

NOTICE OF THE TWENTY-SIXTH ANNUAL GENERAL MEETING

To,
The Members

Vidhi Specialty Food Ingredients Limited,

Notice is hereby given that the **Twenty-Sixth Annual General Meeting** of the Members of **Vidhi Specialty Food Ingredients Limited** will be held on Monday, September 23, 2019 at 3:30 p.m. at the Victoria Memorial School for Blind, Opp. Tardeo AC Market, 73, Tardeo Road, Mumbai – 400 034 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statement of the Company for the financial year ended March 31, 2019 including the Audited Balance Sheet as at March 31, 2019, the Statement of Profit and Loss and Cash Flow Statement of the Company for the year ended on that date and notes related thereto together with the Board's Report and the Report of Auditors' thereon.
2. To confirm the 1st Interim Dividend, 2nd Interim Dividend and 3rd Interim Dividend declared in the financial year 2018-19.
3. To declare Final Dividend on Equity Shares for the financial year 2018-19.
4. To appoint a Director in place of Mrs. Pravina Bipin Manek (DIN: 00416533), who retires by rotation pursuant to the provisions of Section 152 of the Companies Act, 2013 ("the Act") and who is not disqualified to become Director under the Act and being eligible, offers herself for re-appointment.

SPECIAL BUSINESS:

5. **To appoint Mr. Ashit Kantilal Doshi (DIN: 08486679) as a Non-Executive, Independent Director.**

In this regard to consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to provisions of Sections 150, 152, 160, 161 and all other applicable provisions, if any, of the Companies Act, 2013 ("Act") and the Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) Mr. Ashit Kantilal Doshi (DIN: 08486679), who was appointed by the Board of Directors, as an Additional Independent Director of the Company w.e.f. June 20, 2019 and who holds office up to the date of this Annual General Meeting of the Company in terms of Section 161 of the Act and in respect of whom the Company has received a notice in writing under section 160 of the Act, from a Member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company.

RESOLVED FURTHER THAT based on the recommendation of the Nomination and Remuneration Committee and pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Act and the Companies (Appointment and Qualifications of Directors) Rules, 2014 and other applicable Rules made under the Act read with Schedule IV to the Act (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, (hereinafter referred to as 'the Listing Regulations'), Mr. Ashit Kantilal Doshi (DIN: 08486679), who meets the criteria for independence as provided in Section 149 of the Act and the Listing Regulations and who has submitted a declaration to that effect and who is eligible for appointment as an Independent Director of the Company, be and is hereby appointed as the Independent Non-Executive Director not liable to retire by rotation, for a term of 5 (five) consecutive years commencing from June 20, 2019 to June 19, 2024, as set out in the Statement pursuant to Section 102 of the Act annexed to this Notice.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to do all such acts and take all such steps as may be necessary, proper or expedient to give effect to this Resolution."

6. **To re-appoint Mr. Prafulchandra Anantlal Shah (DIN: 00417022) as an Independent Director for a second term of 5 (five) consecutive years.**

In this regard to consider and, if thought fit, to pass 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 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as 'the Listing Regulations') (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mr. Prafulchandra Anantlal Shah (DIN: 00417022),

who was appointed as an Independent Director and who holds office of Independent Director up to September 26, 2019 and in respect of whom the Company has received a notice in writing under section 160 of the Act from a Member proposing his candidature for the office of Director and who has submitted a declaration that he meets the criteria for independence as provided in the Act and the Listing Regulations and who is eligible for re-appointment and based on his evaluation of performance, the Nomination and Remuneration Committee has recommended his re-appointment to the Board, be and is hereby re-appointed as an Independent Director of the Company not liable to retire by rotation for a second term of 5 (five) consecutive years on the Board of the Company w.e.f. September 27, 2019 to September 26, 2024.

RESOLVED FURTHER THAT pursuant to the Regulation 17(1A) of the Listing Regulations and other applicable Regulations (including any statutory modifications, variation or re-enactment thereof for the time being in force), consent of the Members of the Company be and is hereby accorded for holding the office of Independent Non-Executive Director of the Company by Mr. Prafulchandra Anantlal Shah (DIN: 00417022), who has already attained the age of seventy-five years, for his second term of 5 (five) consecutive years as an Independent Non-Executive Director commencing from September 27, 2019 till September 26, 2024.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to do all such acts and take all such steps as may be necessary, proper or expedient to give effect to this Resolution.”

7. To re-appoint Mr. Niren Dinkerrai Desai (DIN: 01978382) as an Independent Director for a second term of 5 (five) consecutive years.

In this regard to consider and, if thought fit, to pass 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 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as ‘the Listing Regulations’) (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mr. Niren Dinkerrai Desai (DIN: 01978382), who was appointed as an Independent Director and who holds office of Independent Director up to September 26, 2019 and in respect of whom the Company has received a notice in writing under section 160 of the Act from a Member proposing his candidature for the office of Director and who has submitted a declaration that he meets the criteria for independence as provided in the Act and the Listing Regulations and who is eligible for re-appointment and based on his evaluation of performance, the Nomination and Remuneration Committee has recommended his re-appointment to the Board, be and is hereby re-appointed as an Independent Director of the Company not liable to retire by rotation for a second term of 5 (five) consecutive years on the Board of the Company w.e.f. September 27, 2019 to September 26, 2024.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to do all such acts and take all such steps as may be necessary, proper or expedient to give effect to this Resolution.”

8. To re-appoint Mr. Rahul Chakradhar Berde (DIN: 06981981) as an Independent Director for a second term of 5 (five) consecutive years.

In this regard to consider and, if thought fit, to pass 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 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as ‘the Listing Regulations’) (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mr. Rahul Chakradhar Berde (DIN: 06981981), who was appointed as an Independent Director and who holds office of Independent Director up to September 29, 2019 and in respect of whom the Company has received a notice in writing under section 160 of the Act from a Member proposing his candidature for the office of Director and who has submitted a declaration that he meets the criteria for independence as provided in the Act and the Listing Regulations and who is eligible for re-appointment and based on his evaluation of performance, the Nomination and Remuneration Committee has recommended his re-appointment to the Board, be and is hereby re-appointed as an Independent Director of the Company not liable to retire by rotation for a second term of 5 (five) consecutive years on the Board of the Company w.e.f. September 30, 2019 to September 29, 2024.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to do all such acts and take all such steps as may be necessary, proper or expedient to give effect to this Resolution.”

9. **To approve the payment of remuneration to Mr. Vijay Krishnaswamirao Atre (DIN: 00416853) as Non-Executive Director of the Company which may exceeds fifty per cent of the total annual remuneration payable to all Non-Executive Directors.**

In this regard to consider and, if thought fit, to pass the following resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of Sections 197, 198 and all other applicable provisions of the Companies Act, 2013, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as ‘the Listing Regulations’) (including any statutory modifications, variation or re-enactment thereof for the time being in force) and subject to the provisions of the Articles of Association of the Company, the approval of the Members be and is hereby accorded for payment of remuneration by way of commission to Mr. Vijay Krishnaswamirao Atre (DIN: 00416853), Non-Executive Director of the Company, not exceeding 1% of the net profits of the Company for each financial year, calculated in the manner laid down in Section 198 of the Companies Act, 2013, but not exceeding ₹ 6,00,000/- (Rupees Six Lakhs Only) per annum (payable monthly), for a period of 5 (five) financial years w.e.f. the financial year 2019-20.

