means of Poll.

The Board of Directors had appointed Mr. Vighneshwar Bhat, Practising Company Secretary of VB & Associates, Company Secretaries as the Scrutinizer for e-voting and Poll. The Scrutinizer has carried out the scrutiny of all the electronic votes received up to the close of working hours (5.00 p.m.) on 25<sup>th</sup> September, 2015 and poll received till the conclusion of the meeting and submitted their Report on 28<sup>th</sup> September, 2015.

The Consolidated Results as per the Scrutinizers' Report dated 28<sup>th</sup> September, 2015 is as follows:

Particulars	% Votes in Favour	% Votes Against
<b>Resolution 1:</b> Adoption of Audited Financial Statements for the year ended March 31, 2015.	100.00	0.00
<b>Resolution 2:</b> Appointment of Mr. Umesh Shastry as a Director, who retires by rotation and being eligible offers himself for re-appointment	100.00	0.00
<b>Resolution 3:</b> Appointment of Mr. Satish Shastry as a Director, who retires by rotation and being eligible offers himself for re-appointment	100.00	0.00
<b>Resolution 4:</b> Ratification of appointment of M/s. B.N. Subramanya & Co., Chartered Accountants, as Auditors and fix their remuneration	100.00	0.00
<b>Resolution 5:</b> Approval for transfer, sale and/or dispose of the undertaking at Chikkaballapura, Karnataka	100.00	0.00



Based on the consolidated Report of the Scrutinizer, all Resolutions as set out in the Notice of 24<sup>th</sup> Annual General Meeting have been duly approved by the Shareholders with requisite majority.

Date: 29<sup>th</sup> September, 2015



For Smiths & Founders(India) Limited

A handwritten signature in blue ink, appearing to read "S. Shastry", enclosed within a rectangular box. A long, sweeping horizontal line extends from the right side of the box.

Suresh Shastry  
Chairman