

NOTICE OF THE TWENTY-SEVENTH ANNUAL GENERAL MEETING

To,
The Members
Vidhi Specialty Food Ingredients Limited,

Notice is hereby given that the **Twenty-Seventh Annual General Meeting** of the Members of **Vidhi Specialty Food Ingredients Limited** will be held on Tuesday, September 29, 2020 at 03:30 p.m. through Video Conferencing (“VC”)/Other Audio-Visual Means (“OAVM”) which will be deemed to be held at the Registered Office of the Company to transact the following business:

ORDINARY BUSINESS:

1. a. To receive, consider and adopt the Standalone Audited Financial Statement of the Company for the financial year ended March 31, 2020, the Change in Equity, 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.
- b. To receive, consider and adopt the Consolidated Audited Financial Statement of the Company for the financial year ended March 31, 2020 including the Audited Balance Sheet as at March 31, 2020, the Change in Equity, 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 Report of Auditors’ thereon.
2. To confirm the 1st Interim Dividend, 2nd Interim Dividend and 3rd Interim Dividend declared in the financial year 2019-20.
3. To declare Final Dividend on Equity Shares for the financial year 2019-20.
4. To appoint a Director in place of Mr. Vijay Krishnaswamirao Atre (DIN: 00416853), 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 himself for re-appointment.

SPECIAL BUSINESS:

5. **To appoint Mrs. Jyoti Sunil Modi (DIN: 08699101) as a Non-Executive, Woman 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 149, 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) Mrs. Jyoti Sunil Modi (DIN: 08699101), who was appointed by the Board of Directors, as an Additional Independent (Woman) Director of the Company with effect from March 19, 2020 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 her 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 approval of the Board of Directors 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 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to

time, (hereinafter referred to as 'the Listing Regulations'), Mrs. Jyoti Sunil Modi (DIN: 08699101), 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 (Woman) Director not liable to retire by rotation, for a term of 5 (five) consecutive years commencing from March 19, 2020 to March 18, 2025, 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 consider re-appointment of Mr. Mihir Bipin Manek (DIN: 00650613) as Joint Managing Director of the Company and payment of remuneration to him.**

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

“**RESOLVED THAT** in pursuance of the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors, pursuant to the provisions of Sections 196, 197, 198, 203, Schedule V and all other applicable provisions of the Companies Act, 2013, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and all other applicable Rules made under the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof from time to time) (hereinafter referred to as 'the Act'), and applicable Regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, (hereinafter referred to as 'the Listing Regulations'), pursuant to the provisions of the Articles of Association of the Company and subject to the approvals, consents, permissions, sanctions, etc., of the Central Government and all other concerned statutory, regulatory and other authorities, 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 Committee thereof for the time being in force exercising the powers conferred upon it by the Board), approval of the Shareholders of the Company be and is hereby accorded to the re-appointment of Mr. Mihir Bipin Manek (DIN: 00650613), on continuation basis without any interruption/break in service, as the Joint Managing Director of the Company, liable to retire by rotation, for a period of 5 (five) years with effect from July 15, 2020 till July 14, 2025, upon the terms and conditions including remuneration as mentioned in the Joint Managing Director Agreement, copy of which was placed before the meeting.

RESOLVED FURTHER THAT where in any financial year during the currency of the tenure of Mr. Mihir Bipin Manek (DIN: 00650613) as the Joint Managing Director, the Company has no profits or its profits are inadequate, the Company will pay to Mr. Mihir Bipin Manek (DIN: 00650613) remuneration by way of salary, benefits, perquisites, allowances, etc. as mentioned in the Joint Managing Director Agreement as the minimum remuneration, subject to compliance with the applicable provisions of Sections 196, 197 and all other applicable provisions, if any, of the Act read with Schedule V of the Act, as amended from time to time, subject to the approval of the Central Government, if and to the extent necessary and applicable.

