

MINUTES OF THE TWENTY THIRD ANNUAL GENERAL MEETING OF SMITHS & FOUNDERS (INDIA) LIMITED (FORMERLY SHIMOGA TECHNOLOGIES LIMITED) HELD ON SATURDAY, 27TH DECEMBER, 2014 AT 10.00 A.M. AT MEWS LADIES CLUB, NO.37, 17TH CROSS, MALLESWARAM, BANGALORE 560 055.

Present :

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

Number of Members present in person : 40
Through proxies : Nil

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

As the requisite quorum was not present at 10.00 a.m., the appointed time of the meeting, the Chairman adjourned the meeting by half-an-hour.

At 10.30 a.m., the quorum being present, the Chairman called the meeting to order. The Chairman then welcomed the members present to the 23rd Annual General Meeting of the Company. Before proceeding further, he requested the members to observe one minute silence in the memory of Mr. S. Lakshmi Narayana Murthy, Director on the Board of the Company, who had expired in January, 2014.

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 31st March, 2014 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 the Companies Act, 2013 which has come into effect from 1st April, 2014 has brought about several changes in the procedure for conduct of Annual General Meeting (AGM) including changes in voting procedure at the AGM.

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. Until last year the consent on the resolutions proposed in the AGM were taken by show of hands. 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.



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 updated the members about the steps taken by the Company for implementation of the Rehabilitation Scheme approved by the Hon. Board for Industrial and Financial Reconstruction. The Chairman thanked the members for having stood by the Company throughout its turbulent times and reposing confidence in its recovery.

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

Ordinary Business:

Item No.1 : Adoption of the audited Balance Sheet as at 31st March,2014 and the Statement of Profit & Loss for the year ended on that date and the Reports of Directors' and Auditors' thereon.

Mr. Suresh Shastry (DP/Client ID: IN30113526807500) Proposed and Mr. S. Rajashekar Aradhya (DP/Client ID: IN30113510678968) Seconded following resolution as an ORDINARY RESOLUTION:

“ RESOLVED THAT the Audited Balance Sheet as at 31st March, 2014 and the Statement of Profit & Loss Account for the year ended on that date, together with the Directors' and Auditors' Report thereon be and are hereby received, considered and adopted”.

As the Item No. 2 of the Notice was relating to the re-appointment of the Chairman, he requested Mr. V. Parthasarathy, Director to Chair the meeting and take up the Item.

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

Mr. Dasarath T. (Folio No.00001115) Proposed and Mr. K.Venkatesha Bhat (DP/ Client ID: IN30135620003445) Seconded the following resolution as an ORDINARY RESOLUTION:

“ RESOLVED THAT Mr. Suresh 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”.
The Chairman then took over from Mr. V.Parthasarathy and took up the Item No.3 of the Notice.

Item No. 3 : Appointment of Auditors and to fix their remuneration.

Mr. Suresh Shastry (DP/Client ID: IN30113526807500) Proposed and Mr. M.Sajjan Raj



(DP/Client ID: IN30214810569956) 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, M/s. B.N. Subramanya & Co., Chartered Accountants, (Firm Registration No. FRN 004142S) be and are hereby appointed as Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the Twenty Seventh Annual General Meeting of the Company to be held in the year 2018, subject to ratification of their appointment at every AGM, at such remuneration as shall be fixed by the Board of Directors of the Company".

Special Business:

Item No. 4 : Appointment of Mr. V. Parthasarathy as an Independent Director

The Chairman took up Item No. 4 of the Agenda and with the consent of the members present, the Ordinary Resolution pertaining to appointment of Mr. V.Parthasarathy as an Independent Director, was taken as read. The Ordinary Resolution for Item No.4 of the Notice read as follows:

"RESOLVED THAT pursuant to the provisions of Section 149, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ('Act') and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Mr. V. Parthasarathy (holding Directors Identification Number 06761878), a Non Executive Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as Independent Director of the Company, to hold office for a term of five consecutive years upto March 31, 2019, with effect from April 1, 2014."