RESOLVED FURTHER THAT pursuant to the Regulation 17(6)(ca) and other applicable provisions of the which has been inserted by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, effective from April 1, 2019 and other applicable regulations (including any statutory modifications, variation or re-enactment thereof for the time being in force), approval of the Members be and is hereby accorded for paying remuneration to Mr. Vijay Krishnaswamirao Atre (DIN: 00416853) on the terms and conditions, as mentioned in the explanatory statement, for the financial year 2019-20 which may exceed fifty per cent of the total annual remuneration payable to all the Non-Executive Directors.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, things and matters as may be required to give effect to the above resolution.”

10. **To consider revision in terms of remuneration of Mr. Bipin Madhavji Manek (DIN: 00416441), Managing Director of the Company.**

In this regard to consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT in partial modification of the resolutions passed earlier in the Board and General Meeting for the re-appointment and/or payment of remuneration of Mr. Bipin Madhavji Manek (DIN: 00416441) as the Managing Director of the Company and pursuant to the provisions of Sections 196, 197, 198 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Schedule V and all other applicable provisions of the Companies Act, 2013 (hereinafter referred to as the ‘Act’) and the Rules made there under (including any statutory modifications, variation or re-enactment thereof for the time being in force), Articles of Association of the Company and subject to the approval of Central Government or any other Government authority/agency/board, if and to the extent applicable and required and subject to such conditions and modifications as may be prescribed, stipulated or imposed by any of them while granting such approvals, consents, permissions, sanctions and the like, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the ‘Board’ which shall include duly authorized Nomination and Remuneration Committee thereof for the time being in force exercising the powers conferred upon it by the Board) and as recommended by the Nomination and Remuneration Committee and approved by the Board of Directors, the approval of the Members be and is hereby granted to the revision in the remuneration payable to Mr. Bipin Madhavji Manek (DIN: 00416441), as detailed in the explanatory statement forming part of this notice and Supplementary Agreement as placed before the meeting, w.e.f. April 1, 2019 for his remaining tenure as Managing Director of the Company i.e. till October 31, 2022.

RESOLVED FURTHER THAT except above, the original terms and conditions of re-appointment, as amended, of Mr. Bipin Madhavji Manek (DIN: 00416441) as Managing Director of the Company will remain unchanged.

RESOLVED FURTHER THAT the Board be and are hereby authorised to take all such steps as may be necessary, proper and expedient to give effect to this resolution.”

11. **To consider revision in terms of remuneration of Mr. Mihir Bipin Manek (DIN: 00650613), Joint Managing Director of the Company.**

In this regard to consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT in partial modification of the resolutions passed earlier in the Board and General Meeting for the re-appointment and/or payment of remuneration of Mr. Mihir Bipin Manek (DIN: 00650613) as the Joint Managing Director

of the Company and pursuant to the provisions of Sections 196, 197, 198 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Schedule V and all other applicable provisions of the Companies Act, 2013 (hereinafter referred to as the 'Act') and the Rules made there under (including any statutory modifications, variation or re-enactment thereof for the time being in force), Articles of Association of the Company and subject to the approval of Central Government or any other Government authority/agency/board, if and to the extent applicable and required and subject to such conditions and modifications as may be prescribed, stipulated or imposed by any of them while granting such approvals, consents, permissions, sanctions and the like, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the 'Board' which shall include duly authorized Nomination and Remuneration Committee thereof for the time being in force exercising the powers conferred upon it by the Board) and as recommended by the Nomination and Remuneration Committee and approved by the Board of Directors, the approval of the Members be and is hereby granted to the revision in the remuneration payable to Mr. Mihir Bipin Manek (DIN: 00650613), as detailed in the explanatory statement forming part of this notice and Second Supplementary Agreement as placed before the meeting, w.e.f. April 1, 2019 for his remaining tenure as Joint Managing Director of the Company i.e. till July 14, 2020.

RESOLVED FURTHER THAT except above, the original terms and conditions of re-appointment, as amended, of Mr. Mihir Bipin Manek (DIN: 00650613) as Joint Managing Director of the Company will remain unchanged.

RESOLVED FURTHER THAT the Board be and are hereby authorised to take all such steps as may be necessary, proper and expedient to give effect to this resolution."

12. **To approve the aggregate annual remuneration payable to the Promoter-Executive Directors/Members of the Promoter Group exceeding 5% of the Net Profits of the Company calculated as per Section 198 of the Companies Act, 2013.**

In this regard to consider and, if thought fit, to pass the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the Regulation 17(6)(e) and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, which has been inserted by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, to be effective from April 1, 2019 and other applicable regulations (including any statutory modifications, variation or re-enactment thereof for the time being in force), approval of the Members of the Company be and is hereby accorded to pay an aggregate annual remuneration to all the existing Promoter-Executive Directors/Members of the Promoter Group exceeding 5% of the net profits of the Company calculated as per Section 198 of the Companies Act, 2013, as mentioned in the explanatory statement, for their remaining tenure as Executive Directors of the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to do all such acts, deeds, things and matters as may be required to give effect to the above resolution."

By Order of the Board of Directors
For **Vidhi Specialty Food Ingredients Limited**,

Sd/-

Date: August 14, 2019

Place: Mumbai

Bipin Madhavji Manek
Chairman & Managing Director
(DIN: 00416441)

Address: Flat No.12, Somerset House,
Off. Bhulabhai Desai Road,
Warden Road, Mumbai – 400 026

Registered Office:

E/27, Commerce Centre,
78, Tardeo Road, Mumbai – 400 034
CIN: L24110MH1994PLC076156
www.vidhifoodcolour.com

NOTES:

1. A Member entitled to attend and vote at the general meeting is entitled to appoint a proxy, who need not be a Member, to attend and vote on poll on behalf of himself/herself. The instrument appointing the Proxy, in order to be effective, should be duly completed and deposited at the Registered Office of the Company, not less than 48 (forty eight) hours before the commencement of the Meeting. A proxy form for the Annual General Meeting ('AGM') is enclosed.

A person can act as a proxy on behalf of the Members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A Member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as a proxy and such person shall not act as a proxy for any other person or Member. Proxies submitted on behalf of Companies, Societies, etc. must be supported by valid and effective resolution/authority, as applicable.

2. The relevant statement pursuant to Section 102 of the Companies Act, 2013 ('the Act'), setting out the material facts relating to the Special Business as set out in the Notice, is annexed hereto and forms part of the notice of this AGM.
3. The Company's Registrar & Share Transfer Agents are Sharex Dynamic (India) Private Limited ('R & TA'), at C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai - 400 083. Tel: 022 - 2851 5644/5606 Fax: 022 - 28512885.
4. The Register of Members and Share Transfer Books of the Company will remain closed from Tuesday, September 17, 2019 to Monday, September 23, 2019, both days inclusive, for taking record of the Members of the Company for the purpose of AGM and determining the names of the Members eligible for payment of final dividend on equity shares for the financial year 2018-19, if declared at the AGM.
5. The Dividend, if declared at the AGM, would be paid/dispatched on/after Tuesday, September 24, 2019 but within thirty days from the date of declaration of dividend to those persons (or their mandates):
 - whose names appear as beneficial owners as at the end of the business hours on Monday, September 16, 2019 in the list of the Beneficial Owners to be obtained from the Depositories i.e. National Securities Depository Limited and Central Depository Services (India) Limited, in respect of the shares held in electronic/dematerialized mode; and
 - whose names appear as Members in the Register of Members of the Company as on Monday, September 16, 2019, after giving effect to valid transmission or transposition request lodged with the Company/R & TA, in respect of the shares held in physical mode.