RESOLVED FURTHER THAT the Board be and is hereby authorized to take all such steps as may be necessary, proper, expedient or desirable to give effect to this resolution, to make modifications as may be deemed to be in the interest of the Company, with liberty to alter and vary the terms and conditions of the aforesaid re-appointment, including but not limited to determine the remuneration payable to Mr. Mihir Bipin Manek (DIN: 00650613) from time to time, in accordance with the provisions of the Act and to do all such acts, deeds, matters and things for giving effect to this resolution.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of its powers to any of its committee(s) or any Director or officer or person, to give effect to the aforesaid resolution.”

7. **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 Regulation 17(6)(ca) and other applicable provisions of the Listing Regulations and other applicable regulations (including any statutory modifications, variation or re-enactment thereof for the time being in force), and as approved by the Members at the 26th Annual General Meeting of the Company held on Monday, September 23, 2019, approval of the Members be and is hereby accorded for paying remuneration to Mr. Vijay Krishnaswamirao Atre (DIN: 00416853) on the existing terms and conditions, as mentioned in the explanatory statement, for the financial year 2020-21 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.”

8. **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 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 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/-

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, 2020
Place: Mumbai

Registered Office:

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

NOTES:

1. In view of the COVID-19 pandemic, the Ministry of Corporate Affairs ('MCA') has vide its General Circular No. 20/2020 dated May 05, 2020 in relation to 'Clarification on holding of Annual General Meeting ('AGM') through video conferencing ('VC') or other audio visual means ('OAVM') read with General Circular No. 14/2020 dated April 08, 2020 and General Circular No. 17/2020 dated April 13, 2020 in relation to 'Clarification on passing of ordinary and special resolutions by Companies under the Companies Act, 2013 and the Rules made thereunder on account of the threat posed by Covid-19' (collectively referred to as 'MCA Circulars') and the Securities and Exchange Board of India ('SEBI') vide its circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 in relation to 'Additional relaxation in relation to compliance with certain provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 – Covid-19 pandemic' ('SEBI Circular') permitted the holding of the Annual General Meeting ('AGM')/'the Meeting') through VC/OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 (the 'Act'), the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') and MCA Circulars, the 27th AGM of the Company is being held through VC/OAVM on Tuesday, September 29, 2020 at 03:30 p.m. The deemed venue for the AGM will be the Registered Office of the Company.
2. As per the provisions of clause 3.A.II. of the General Circular No. 20/ 2020 dated May 05, 2020, issued by the MCA, the matters of Special Business as appearing at item nos. 5 to 8 of the accompanying Notice, are considered to be unavoidable by the Board and hence, form part of this Notice.
3. 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. Since this AGM is being held pursuant to the MCA Circulars through VC/OAVM, the requirement of physical attendance of Members has been dispensed with. Accordingly, in terms of the MCA Circulars and the SEBI Circular, the facility for appointment of proxies by the Members will not be available for this AGM and hence the proxy form, attendance slip and route map of AGM are not annexed to this notice. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the Members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/ OAVM and cast their votes through e-voting.
4. The relevant statement pursuant to Section 102 of 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.
5. The Company's Registrar & Share Transfer Agents are Sharex Dynamic (India) Private Limited ('R & TA') having their office at C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai - 400 083. Tel: 022- 28515644/5606 Fax: 022- 28512885.
6. The Register of Members and Share Transfer Books of the Company will remain closed from Wednesday, September 23, 2020 to Tuesday, September 29, 2020, 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 2019-20, if declared at the AGM.
7. The Dividend, if declared at the AGM, would be paid/dispatched on/after Wednesday, September 30, 2020 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 Tuesday, September 22, 2020 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 Tuesday, September 22, 2020, 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.

8. Payment of dividend shall be made through electronic mode to the Members who have updated their bank account details. In case, the Company is unable to pay the dividend to any Member by the electronic mode, due to non-availability of the details of the bank account, the Company shall upon normalisation of the postal services, dispatch the dividend warrant / cheque to such Member by post.
9. Members may note that the Income Tax Act, 1961 ("IT Act"), as amended by the Finance Act, 2020, mandates that dividends paid or distributed by a Company after April 1, 2020 shall be taxable in the hands of the Members. The Company shall therefore be required to deduct Tax at Source (TDS) at the time of making the final dividend. In order to enable us to determine the appropriate TDS rate as applicable, Members are requested to submit the documents in accordance with the provisions of the IT Act.
 - a) **For Resident Members**, TDS shall be deducted under Section 194 of the IT Act @7.50% or as notified by the Government of India on the amount of dividend declared and paid by your Company during the financial year 2020-21 provided PAN is registered by the Member. If PAN is not registered or PAN is invalid, TDS shall be deducted @ 20% or as notified by the Government of India as per Section 206AA of the IT Act.