The resolution was Proposed by Mr. S.Lagan Lodha (Folio No.00004685) and Seconded by Mr. K.R.Chandrasekhara Setty (DP/Client ID: IN30135620024018).

Item No. 5: Appointment of Mr. Sudhindra Narayan Kalghatgi as an Independent Director

The Chairman took up Item No. 5 of the Agenda and with the consent of the members present, the Special Resolution pertaining to appointment of Mr. Sudhindra Narayan Kalghatgi as an Independent Director, was taken as read. The Special Resolution for Item No.5 of the Notice read as follows:

"RESOLVED THAT pursuant to the provisions of Section 149, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ('Act') and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Mr. Sudhindra Narayan Kalghatgi (holding Directors Identification Number 06994850), a Non Executive Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby



appointed as Independent Director of the Company, to hold office for a term of five consecutive years with effect from November 14, 2014 upto March 31, 2019.”

The resolution was Proposed by Mr. N.Veeraiah (DP/Client ID: IN300610 10254296) and Seconded by Mr. R. Naresh Kumar (Folio No.00004078).

Item No. 6 : Appointment of Mr. Satish Shastry as Whole Time Director.

The Chairman took up Item No. 6 of the Agenda and with the consent of the members present, the Special Resolution pertaining to appointment of Mr. Satish Shastry as Whole Time Director, was taken as read. The Special Resolution for Item No.6 of the Notice read as follows:

“ RESOLVED THAT Mr. Satish Shastry, who was appointed as Whole Time Director, pursuant to Clause no. 10.2, para 4, of the sanctioned scheme of rehabilitation dated 20th February, 2014 of the Hon. Board for Industrial and Financial Reconstruction, by the Board of Directors at their meeting held on 17th March, 2014 , who ceases to hold office at this Annual General Meeting pursuant to Section 161 of the Companies Act, 2013 and who is eligible for appointment and in respect of whom the Company has received notice under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of a director, be and is hereby appointed as a Director of the Company liable to retire by rotation.

RESOLVED FURTHER THAT pursuant to the provisions of Sections 2(94), 196, 197, 203, Schedule V and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modifications or re-enactments thereof for the time being in force) and other applicable provisions, if any, of the Companies Act, 2013, the Company hereby accords its approval to the appointment of Mr. Satish Shastry as Whole Time Director of the Company for the period from 1st April, 2014 to 31st March, 2017 on the terms and conditions including remuneration as set in the Explanatory Statement to this Notice with authority to the Board of Directors to vary or increase the remuneration and perquisites payable or to be provided to Mr. Satish Shastry, including the monetary value thereof to the extent the Board of Directors may consider appropriate and to alter the terms and conditions of the agreement entered into by the Company with Mr. Satish Shastry, as may be agreed between the Board of Directors and Mr. Satish Shastry.

RESOLVED FURTHER THAT in the event of absence or inadequacy of profits in any financial year, the Company shall pay Mr.Satish Shastry remuneration as decided by the Board or any Committee thereof from time to time as minimum remuneration, with the approval of the Shareholders and the Central Government, if necessary.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds and matters and things as in its absolute discretion it may consider necessary, expedient or desirable to give effect to this resolution and also to revise the remuneration of Mr. Satish Shastry within the limits stipulated in the Companies Act, 2013”.

The resolution was Proposed by Mr. K.R.Krishna Murthy (DP/Client ID: IN302148 10045395) and Seconded by Mr. Gururaja G.L. (DP/Client ID:IN30135620163465).



Item No. 7 : Appointment of Mr. Umesh Shastry as Whole Time Director.