In respect of the Members holding shares in electronic form, the bank details obtained from the respective depositories will be used for the purpose of distribution of dividend through various approved/permissible electronic mode of payment viz. Electronic Clearing Services (ECS), National Electronic Funds Transfer (NEFT), Real Time Gross Settlement (RTGS), etc. The Company/R & TA will not act on any direct request from the Members holding shares in dematerialized form for change/deletion of such bank details. Such changes are to be intimated by the Members to their Depository Participants. In respect of the Members holding shares in the physical form, the bank details obtained from the R & TA will be used for the purpose of distribution of dividend through various approved/permissible electronic modes of payment. Any query related to dividend should be directed to R & TA.

6. Members who have not encashed/received the dividend warrants so far in respect of the below mentioned periods, are requested to make their claim to the R & TA well in advance before due dates. Members are requested to note that dividends not claimed within seven years from the date of transfer to the Company's Unpaid Dividend Account, will be transferred to the Investor Education and Protection Funds (IEPF). Pursuant to the provisions of Section 124(2) of the Act read with the Companies (Declaration and Payment of Dividend) Rules, 2014, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company on its website: http://www.vidhifoodcolour.com/investor_relation.php?m=52 and also on the website of the Ministry of Corporate Affairs.

7. Due dates of transferring unclaimed and unpaid dividends declared by the Company for the financial year 2010-11 and thereafter to IEPF:

Financial Year	Date of declaration of dividend	Last date for claiming unpaid/unclaimed dividend
2012-13 (1 st Interim Dividend)	November 12, 2012	December 16, 2019*
2013-14 (1 st Interim Dividend)	November 12, 2013	December 16, 2020
2013-14 (2 nd Interim Dividend)	February 12, 2014	March 18, 2021
2014-15 (1 st Interim Dividend)	November 14, 2014	December 18, 2021
2015-16 (1 st Interim Dividend)	August 12, 2015	September 15, 2022
2015-16 (Final Dividend for FY 2014-15)	September 16, 2015	October 20, 2022
2015-16 (2 nd Interim Dividend)	November 14, 2015	December 18, 2022
2015-16 (3 rd Interim Dividend)	February 9, 2016	March 14, 2023
2016-17 (1 st Interim Dividend)	August 12, 2016	September 15, 2023
2016-17 (Final Dividend for FY 2015-16)	September 24, 2016	October 28, 2023
2016-17 (2 nd Interim Dividend)	November 14, 2016	December 18, 2023
2016-17 (3 rd Interim Dividend)	February 11, 2017	March 17, 2024
2016-17 (Final Dividend for FY 2016-17)	September 25, 2017	October 29, 2024
2017-18 (1 st Interim Dividend)	September 25, 2017	October 29, 2024
2017-18 (2 nd Interim Dividend)	November 24, 2017	December 28, 2024
2017-18 (3 rd Interim Dividend)	February 14, 2018	March 20, 2025
2017-18 (Final Dividend for FY 2017-18)	September 28, 2018	November 1, 2025
2018-19 (1 st Interim Dividend)	August 10, 2018	September 13, 2025
2018-19 (2 nd Interim Dividend)	November 5, 2018	December 9, 2025
2018-19 (3 rd Interim Dividend)	February 12, 2019	March 16, 2026

* Unclaimed/unpaid amount due to be transferred to IEPF during the current financial year.

8. Pursuant to the applicable provisions of the Act read with the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, all unpaid or unclaimed dividends are required to be transferred by the Company to the IEPF established by the Central Government, after the completion of seven years. Further, according to the Rules, the shares in respect of which dividend has not been paid or claimed by the shareholders for seven consecutive years or more shall also be transferred to the demat account created by the IEPF Authority. During the current financial year, 1st Interim Dividend for the financial year 2012-13 declared in the Board Meeting dated November 12, 2012 is due to be transferred in IEPF as seven years will be completed from the date of transfer of amount to Unpaid Dividend Account. The Members whose dividend/Shares, if transferred to the IEPF Authority, can claim the same from the Authority by following the procedure as detailed on the website of IEPF Authority <http://iepf.gov.in/IEPFA/refund.html>. Further, as per the IEPF Rules the Members/ Claimants can file only one consolidated claim in a financial year from a Company.

9. The relevant details, pursuant to Regulations 26(4) and 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India, in respect of Directors seeking appointment/re-appointment or approval for payment of remuneration at this AGM are annexed to the Notice and forms part of the Explanatory Statement.

Brief resume of all the Directors of the Company has also been furnished separately in the Annual Report. All the Directors proposed to be appointed/re-appointed have furnished the relevant consent for their appointment/re-appointment.

10. As per Sections 101 and 136 read with the Companies (Accounts) Rules, 2014 and all other applicable provisions of the Act, read with the Rules made under the Act, Companies can serve/send various reports, documents, communications, including but not limited to Annual Report comprising of the Report of the Board of Directors, Auditors' Report, Financial Statements, Notice of General Meetings, etc. (hereinafter referred to as 'the Documents') to its Members through electronic mode at their e-mail addresses.

The Company believes in green initiative and is concerned about the environment. The Company has e-mailed the Documents in electronic mode at your e-mail address obtained from the depositories/available with R & TA unless a Member has requested for a hard copy of the same.

Members are requested to furnish/update the details of their address, e-mail address, bank account details, relevant information for availing various approved/permissible modes of electronic funds transfer facilities viz. Electronic Clearing Services (ECS), National Electronic Funds Transfer (NEFT), Real Time Gross Settlement (RTGS), etc.:

- (i) to their Depository Participants in respect of their shareholdings in electronic/dematerialized form;
- (ii) to R & TA, in respect of their shareholdings in physical form, quoting their folio numbers.

Members are entitled to have, free of cost, a copy of the Annual Report upon placing a specific requisition addressed to the R & TA.

11. Annual Report including *inter alia* the Report of the Board of Directors, Auditors' Report, Financial Statement, Notice of this AGM, Attendance Slip, Proxy Form, etc. is being sent by electronic mode to all the Members whose e-mail addresses are registered with the R & TA/depositories unless a Member has requested for a hard copy of the same. For Members who have not registered their e-mail addresses, physical copies of the relevant documents are being sent by the permitted mode. The same are also available on the Company's website at: www.vidhifoodcolour.com
12. In case a person has become a Member of the Company after the dispatch of Annual Report but on or before the cut-off date i.e. Monday, September 16, 2019, he/she/it may write to R & TA viz, Sharex Dynamic (India) Private Limited, at the address mentioned above or on their e-mail id: support@sharexindia.com requesting for the User ID and Password. However, if he/she/it is already registered with CDSL for remote e-voting then he/she/it can use his/her/its existing User ID and password for casting the vote.
13. In terms of Section 72 of the Act read with the applicable Rules made under the Act, every holder of shares in the Company may at any time nominate, in the prescribed manner (Form No. SH-13), a person to whom his/her shares in the Company shall vest, in the event of his/her death. Nomination Form can be obtained from the R & TA. The duly filled in Nomination Form shall be sent to R & TA at the above mentioned address by the Members holding shares in physical mode. Members holding shares in electronic form may contact their respective Depository Participants for availing this facility.
14. Members/Proxies/Authorized Representatives should bring their copy of the Annual Report and Attendance Slip sent herein for attending the Meeting. Proxy/Authorized Representatives of Members should state on the Attendance Slip as 'Proxy' or 'Authorized Representative', as the case may be. Further, those who hold shares in demat form are requested to write their Client Id and DP Id and those who hold shares in physical forms are requested to write their folio number on the Attendance Slip for easy identification at the meeting.
15. Corporate Members intending to send their representatives to attend the Meeting are requested to send to the Company a certified copy of the relevant board resolution authorizing their representatives to attend and vote at the Meeting on their behalf.
16. In case of joint holders, the vote of such joint holder who is higher in the order of names, shall be accepted to the exclusion of the votes of other joint holders.
17. Members who are holding Shares in identical order of names in more than one Folio, are requested to apply to the R & TA along with the relevant Share Certificates for consolidation of such Foliros in one Folio.
18. Members desiring any information pertaining to the Financial Statement are requested to write to the Company Secretary at the Registered Office of the Company at least 10 days prior to the date of the meeting so as to enable the Management to reply at the AGM.
19. Statutory Registers and all other documents relevant to the business as stated in the Notice convening the AGM are open for inspection by the Members at the Registered Office and Corporate Office of the Company upto and including the date of the ensuing AGM of the Company during business hours on any working day of the Company without payment of fee and will also be available at the AGM.
20. The Securities and Exchange Board of India ('SEBI') vide its circular dated April 20, 2018 has mandated registration of Permanent Account Number (PAN) and Bank Account Details for all securities holders. Members holding shares in physical form are therefore, requested to submit their PAN and Bank Account Details to R & TA viz, Sharex Dynamic (India) Private Limited/Company by sending a duly signed letter along with self-attested copy of PAN Card and original