However, no TDS shall be deducted on the dividend payable to a resident individual if the total dividend to be received by them during the financial year 2020-21 does not exceed Rs. 5,000. Please note that this includes the future dividend, if any, which may be declared by the Board in the financial year 2020-21.

A Resident individual shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G/15H, to avail the benefit of non-deduction of tax at source. Resident Members may also submit any other document as prescribed under the IT Act to claim a lower / Nil withholding tax.

- b) **For Non-resident Members**, TDS is required to be deducted in accordance with the provisions of Section 195 of the IT Act at the rates in force. As per the relevant provisions of the IT Act, the tax shall be deducted @ 20% (plus applicable surcharge and cess) or as notified by the Government of India on the amount of dividend payable to them. However, as per Section 90 of the IT Act, the non-resident Member has the option to be governed by the provisions of the Double Tax Avoidance Agreement (DTAA) between India and the Country of tax residence of the Member, if they are more beneficial to them. For this purpose, i.e. to avail the Tax Treaty benefits, the non-resident Member will have to provide i.e. No Permanent Establishment and Beneficial Ownership Declaration, Self-attested copy of the Permanent Account Number (PAN Card), Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits.

Also a self-declaration, certifying the following points:

- i) Member is and will continue to remain a tax resident of the country of its residence during the financial year 2020-21;
- ii) Member is eligible to claim the beneficial DTAA rate for the purposes of tax withholding on dividend declared by the Company;
- iii) Member has no reason to believe that its claim for the benefits of the DTAA is impaired in any manner;

- iv) Member is the ultimate beneficial owner of its shareholding in the Company and Dividend receivable from the Company; and
- v) Member does not have a taxable presence or a permanent establishment in India during the financial year 2020-21.

Please note that the Company is not obligated to apply the beneficial DTAA rates at the time of tax deduction / withholding on dividend amounts. Application of beneficial DTAA Rate shall depend upon the completeness and satisfactory review by the Company, of the documents submitted by Non- Resident Member.

- 10. Form 15G/15H/10F for current financial year can be downloaded from the Link <http://www.sharexindia.com/downloads.php?formtype=>
- 11. Kindly note that the aforementioned documents can be submitted to the Company/R&TA at support@sharexindia.com or can be uploaded on the link <https://sharexindia.com/submission-of-form-15g-15h.html> on or before September 29, 2020 in order to enable your Company to determine and deduct appropriate TDS rate. No communication on the tax determination / deduction shall be entertained post September 29, 2020. It may be further noted that in case the tax on said dividend is deducted at a higher rate in the absence of receipt of the aforementioned details / documents from you, there would still be an option available with you to file the return of income and claim an appropriate refund, if eligible.
- 12. The Company will issue soft copy of TDS certificate to its Members through email registered with Company/ Company's RTA post payment of dividend on or before September 29, 2020. In addition, Members will be able to download the TDS certificate from the Income Tax Department's website <https://incometaxindiaefiling.gov.in> (refer to Form 26AS).
- 13. In the event of any income tax demand (including interest, penalty, etc.) arising from any misrepresentation, inaccuracy or omission of information provided by the Members, such Members will be responsible to indemnify the Company and also, provide the Company with all information/documents and co-operation in any assessment/appellate proceedings.
- 14. This communication is not exhaustive and does not purport to be a complete analysis or listing of all potential tax consequences in the matter of dividend payment. Shareholders should consult their tax advisors for requisite action to be taken by them.
- 15. 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 Rules made thereunder, 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.