The Chairman took up Item No. 7 of the Agenda and with the consent of the members present, the Special Resolution pertaining to appointment of Mr. Umesh Shastry as Whole Time Director, was taken as read. The Special Resolution for Item No.7 of the Notice read as follows:

“ RESOLVED THAT Mr. Umesh Shastry, who was appointed as Whole Time Director, pursuant to Clause no. 10.2, para 4, of the sanctioned scheme of rehabilitation dated 20th February, 2014 of the Hon. Board for Industrial and Financial Reconstruction, by the Board of Directors at their meeting held on 17th March, 2014, who ceases to hold office at this Annual General Meeting pursuant to Section 161 of the Companies Act, 2013 and who is eligible for appointment and in respect of whom the Company has received notice under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of a director, be and is hereby appointed as a Director of the Company liable to retire by rotation.

RESOLVED FURTHER THAT pursuant to the provisions of Sections 2(94), 196, 197, 203, Schedule V and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modifications or re-enactments thereof for the time being in force) and other applicable provisions, if any, of the Companies Act, 2013, the Company hereby accords its approval to the appointment of Mr. Umesh Shastry as Whole Time Director of the Company for the period from 1st April, 2014 to 31st March, 2017 on the terms and conditions including remuneration as set in the Explanatory Statement to this Notice with authority to the Board of Directors to vary or increase the remuneration and perquisites payable or to be provided to Mr. Umesh Shastry, including the monetary value thereof to the extent the Board of Directors may consider appropriate and to alter the terms and conditions of the agreement entered into by the Company with Mr. Satish Shastry, as may be agreed between the Board of Directors and Mr. Umesh Shastry.

RESOLVED FURTHER THAT in the event of absence or inadequacy of profits in any financial year, the Company shall pay Mr. Umesh Shastry remuneration as decided by the Board or any Committee thereof from time to time as minimum remuneration, with the approval of the Shareholders and the Central Government, if necessary.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds and matters and things as in its absolute discretion it may consider necessary, expedient or desirable to give effect to this resolution and also to revise the remuneration of Mr. Umesh Shastry within the limits stipulated in the Companies Act, 2013”.

The resolution was Proposed by Mr. D.C.Bhandari (DP/Client ID: 120109000 1655853) and Seconded by Mr. K.Adinarayana (DP/Client ID:IN301926 10636073).

Item No. 8 : Appointment of Mrs. Supriya Shastry as Whole Time Director.

The Chairman took up Item No. 8 of the Agenda and with the consent of the members present, the Special Resolution pertaining to appointment of Mrs. Supriya Shastry as Whole Time Director, was taken as read. The Special Resolution for Item No.4 of the Notice read as follows:



" RESOLVED THAT Mrs. Supriya Shastry, who was appointed as Whole Time Director, pursuant to Clause no. 10.2, para 4, of the sanctioned scheme of rehabilitation dated 20th February, 2014 of the Hon. Board for Industrial and Financial Reconstruction, by the Board of Directors at their meeting held on 17th March, 2014, who ceases to hold office at this Annual General Meeting pursuant to Section 161 of the Companies Act, 2013 and who is eligible for appointment and in respect of whom the Company has received notice under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of a director, be and is hereby appointed as a Director of the Company liable to retire by rotation.

RESOLVED FURTHER THAT pursuant to the provisions of Sections 2(94), 196, 197, 203, Schedule V and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modifications or re-enactments thereof for the time being in force) and other applicable provisions, if any, of the Companies Act, 2013, the Company hereby accords its approval to the appointment of Mrs. Supriya Shastry as Whole Time Director of the Company for the period from 1st April, 2014 to 31st March, 2017 on the terms and conditions including remuneration as set in the Explanatory Statement to this Notice with authority to the Board of Directors to vary or increase the remuneration and perquisites payable or to be provided to Mrs. Supriya Shastry, including any monetary value thereof to the extent the Board of Directors may consider appropriate and to alter the terms and conditions of the agreement entered into by the Company with Mrs. Supriya Shastry, as may be agreed between the Board of Directors and Mrs. Supriya Shastry.