cancelled cheque. The original cancelled cheque should bear the name of the Member. In the alternative, Members are requested to submit a copy of bank passbook/ statement attested by the bank. Members holding shares in demat form are requested to submit the aforesaid documents to their respective Depository Participant.

21. As per Regulation 40 of Listing Regulations, as amended, securities of Listed Companies can be transferred only in dematerialized form w.e.f. April 1, 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 and for ease of portfolio management, Members holding shares in physical form are requested to consider converting their holdings to dematerialized form.
22. **Voting through Electronic Means:**
- a) Pursuant to Section 108 of the Act read with the Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, and all other relevant Rules made under the Act and Regulation 44 of the Listing Regulations, the Company is pleased to provide the facility to the Members to exercise their right to vote on the resolutions proposed to be considered at the AGM by electronic means and the business may be transacted through such voting. The cut-off date for the purpose of remote e-voting and voting at the AGM is Monday, September 16, 2019. Accordingly, the Members, whose names appear in the Register of Members/list of Beneficial Owners as on Monday, September 16, 2019 are entitled to vote on the Resolutions set forth in this Notice. A person who is not a Member as on the cut-off date should treat this Notice for information purpose only. The Members may cast their votes on electronic voting system from place other than the venue of the meeting (remote e-voting). The Company has appointed Central Depository Services (India) Limited [CDSL] for facilitating remote e-voting.
 - b) Subject to the applicable provisions of the Act read with the Rules made there under (as amended), the voting rights of the Members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date for the purpose of remote e-voting, being Monday, September 16, 2019. Members are eligible to cast vote only if they are holding shares on Monday, September 16, 2019.
 - c) **The remote e-voting period will commence at 9:00 a.m. (IST) on Friday, September 20, 2019 and will end at 5:00 p.m. (IST) on Sunday, September 22, 2019.** During this period, the Members of the Company holding shares in physical form or in dematerialized form as on cut-off date may cast their vote through remote e-voting. **The remote e-voting module shall be blocked/disabled for voting thereafter.**
 - d) Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently or cast the vote again. The Members may participate in the AGM even after exercising his/her right to vote through remote e-voting but shall not be allowed to vote again.
 - e) The facility for voting, either through electronic voting system or ballot/polling paper, shall also be made available at the AGM and the Members attending the AGM and who have not already cast their vote by remote e-voting shall be able to exercise their right at the AGM.
 - f) A Member may avail of the facility at his/her/its discretion, as per the instructions provided herein:
 - (i) The voting period begins on Friday, September 20, 2019 at 9:00 a.m. (IST) and ends on Sunday, September 22, 2019 at 5:00 p.m. (IST). During this period, shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) i.e. Monday, September 16, 2019 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
 - (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
 - (iii) Click on Shareholders/Members
 - (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Characters DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
 - (v) Next enter the Image Verification as displayed and Click on Login.
 - (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any Company, then your existing password is to be used.

(vii) If you are a first time user, follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Attendance Slip indicated in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login. <ul style="list-style-type: none"> If both the details are not recorded with the Depository or Company please enter the member id/folio number in the Dividend Bank details field as mentioned in instruction (iv).

- (viii) After entering these details appropriately, click on “SUBMIT” tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, Members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other Company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for **Vidhi Specialty Food Ingredients Limited** for which you choose to vote.
- (xii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiv) After selecting the Resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xv) Once you “CONFIRM” your vote on the Resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xvii) If a demat account holder has forgotten the changed login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) **Shareholders can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store, Apple and Windows Phone. Please follow the instructions as prompted by the mobile app while voting on your mobile.**
- (xix) **Note for Non-Individual Shareholders and Custodians:**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI, etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details, a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

23. **Voting at AGM:** The Members, who have not casted their vote through remote e-voting, can exercise their voting rights at the AGM. The Company will make necessary arrangements in this regard at the AGM Venue. The facility for voting through ballot paper shall be made available at the Meeting. Members who have already casted their votes by remote e-voting are eligible to attend the Meeting; however these Members are not entitled to cast their vote again in the Meeting. A Member can opt for only single mode of voting i.e. through remote e-voting or voting at the AGM.
24. Mr. Hemanshu Kapadia (FCS: 3477 and CP: 2285), Proprietor of M/s. Hemanshu Kapadia & Associates, Practicing Company Secretaries, failing him, Mr. Vipin Mehta (FCS: 8587 and CP: 9869), Partner of M/s. VPP & Associates, Practicing Company Secretaries, have been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
25. The Scrutinizers shall immediately, after the conclusion of voting at the AGM, first count the votes cast at the meeting and thereafter unblock the votes cast through e-voting in the presence of at least 2 (two) witnesses not in the employment of the Company and make, within 48 hours from the conclusion of the meeting, a Consolidated Scrutinizer's Report of the total votes cast in favor or against of the resolutions transacted in the AGM and submit forthwith the same to the Chairman of the Company or a person authorised by him in writing who shall countersign the same.
26. The Chairman or the authorised person shall declare the results of the voting forthwith and the results declared along with the report of the Scrutinizer shall be placed on the website of the Company i.e. www.vidhifoodcolour.com and on the website of CDSL i.e. www.evotingindia.com. The Company shall also simultaneously forward the results to BSE Ltd. (BSE) and National Stock Exchange of India Limited (NSE), where the shares of the Company are listed.
27. Map of the venue of the AGM is given after the notice and forms part of the notice.
28. Subject to receipt of requisite number of votes, the Resolutions shall be deemed to have been passed on the date of the Twenty-Sixth AGM i.e. Monday, September 23, 2019.

**By Order of the Board of Directors
For Vidhi Specialty Food Ingredients Limited,**

Sd/-

Bipin Madhavji Manek

Chairman & Managing Director

(DIN: 00416441)

Address: Flat No.12, Somerset House,
Off. Bhulabhai Desai Road,
Warden Road, Mumbai – 400 026

Date: August 14, 2019

Place: Mumbai

Registered Office:

E/27, Commerce Centre,

78, Tardeo Road,

Mumbai – 400 034

CIN: L24110MH1994PLC076156

www.vidhifoodcolour.com

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 IN RESPECT OF THE SPECIAL BUSINESS TO BE TRANSACTED AT THE TWENTY-SIXTH ANNUAL GENERAL MEETING OF THE COMPANY

Item No. 5:

The Board of Directors by passing a circular resolution on June 20, 2019 had appointed Mr. Ashit Kantilal Doshi (DIN: 08486679) as an Additional Director of the Company and also as Independent Director, not liable to retire by rotation, for a term of 5 (five) years w.e.f. June 20, 2019 to June 19, 2024, subject to approval of the Members.