Due dates of transferring unclaimed and unpaid dividends declared by the Company for the financial year 2013-14 and thereafter to IEPF:

Financial Year	Date of declaration of dividend	Last date for claiming unpaid/ unclaimed dividend
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
2017-18 (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
2018-19 (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
2019-20 (Final Dividend for FY 2018-19)	September 23, 2019	October 27, 2026
2019-20 (1 st Interim Dividend)	August 14, 2019	September 17, 2026
2019-20 (2 nd Interim Dividend)	November 12, 2019	December 16, 2026
2019-20 (3 rd Interim Dividend)	February 11, 2020	March 15, 2027

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

16. Pursuant to the applicable provisions of the Act read with the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the shares in respect of which dividend has not been paid or claimed by the Members 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 2013-14 declared in the Board Meeting dated November 12, 2013 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://www.iepf.gov.in/IEPF/refund.html>. Further, as per the IEPF Rules the Members/ Claimants can file only one consolidated claim in a financial year from a Company.
17. 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 the Directors of the Company has also been furnished separately in the Annual Report. The Directors proposed to be appointed/re-appointed have furnished the relevant consent for their appointment/re-appointment.

18. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code etc., to their DPs in case the shares are held by them in electronic form and to R&TA in case shares are held by them in physical form.
19. Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
20. The members can join the AGM in the VC/OAVM mode 15 minutes before and 15 minutes after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. Members will be able to view the proceedings on e-voting website of National Securities Depository Limited ('NSDL') at www.evoting.nsdl.com. The facility of participation at the AGM through VC/OAVM will be made available to at least 1,000 members on a first come first served basis as per the MCA Circulars. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Board Committees, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
21. In line with the General Circular No. 20/2020 dated May 5, 2020, issued by the MCA and the SEBI Circular, Notice of the AGM along with the Annual Report 2019-20 is being sent only through electronic mode to those members whose email addresses are registered with the Company/Depositories. The Notice of AGM and Annual Report 2019-20 are available on the Company's website viz. www.vidhifoodcolour.com and may also be accessed from the relevant section of the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com, respectively. The AGM Notice is also on the website of NSDL (agency for providing the Remote e-Voting facility) at www.evoting.nsdl.com.
22. 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.
23. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
24. 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 Folios in one Folio.
25. Members desiring any information pertaining to the Financial Statement or any matter to be placed at the AGM, are requested to write to the Company Secretary at vdmlcs@hotmail.com on or before September 22, 2020 through your registered email address so as to enable the Management to reply at the AGM.
26. Electronic copies of all the documents referred to in the accompanying Notice of the AGM and the Explanatory Statement shall be made available for inspection electronically without any fee by the Members from the date of circulation of this Notice up to the date of AGM, i.e. till September 29, 2020. Members seeking to inspect such documents can send an email to vdmlcs@hotmail.com. During the 27th AGM also, Members may access the scanned copy of Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act; the Register of Contracts and Arrangements in which Directors are interested maintained under Section 189 of the Act.
27. As per Regulation 40 of Listing Regulations, as amended, securities of Listed Companies can be transferred only in dematerialized form with effect from 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.

28. The Company has made special arrangement with the RTA and NSDL for registration of e-mail addresses in terms of the MCA Circulars for Members who wish to receive the Annual Report along with the AGM Notice electronically and to cast the vote electronically. In order to register the email id for receiving the Notice of 27th AGM and Annual Report through email please visit the link https://sharexindia.com/Email_Register.html and provide the requisite information and attach requisite documents. The system will then confirm the e-mail address for the limited purpose of servicing the Notice of this AGM along with the Annual Report 2019-20.

29. **Voting through Electronic Means:**

- a) In compliance with the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended), Regulation 44 of the Listing Regulations, as amended, MCA Circulars and the SEBI Circular, the Company is providing its Members the facility to exercise their right to vote on resolutions proposed to be considered at the AGM by electronic means (by using the electronic voting system provided by NSDL) either by (a) remote e-voting prior to the AGM (as explained at 'clause d' herein below) or (b) remote e-voting during the AGM (as explained at 'clause e' below) Instructions for Members for attending the AGM through VC/OAVM are explained at 'clause f' below.
- 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 Tuesday, September 22, 2020. Members are eligible to cast vote only if they are holding shares on Tuesday, September 22, 2020.
- c) **The remote e-voting period will commence at 09:00 a.m. (IST) on Saturday, September 26, 2020 and will end at 05:00 p.m. (IST) on Monday, September 28, 2020.** 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) **Instructions for remote e-voting prior to the AGM:**