RESOLVED FURTHER THAT in the event of absence or inadequacy of profits in any financial year, the Company shall pay Mrs. Supriya Shastry remuneration as decided by the Board or any Committee thereof from time to time as minimum remuneration, with the approval of the Shareholders and the Central Government, if necessary.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds and matters and things as in its absolute discretion it may consider necessary, expedient or desirable to give effect to this resolution and also to revise the remuneration of Mrs. Supriya Shastry within the limits stipulated in the Companies Act, 2013".

The resolution was Proposed by Mr. N.Veeraiah (DP/Client ID: IN300610 10254296) and Seconded by Mr. K.Adinarayana (DP/Client ID:IN301926 10636073).

As the Item No. 9 of the Notice was relating to the re-appointment of the Chairman, he requested Mr. V. Parthasarathy, Director to Chair the meeting and take up the Item.

Item No. 9 : Appointment of Mr. Suresh Shastry as Managing Director.

The Chairman took up Item No. 9 of the Agenda and with the consent of the members present, the Special Resolution pertaining to appointment of Mr. Suresh Shastry as Managing Director, was taken as read. The Special Resolution for Item No.9 of the Notice read as follows:

" RESOLVED THAT pursuant to the provisions of Sections 2(94), 196, 197, 203, Schedule V and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modifications or re-enactments thereof for the time being in



force) and other applicable provisions, if any, of the Companies Act, 2013, the Company hereby accords its approval to appointment of Mr. Suresh Shastry as Managing Director of the Company with effect from 17th March, 2014 and payment of remuneration for the period from 1st April, 2014 to 31st March, 2017 on the terms and conditions as set in the Explanatory Statement to this Notice with authority to the Board of Directors to vary or increase the remuneration and perquisites payable or to be provided to Mr. Suresh Shastry, including any monetary value thereof to the extent the Board of Directors may consider appropriate and to alter the terms and conditions of the agreement entered into by the Company with Mr. Suresh Shastry, as may be agreed between the Board of Directors and Mr. Suresh Shastry.

RESOLVED FURTHER THAT in the event of absence or inadequacy of profits in any financial year, the Company shall pay Mr. Suresh Shastry remuneration as decided by the Board or any Committee thereof from time to time as minimum remuneration, with the approval of the Shareholders and the Central Government, if necessary.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds and matters and things as in its absolute discretion it may consider necessary, expedient or desirable to give effect to this resolution and also to revise the remuneration of Mr. Suresh Shastry within the limits stipulated in the Companies Act, 2013".

The resolution was Proposed by Mr. Gururaja G.L. (DP/Client ID:IN301356 20163465) and Seconded by Mr. K.R.Krishna Murthy (DP/Client ID: IN30214810045395).

The Chairman then took over from Mr. V.Parthasarathy and took up the Item No.10 of the Notice.

Item No. 10: Increase of Authorised Share Capital and Consequent Alteration of Memorandum of Association.

The Chairman took up Item No. 10 of the Agenda and with the consent of the members present, the Special Resolution pertaining to Increase of Authorised Share Capital and Consequent Alteration of Memorandum of Association, was taken as read. The Special Resolution for Item No.10 of the Notice read as follows:

"RESOLVED THAT pursuant to the provisions of Section 13, 61, 64 and all other applicable provisions, if any, of the Companies Act, 2013, (including any statutory modification(s) or re-enactment thereof, for the time being in force) the Authorised Capital of the Company be and is hereby enhanced from ₹ 600,00,000 (Rupees Six Crores only) divided into 600,00,000 equity shares of ₹ 1/- each to ₹ 10,25,00,000 divided into 10,25,00,000 equity shares of ₹ 1/- each ranking pari passu in all respects with the existing Equity Shares of the Company.

FURTHER RESOLVED THAT consequent upon the increase in Authorised Share Capital, the existing Clause V of the Memorandum of Association of the Company be and is hereby amended as under:

The Authorised Share Capital of the Company is ₹ 10,25,00,000/- (Rupees Ten Crores Twenty five lakhs only) divided into 10,25,00,000 (Ten Crores Twenty five lakhs) equity shares of ₹ 1/- (Rupee One Only) each".