Pursuant to the provisions of Section 161(1) of the Companies Act, 2013 ("Act") and the Articles of Association of the Company, he holds office up to the date of this Annual General Meeting ("AGM") and is eligible to be appointed as a Director. The Company has, in terms of Section 160(1) of the Act, received in writing a notice from a Member, proposing candidature of Mr. Ashit Kantilal Doshi (DIN: 08486679) for the office of Director.

The Company has received declaration from Mr. Ashit Kantilal Doshi (DIN: 08486679) to the effect that he meets the criteria of independence as provided in Section 149(6) of the Act read with the Rules framed thereunder and Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). In terms of Regulation 25(8) of Listing Regulations, he has confirmed that he is not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact his ability to discharge his duties. In the opinion of the Board, he fulfills the conditions specified in the Act, Rules and Listing Regulations for appointment as an Independent Director and he is independent of the Management of the Company.

The Company has received following documents from Mr. Ashit Kantilal Doshi (DIN: 08486679):

- (i) Letter of consent to act as a Director in the prescribed Form DIR-2 pursuant to Section 152 of the Act and Rule 8 of the Companies (Appointment and Qualification of Directors) Rules, 2014;
- (ii) Letter of intimation in the prescribed Form DIR-8 pursuant to Section 164 of the Act and Rule 14 of Companies (Appointment and Qualification of Directors) Rules, 2014 to the effect that he is not disqualified to become a Director under the Act;
- (iii) Declaration that he meets the criteria of independence as provided under section 149 of the Act.

The Nomination and Remuneration Committee has recommended appointment of Mr. Ashit Kantilal Doshi (DIN: 08486679) as an Independent Director for a term of 5 (five) consecutive years commencing from June 20, 2019 till June 19, 2024. In the opinion of the Board of Directors, Mr. Ashit Kantilal Doshi (DIN: 08486679) fulfill the conditions specified in the Act, Rules made thereunder and Listing Regulations, as amended, for his appointment as an Independent Director of the Company and that he is independent of the Management and is not disqualified to become Director under the Act. The Board believes that his association would be of immense benefit to the Company and it is desirable to avail his services as an Independent Director. Accordingly, the Board of Directors recommends his appointment as an Independent Director of the Company, not liable to retire by rotation.

The brief profile of Mr. Ashit Kantilal Doshi (DIN: 08486679), nature of his expertise, names of Companies in which he holds Directorships, shareholding in the Company, etc. pursuant to the provisions of Listing Regulations and Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India is given in the Appendix-2 to the Notice convening this AGM.

The terms & conditions of his re-appointment, consent to act as Directors, declaration by proposed appointee and notice received u/s 160 of the Companies Act, 2013, shall be open for inspection by the Members at the Registered as well as Corporate Office of the Company during business hours on any working day of the Company up to the date of the ensuing AGM and will also be kept open at the venue of the AGM till the conclusion of the AGM.

The Board recommends the Ordinary Resolution at Item No. 5 for approval by the Members.

Mr. Ashit Kantilal Doshi (DIN: 08486679) and his relatives are concerned or interested in the Resolution mentioned at Item No. 5 relating to his own appointment. None of the other Directors and Key Managerial Personnel of the Company and their respective relatives are, in any way, concerned or interested, in the Resolution set out at Item No. 5 of the Notice.

Item Nos. 6, 7 and 8:

In terms of Section 149 and other applicable provisions of the Companies Act, 2013 ("Act"), Members of the Company at the 21st Annual General Meeting ("AGM") held on September 27, 2014 approved the appointment of Mr. Prafulchandra Anantlal Shah (DIN: 00417022) and Mr. Niren Dinkerrai Desai (DIN: 01978382) as Non-Executive Independent Directors of the Company for a continuous period of 5 (five) years w.e.f. September 27, 2014 i.e. till September 26, 2019. Further, Members of the Company

at the 22nd Annual General Meeting held on September 16, 2015 approved the appointment of Mr. Rahul Chakradhar Berde (DIN: 06981981) as Non-Executive Independent Director of the Company for a continuous period of 5 (five) years w.e.f. September 30, 2014 i.e. till September 29, 2019.

Section 149 of the Act provides that an Independent Director shall hold office for a term of 5 (five) consecutive years and shall be eligible for re-appointment, on passing a Special Resolution by the Members of the Company, for a second term of another 5 (five) consecutive years i.e. holding office up to two consecutive terms, whose term of office shall not be liable to retire by rotation.

Further, in terms of Regulation 17(1A) of the Listing Regulations, a person who has attained the age of seventy-five years can be appointed or continue as a Non-Executive Director of any Listed Entity only after the approval of the Members by way of a Special Resolution is obtained. Since, Mr. Prafulchandra Anantlal Shah (DIN: 00417022) has already attained the age of seventy five years, to re-appoint him as an Independent Non-Executive Director for his second term of 5 (five) consecutive years commencing from September 27, 2019 till September 26, 2024, approval of the Members is required by passing Special Resolution.

The Board of Directors, based on the performance evaluation on various parameters of Independent Directors and recommendation of Nomination and Remuneration Committee and in terms of the provisions of Sections 149, 150, 152 read with Schedule IV and all other applicable provisions of the Act, considered that given the background and contributions made by Mr. Prafulchandra Anantlal Shah (DIN: 00417022), Mr. Niren Dinkerrai Desai (DIN: 01978382) and Mr. Rahul Chakradhar Berde (DIN: 06981981) during their tenure, their continued association would be beneficial to the Company and hence it is desirable to continue to avail their services as Independent Directors. Accordingly, the Board of Directors recommends the proposal to re-appoint them as Independent Directors of the Company, not liable to retire by rotation, for a term as mentioned in the respective Special Resolutions.

In the opinion of the Board, the above referred Independent Directors fulfill the conditions specified in SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and the Act along with the Rules made thereunder and Schedule IV of the Act for their re-appointment as Independent Directors of the Company and they are independent of the Management. All the above named Directors are not disqualified from being appointed as Directors in terms of Section 164 of the Act and have given their consent to act as Directors.

The Company has received notices in writing from a Member pursuant to provision of Section 160 of the Act proposing candidature of Mr. Prafulchandra Anantlal Shah (DIN: 00417022), Mr. Niren Dinkerrai Desai (DIN: 01978382) and Mr. Rahul Chakradhar Berde (DIN: 06981981) for the office of Independent Directors of the Company.

The Company has also received intimation from the above referred Independent Directors that they meet with the criteria of independence as prescribed under section 149(6) of the Act and Listing Regulations.

The brief profile of Mr. Prafulchandra Anantlal Shah (DIN: 00417022), Mr. Niren Dinkerrai Desai (DIN: 01978382) and Mr. Rahul Chakradhar Berde (DIN: 06981981) is given in the Appendix-2 to the Notice pursuant to the provisions of Listing Regulations and Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India.

The terms & conditions of their re-appointment, consent to act as Directors, declaration by proposed appointees and notices received u/s 160 of the Act, shall be open for inspection by the Members at the Registered as well as Corporate Office of the Company during business hours on any working day of the Company up to the date of the ensuing AGM.

Mr. Prafulchandra Anantlal Shah (DIN: 00417022), Mr. Niren Dinkerrai Desai (DIN: 01978382) and Mr. Rahul Chakradhar Berde (DIN: 06981981) are concerned and interested in the resolutions set out respectively at Item Nos. 6, 7 and 8 of the Notice with regard to their respective re-appointments. None of the other Directors or Key Managerial Personnel of the Company or their respective relatives, except mentioned above, are in any way concerned or interested, financially or otherwise, in the Resolutions set out at Item Nos. 6, 7 and 8.

The Board recommends the Special Resolutions at Item Nos. 6, 7 and 8 for approval by the Members.

Item No. 9:

Mr. Vijay Krishnaswamirao Atre (DIN: 00416853) was appointed on the Board of the Company w.e.f. May 2, 1995. He, being a person with technical expertise and vast experience in manufacturing of food colours, is providing technical guidance to the Company in its manufacturing activities. Under his guidance and technical knowledge, the Company has been immensely benefited.

The Members in the 21st Annual General Meeting held on September 27, 2014 has approved payment of remuneration of ₹ 3,00,000/- (Rupees Three Lakhs Only) per annum (₹ 25,000/- per month) but not exceeding 1% of the net profits of the

Company for each financial year, as computed in manner laid down in Section 198 of the Companies Act, 2013 ("Act") for a period of 5 (five) financial years w.e.f. financial year 2014-15 to Mr. Vijay Krishnaswamirao Atre (DIN: 00416853) as Non-Executive Director of the Company. The said approval for payment of remuneration was valid till March 31, 2019.

The Board of Directors has felt that in view of the contributions of Mr. Vijay Krishnaswamirao Atre (DIN: 00416853) in the growth of the Company and technical guidance provided by him, he should be adequately compensated. Therefore, in view of Sections 197, 198 and other relevant provisions of the Act, your Board, on recommendation of Nomination and Remuneration Committee, has approved payment of remuneration by way of commission to Mr. Vijay Krishnaswamirao Atre (DIN: 00416853) as Non-Executive Director of the Company not exceeding 1% of the net profits of the Company for each financial year, calculated in the manner laid down in Section 198 of the Act, but not exceeding ₹ 6,00,000/- (Rupees Six Lakhs Only) per annum (payable monthly), for a period of five financial years w.e.f. the financial year 2019-20.

Pursuant to Regulation 17(6)(ca) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), as amended, approval of the Members by way of a Special Resolution shall be obtained every year, in which the annual remuneration payable to a single Non-Executive Director exceeds fifty percent of the total annual remuneration payable to all Non-Executive Directors, giving details of the remuneration thereof.

Since, remuneration payable to Mr. Vijay Krishnaswamirao Atre (DIN: 00416853) as a Non-Executive Director could be more than fifty percent of the total annual remuneration payable to all the Non-Executive Directors during the financial year 2019-20, as per the amended Regulation 17(6)(ca) of the Listing Regulations, the approval of the Members by way of a Special Resolution is required to pay him remuneration by way of commission ₹6,00,000/- (Rupees Six Lakhs Only) per annum but not exceeding 1% of net profits calculated u/s 198 of the Act for the financial year 2019-20. No other Non-Executive Director is being paid any remuneration except Independent Directors who are being paid sitting fees for attending the Board Meeting in which financial results/statement are considered.

In view of the above, the Board recommends the Special Resolution mentioned at Item No. 9 as set out in the accompanying notice for the approval of Members for payment of remuneration way of commission to Mr. Vijay Krishnaswamirao Atre (DIN: 00416853) as Non-Executive Director of the Company for a period of five financial years beginning w.e.f. financial year 2019-20 which shall exceed fifty percent of the total annual remuneration payable to all the Non-Executive Directors.

None of the Directors or Key Managerial Personnel of the Company or their respective relatives, other than Mr. Vijay Krishnaswamirao Atre (DIN: 00416853), are in any way concerned or interested, financially or otherwise, in the resolution set out at Item No. 9 of the accompanying Notice.

Item No. 10:

The Members of the Company at the Extra-ordinary General Meeting of the Company held on March 29, 2018 had approved the re-appointment of Mr. Bipin Madhavji Manek (DIN: 00416441) as the Managing Director of the Company and the terms of remuneration payable to him w.e.f. November 1, 2017 for a period of five years i.e. till October 31, 2022, not liable to retire by rotation.

The Members had inter alia approved, total remuneration of ₹ 2,50,000/- per month and applicable perquisites and commission of 5% of the Net Profit with the authority to the Board to fix the remuneration from time to time.

The monthly basic salary of Mr. Bipin Madhavji Manek (DIN: 00416441) w.e.f. November 1, 2017 is ₹ 2,50,000/- per month Taking into consideration his contributions in the growth of the Company and industry norms and based on the recommendation of Nomination and Remuneration Committee, the Board of Directors in its Meeting held on May 21, 2019 had approved the revision of the salary payable to Mr. Bipin Madhavji Manek (DIN: 00416441) from the existing ₹ 2,50,000/- per month to ₹ 5,00,000/- per month for his remaining tenure as Managing Director of the Company i.e. till October 31, 2022. The Company has entered into a Supplementary Agreement with Mr. Bipin Madhavji Manek (DIN: 00416441) which set out the revised terms and conditions governing appointment and functioning of Mr. Bipin Madhavji Manek (DIN: 00416441) as Managing Director of the Company w.e.f. April 1, 2019 which will substitute the terms and conditions related to remuneration as mentioned in the existing Managing Director Agreement.

The extract of the terms and conditions as set out in the Supplementary Agreement are given below:

Remuneration

- a) Salary: ₹ 5,00,000/- (Rupees Five Lakhs Only) per month.
- b) Commission: 5% p.a. of the Net Profit calculated u/s 198 read with Section 197 of the Companies Act, 2013 less the total salary paid during the financial year.

In addition to the above, the Managing Director shall also be entitled to the following perquisites, which shall not be included in the computation of the ceiling on remuneration:

- a) Contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961,
- b) Gratuity payable at the rate not exceeding half a month's salary for each completed year of service, and
- c) Encashment of leave at the end of the tenure.

Except above, all other terms and conditions as stated in the Original Managing Director Agreement dated November 1, 2017 between the parties shall remain unchanged.

It is proposed to seek the Members approval for revision in remuneration payable to Mr. Bipin Madhavji Manek (DIN: 00416441), Managing Director. Details of remuneration paid to Mr. Bipin Madhavji Manek (DIN: 00416441) during the financial year 2018-19 have been disclosed in the Annexure to the Board's Report and in the Report on Corporate Governance.

Brief resume of Mr. Bipin Madhavji Manek (DIN: 00416441) pursuant to the provisions of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 and Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India are provided in the notice convening this meeting.

Pursuant to Section 102(1) of the Companies Act, 2013, it is informed that Mr. Bipin Madhavji Manek (DIN: 00416441), Managing Director, himself, and Mr. Mihir Bipin Manek (DIN: 00650613), Joint Managing Director, and Mrs. Pravina Bipin Manek (DIN: 00416533), Non-Executive Director, being son and spouse, respectively, are concerned or interested in the Resolution at Item No. 10 of the accompanying notice relating to change in terms of re-appointment of Managing Director.

As on March 31, 2019, Mr. Bipin Madhavji Manek (DIN: 00416441) was holding 1,41,10,333 Equity Shares of the Company constituting 28.25% of total voting power and Mrs. Pravina Bipin Manek (DIN: 00416533) was holding 1,79,90,667 equity shares of the Company constituting 36.02% of total voting power. None of the Directors, Key Managerial Personnel of the Company or their relatives, other than those mentioned above, are concerned or interested, financially or otherwise, in the Resolution set out at Item No. 10 of the Notice.