The resolution was Proposed by Mr. Suresh Shastry (DP/Client ID: IN3011352 6807500) and Seconded by Mr. R. Naresh Kumar (Folio No.00004078).

Item No. 11 : Alteration of Articles of Association

The Chairman took up Item No. 11 of the Agenda and with the consent of the members present, the Special Resolution pertaining to Alteration of Articles of Association, was taken as read. The Special Resolution for Item No.11 of the Notice read as follows:

"RESOLVED THAT pursuant to the provisions of Section 14, 64 and all other applicable provisions, if any, of the Companies Act, 2013, (including any statutory modification(s) or re-enactment thereof, for the time being in force, the existing Article 3 of the Articles of Association of the Company regarding Authorised Capital be and is hereby amended as under:

'The Authorised Share Capital of the Company is ₹ 10,25,00,000/- (Rupees Ten Crores Twenty five lakhs only) divided into 10,25,00,000 (Ten Crores Twenty five lakhs) equity shares of ₹ 1/- (Rupee One Only) with power to increase, issue further capital and reduce the capital of the Company and to divide or consolidate the shares in the capital for the time being into several classes and to attach thereto respectively such preferential, deferred, qualified or special rights, privileges or conditions as may be determined and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may be provided or determined from time to time'.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to take all such steps and actions as may be necessary for giving effect to this resolution."

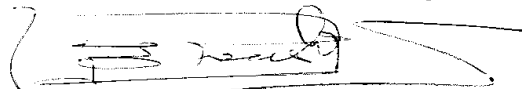
The resolution was Proposed by Ms. Amrutha Umesh Shastry (DP/Client ID: IN301135 26850932) and Seconded by Mr. Dasarath T. (Folio No.00001115).

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 December 29, 2014 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: 30.12.2014



Twenty Third Annual General Meeting held on 27 December, 2014

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 23rd Annual General Meeting (AGM). The e-voting was open from 20th December, 2014 to 22nd December, 2014.

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 23rd 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 on 22nd December, 2014 and poll received till the conclusion of the meeting and submitted their Report on 27th December, 2014.

The Consolidated Results as per the Scrutinizers' Report dated 27th December, 2014 is as follows:

Particulars	% Votes in Favour	% Votes Against
Resolution 1: Adoption of Financial Statements for the year ended March 31, 2014.	100.00	0.00
Resolution 2: Appointment of Mr.Suresh Shastry as a Director, who retires by rotation and being eligible offers himself for re-appointment	100.00	0.00
Resolution 3: Appointment of Messrs. B.N. Subramanya & Co. , Chartered Accountants, as Auditors and fix their remuneration	100.00	0.00
Resolution 4: Appointment of Mr. V.Parthasarathy as Independent Director	100.00	0.00
Resolution 5: Appointment of Mr. Sudhindra Narayan Kalghatgi as Independent Director	100.00	0.00
Resolution 6: Appointment of Mr. Satish Shastry as a Whole Time Director	100.00	0.00
Resolution 7 : Appointment of Mr. Umesh Shastry as a Whole Time Director	100.00	0.00
Resolution 8: Appointment of Mrs. Supriya Shastry as a Whole Time Director	100.00	0.00

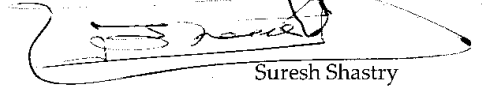


Resolution 9 : Appointment of Mr. Suresh Shastry as a Whole Time Director	100.00	0.00
Resolution 10: Alternation of Memorandum of Association	100.00	0.00
Resolution 11: Alteration of Articles of Association	100.00	0.00

Based on the consolidated Report of the Scrutinizer, all Resolutions as set out in the Notice of 23rd Annual General Meeting have been duly approved by the Shareholders with requisite majority.

Date: 29th December, 2014

For **Smiths & Founders(India) Limited**



Suresh Shastry
Chairman