Accordingly, the Board recommends the Ordinary Resolution in relation to change in terms and conditions of the re-appointment of Mr. Bipin Madhavji Manek (DIN: 00416441) as set forth in Item No. 10 of the notice for the approval of the Members.

All the documents referred in the resolution mentioned at Item No.10 and explanatory statement thereto shall be open for inspection by the Members at the Registered as well as Corporate Office of the Company during business hours on any working day of the Company up to the date of the ensuing AGM.

Item No. 11:

The Members of the Company at the 22nd Annual General Meeting of the Company held on September 16, 2015 had approved the re-appointment of Mr. Mihir Bipin Manek (DIN: 00650613) as the Joint Managing Director of the Company and the terms of remuneration payable to him w.e.f. July 15, 2015 for a period of five years i.e. till July 14, 2020 liable to retire by rotation.

The Members had inter alia approved, total remuneration of ₹ 1,25,000/- per month and applicable perquisites and commission of 2% of the Net Profit with the authority to the Board (which term shall be deemed to include the Nomination and Remuneration Committee constituted by the Board) to fix the salary from time to time. Subsequently, on the recommendation of the Nomination and Remuneration Committee ("NRC") and the Board of Directors, the Members in the AGM held on September 24, 2016 had increased the remuneration payable to him from ₹ 1,25,000/- per month to ₹ 2,50,000/- per month w.e.f. December 1, 2015 for his remaining tenure as Joint Managing Director of the Company i.e. till July 14, 2020.

The NRC again reviewed the performance of the Company and contributions of Mr. Mihir Bipin Manek (DIN: 00650613) in the growth of the Company. On the basis of the same, the NRC has recommended to the Board increase in remuneration to be paid to him. Taking into consideration his contributions in the growth of the Company and industry norms and based on the recommendation of NRC, the Board of Directors in its Meeting held on May 21, 2019 had approved the revision of the salary payable to Mr. Mihir Bipin Manek (DIN: 00650613) from the existing ₹ 2,50,000/- per month to ₹ 5,00,000/- per month for his remaining tenure as Joint Managing Director of the Company i.e. till July 14, 2020. The Company has entered into a Supplementary Agreement with Mr. Mihir Bipin Manek (DIN: 00650613) which set out the revised terms and conditions governing appointment and functioning of Mr. Mihir Bipin Manek (DIN: 00650613) as Joint Managing Director of the Company w.e.f. April 1, 2019 which will substitute the terms and conditions related to remuneration as mentioned in the existing Joint Managing Director Agreement, as amended.

The extract of the terms and conditions as set out in the Second Supplementary Agreement are given below:

Remuneration

- a) Salary: ₹ 5,00,000/- (Rupees Five Lakhs Only) per month.
- b) Commission: 5% p.a. of the Net Profit calculated u/s 198 read with Section 197 of the Companies Act, 2013 less the total salary paid during the financial year.
- c) The Company shall reimburse from time to time all expenses that he may be required to incur in the course of performance of duties as Joint Managing Director of the Company.

Minimum Remuneration

Notwithstanding anything to the contrary herein contained, where in any financial year during the currency of his tenure, the Company has no profits or its profits are inadequate, remuneration by way of salary, as mentioned above, shall be treated as Minimum Remuneration under the provisions of Section II, III and IV of Part II of Schedule V of the Companies Act, 2013.

In addition to the above, the Joint Managing Director shall also be entitled to the following perquisites, which shall not be included in the computation of the ceiling on remuneration:

- a) Contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961,
- b) Gratuity payable at the rate not exceeding half a month's salary for each completed year of service, and
- c) Encashment of leave at the end of the tenure.

Except above, all other terms and conditions as stated in the Original Joint Managing Director Agreement dated July 6, 2015, as amended, between the parties shall remain unchanged.

It is proposed to seek the Members approval for revision in remuneration payable to Mr. Mihir Bipin Manek (DIN: 00650613), Joint Managing Director. Details of remuneration paid to Mr. Mihir Bipin Manek (DIN: 00650613) during the financial year 2018-19 have been disclosed in the Annexure to the Board's Report and in the Report on Corporate Governance.

Brief resume of Mr. Mihir Bipin Manek (DIN: 00650613) pursuant to the provisions of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 and Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India are provided in the notice convening this meeting.

Pursuant to Section 102(1) of the Companies Act, 2013, it is informed that Mr. Mihir Bipin Manek (DIN: 00650613), Joint Managing Director, himself, and Mr. Bipin Madhavji Manek (DIN: 00416441), Managing Director, and Mrs. Pravina Bipin Manek (DIN: 00416533), being parents, are concerned or interested in the Resolution at Item No. 11 of the accompanying notice relating to change in terms of re-appointment of Joint Managing Director.

As on March 31, 2019, Mr. Bipin Madhavji Manek (DIN: 00416441) was holding 1,41,10,333 Equity Shares of the Company constituting 28.25% of total voting power and Mrs. Pravina Bipin Manek (DIN: 00416533) was holding 1,79,90,667 Equity Shares of the Company constituting 36.02% of total voting power. None of the Directors, Key Managerial Personnel of the Company or their relatives, other than those mentioned above, are concerned or interested, financially or otherwise, in the Resolution set out at Item No. 11 of the Notice.

Accordingly, the Board recommends the Ordinary Resolution in relation to change in terms and conditions of the re-appointment of Mr. Mihir Bipin Manek (DIN: 00650613) as set forth in Item No. 11 of the notice for the approval of the Members.

All the documents referred in the resolution mentioned at Item No. 11 and explanatory statement thereto shall be open for inspection by the Members at the Registered as well as Corporate Office of the Company during business hours on any working day of the Company up to the date of the ensuing AGM.

Item No. 12:

The Securities and Exchange Board of India ('SEBI') vide its Notification No. SEBI/LAD-NRO/GN/2018/10 dated May 9, 2018 issued the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 ('the Amendment Regulations') which brought amendments in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Listing Regulations').

Vide the Amendment Regulations, after the existing Regulation 17(6)(d), the new sub-regulation 17(6)(e) has been inserted. As per the new amendment, if the aggregate annual remuneration payable to more than one Executive Director who is a Promoter

or is a Member of the Promoter Group, exceeds 5% of the net profits of the Company calculated as per Section 198 of the Companies Act, 2013 ('the Act') then approval of the Members by way of a Special Resolution is required. Such approval of the Members under this provision shall be valid only till the expiry of the term of such Director. Further, the said amendment has come into force w.e.f. April 1, 2019.

Mr. Bipin Madhavji Manek (DIN: 00416441) and Mr. Mihir Bipin Manek (DIN: 00650613) are the Executive Directors and also the Promoters of the Company and drawing remuneration in excess of limit mentioned in said Regulation 17(6)(e). Accordingly, the approval of the Members was taken in the 25th AGM of the Company held on September 28, 2018.

Subsequent to that approval, the Board of Directors in their meeting held on May 21, 2019, on recommendation of the Nomination and Remuneration Committee, has increased remuneration payable to Mr. Bipin Madhavji Manek (DIN: 00416441) as the Chairman & Managing Director and Mr. Mihir Bipin Manek (DIN: 00650613) as Joint Managing Director of the Company from ₹ 2,50,000/- per month to ₹ 5,00,000/- per month and applicable perquisites and commission of 5% on the net profits of the Company subject to maximum of 5% on the net profits of the Company w.e.f. April 1, 2019 for their remaining tenure.

The annual remuneration payable to the Executive Directors i.e. Mr. Bipin Madhavji Manek (DIN: 00416441) and Mr. Mihir Bipin Manek (DIN: 00650613), is within the limit of 5% and 10% as specified u/s 197(1) of the Act. Since, the remuneration to be paid to the said Executive Directors has been again increased after taking approval under new Regulation 17(6)(e) of the Listing Regulations, the approval of the Members by way of a Special Resolution is again required since the Company has more than one Promoter Executive Director and remuneration paid to them is in excess of 5% of the net profits of the Company calculated as per Section 198 of the Act.

In view of the above, the Board recommends the Special Resolution mentioned at Item No. 12 as set out in the accompanying notice for the approval of Members for payment of remuneration to Mr. Bipin Madhavji Manek (DIN: 00416441) and Mr. Mihir Bipin Manek (DIN: 00650613) on revised scale for their remaining tenure notwithstanding that it will be in excess of 5% of the net profits of the Company calculated as per Section 198 of the Act.

Pursuant to Section 102(1) of the Act, it is informed that, Mr. Bipin Madhavji Manek (DIN: 00416441), Managing Director, Mr. Mihir Bipin Manek (DIN: 00650613), Joint Managing Director, and Mrs. Pravina Bipin Manek (DIN: 00416533), Non-Executive Director of the Company, being relatives within the meaning of Section 2(77) of the Act, are concerned or interested in the Resolution at Item No. 12 of the accompanying notice.

As on March 31, 2019, Mr. Bipin Madhavji Manek (DIN: 00416441) was holding 1,41,10,333 Equity Shares of the Company constituting 28.25% of total voting power and Mrs. Pravina Bipin Manek (DIN: 00416533) was holding 1,79,90,667 Equity Shares of the Company constituting 36.02% of total voting power. None of the Directors, Key Managerial Personnel of the Company or their relatives, other than those mentioned above, are concerned or interested, financially or otherwise, in the Resolution set out at Item No. 12 of the accompanying Notice.

All the documents referred in the resolution mentioned at Item No. 12 and explanatory statement thereto shall be open for inspection by the Members at the Registered as well as Corporate Office of the Company during business hours on any working day of the Company up to the date of the ensuing AGM.

Annexure to Item Nos. 4 to 12 of the Notice:

(Details as required to be furnished under the Secretarial Standard-2 para 1.2.5 and Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

Name of the Director	Mrs. Pravina Bipin Manek	Mr. Ashit Kantilal Doshi
DIN	00416533	08486679
Date of Birth	February 29, 1956	February 21, 1969
Age	63 years	50 years
Qualifications	B.A.	S.Y. B.com
Nationality	Indian	Indian
Experience	18 years of vast experience and expertise in the business of food colour.	He has an experience of more than 20 years as a Remisser.

Terms and conditions of appointment/ re-appointment	Proposed to be re-appointed as a Director whose office is liable to retire by rotation.	Proposed to be appointed as an Independent Director for a term of 5 (five) consecutive years.
Date of first appointment on the Board	January 19, 1994	June 20, 2019
Shareholding in the Company	1,79,90,667 Equity shares	Nil
List of Directorships held in other Companies	Nil	Nil
Committee Chairmanship/Membership in other Companies	Nil	Nil

Name of the Director	Mr. Pratulchandra Anantlal Shah	Mr. Niren Dinkerrai Desai
DIN	00417022	01978382
Date of Birth	November 13, 1933	December 12, 1956
Age	85 years	62 years
Qualifications	B. E. Mechanical and Electricals	B. E. Mechanical
Nationality	Indian	Indian
Experience	Experience of 58 years in construction industry. His areas of strength include Industrial Constructions & Project Works. He has been associated with the Company for more than 16 years.	40 years of rich experience in the field of Industrial Hardware & Machine Tools.
Terms and conditions of appointment/ re-appointment	Proposed to be re-appointed as an Independent Non-Executive Director on existing terms and conditions till September 26, 2024.	Proposed to be re-appointed as an Independent Non-Executive Director on existing terms and conditions till September 26, 2024.
Date of first appointment on the Board	January 6, 2003	January 6, 2003
Shareholding in the Company	Nil	Nil
List of Directorships held in other Companies	Nil	Nil
Committee Chairmanship/Membership in other Companies	Nil	Nil

Name of the Director	Mr. Rahul Chakradhar Berde	Mr. Vijay Krishnaswamirao Atre
DIN	06981981	00416853
Date of Birth	June 4, 1982	April 6, 1925
Age	37 years	94 Years
Qualifications	M. Sc. (Analytical Chemistry)	M. Sc.
Nationality	Indian	Indian
Experience	14 years of experience as a manger of Biotage India Private Limited.	Over 40 years of rich experience in the field of food colours manufacturing unit.
Terms and conditions of appointment/ re-appointment	Proposed to be re-appointed as an Independent Non-Executive Director on existing terms and conditions till September 29, 2024.	Not to be appointed/re-appointed but approval of Members is sought for payment of remuneration to him which may exceed fifty per cent of the total annual remuneration payable to all Non-Executive Directors.

VIDHI SPECIALTY FOOD INGREDIENTS LIMITED

Date of first appointment on the Board	September 30, 2014	May 2, 1995
Shareholding in the Company	260 Equity Shares of ₹ 1/- each	25,000 Equity Shares of ₹ 1/- each
List of Directorships held in other Companies	Nil	Nil
Committee Chairmanship/Membership in other Companies	Nil	Nil
Name of the Director	Mr. Bipin Madhavji Manek	Mr. Mihir Bipin Manek
DIN	00416441	00650613
Date of Birth	June 7, 1956	March 8, 1982
Age	63 years	37 years
Qualifications	B. Com.	B. Sc. in Industrial Chemistry
Nationality	Indian	Indian
Experience	Rich experience of over 33 years in the field of Imports & Exports in food colour industries and business management.	13 years of experience and expertise in the business of procurement of imported raw materials and distribution of various chemicals.
Terms and conditions of appointment/re-appointment	Not to be appointed/re-appointed but approval of Members is sought for revision in terms of remuneration.	Not to be appointed/re-appointed but approval of Members is sought for revision in terms of remuneration.
Date of first appointment on the Board	January 19, 1994	July 31, 2006
Shareholding in the Company	1,41,10,333 Equity Shares of ₹ 1/- each	Nil
List of Directorships held in other Companies	Arjun Food Colorants Manufacturing Private Limited	Arjun Food Colorants Manufacturing Private Limited
Committee Chairmanship/Membership in other Companies	Nil	Nil

Note: For other details such as number of meetings of the Board attended during the year, remuneration drawn and relationship with other Directors and Key Managerial Personnel in respect of the above Directors, please refer to the Board's Report and the Corporate Governance Report.

**By Order of the Board of Directors
For Vidhi Specialty Food Ingredients Limited,**

Sd/-

Date: August 14, 2019
Place: Mumbai

Bipin Madhavji Manek
Chairman & Managing Director
(DIN: 00416441)

Address: Flat No.12, Somerset House,
Off. Bhulabhai Desai Road,
Warden Road, Mumbai – 400 026

Registered Office:
E/27, Commerce Centre,
78, Tardeo Road,
Mumbai – 400 034
CIN: L24110MH1994PLC076156
www.vidhifoodcolour.com

ROUTE MAP TO THE VENUE OF TWENTY-SIXTH ANNUAL GENERAL MEETING OF VIDHI SPECIALTY FOOD INGREDIENTS LIMITED:

Venue: The Victoria Memorial School for Blind, Opp. Tardeo AC Market, 73, Tardeo Road, Mumbai – 400 034

Landmark: Opposite AC Market