The voting period begins on Saturday, September 26, 2020 at 09:00 a.m. (IST) and ends on Monday, September 28, 2020 at 05:00 p.m. (IST). Any person who acquires shares of the Company and becomes a Member of the Company after dispatch of the Notice and holding shares as of the cut-off date i.e. Tuesday, September 22, 2020, may obtain the login ID and password by sending a request at evoting@nsdl.co.in. However, if he/she is already registered with NSDL for remote e-voting then he/she can use his/her existing User ID and password for casting the vote.

The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date.

The way to vote electronically on NSDL e-voting system consists of 'Two Steps' which are mentioned below:

Step 1 : Log-in to NSDL e-voting system

- i. Visit the e-voting website of NSDL. Open web browser by typing the URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.

- ii. Once the home page of e-voting system is launched, click on the icon 'Login' which is available under 'Shareholders' section.
- iii. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

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

- iv. Your User ID details will be as per details given below:
 - a. **For Members who hold shares in demat account with NSDL:** 8 Character DP ID followed by 8 Digit Client ID (For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****).
 - b. **For Members who hold shares in demat account with CDSL:** 16 Digit Beneficiary ID (For example if your Beneficiary ID is 12***** then your user ID is 12*****).
 - c. **For Members holding shares in Physical Form:** EVEN Number followed by Folio Number registered with the Company.(For example if your folio number is 001*** and EVEN is 101456 then user ID is 101456001***)
- v. Your password details are given below:
 - a. If you are already registered for e-voting, then you can use your existing password to login and cast your vote.
 - b. If you are using NSDL e-voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
 - c. How to retrieve your 'initial password'?

If your email ID is registered in your demat account or with the Company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.

- vi. If you are unable to retrieve or have not received the 'initial password' or have forgotten your password:
 - a. Click on '**Forgot User Details/Password?**' option available on www.evoting.nsd.com (If you are holding shares in your demat account with NSDL or CDSL).
 - b. Click on '**Physical User Reset Password?**' option available on www.evoting.nsd.com (If you are holding shares in physical mode).
 - c. If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.

- d. Members can also use the OTP (One Time Password) based login for casting the votes on the e-voting system of NSDL.
- vii. After entering your password, tick on 'I hereby agree to all Terms and Conditions'.
- viii. Now, you will have to click on 'Login' button.
- ix. After you click on the 'Login' button, Home page of e-voting will open.

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

- i. After successful login at Step 1, you will be able to see the Home page of e-voting. Click on e-voting. Then click on Active Voting Cycles.
 - ii. After clicking on Active Voting Cycles. You will be able to see all the Companies 'EVEN' in which you are holding shares and whose voting cycle is in active status.
 - iii. Select 'EVEN' of the Company for casting your vote:
 - iv. Now you are ready for e-voting as the Voting page opens.
 - v. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on 'Submit' and also 'Confirm' when prompted.
 - vi. Upon confirmation, the message 'Vote cast successfully' will be displayed.
 - vii. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
 - viii. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.
- e) **Instructions for remote e-voting during AGM**
- i. The procedure for remote e-voting during the AGM is same as the instructions mentioned above for remote e-voting since the Meeting is being held through VC/OAVM.
 - ii. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting, by use of remote e-voting system for all those Members who will be present in the AGM through VC/OAVM facility but have not cast their vote on the resolutions by availing the remote e-voting facility and are otherwise not barred from doing so. The remote e-voting module during the AGM shall be disabled by NSDL for voting 15 minutes after the conclusion of the Meeting.
 - iii. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

General Guidelines for Shareholders

- Institutional/corporate Shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authority letter, etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting, to the Scrutinizer by email to vidhi.scrutinizer@hkacs.com with a copy marked to evoting@nsdl.co.in.

- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the 'Forgot User Details/ Password?' or 'Physical User Reset Password?' option available on www.evoting.nSDL.com to reset the password.
- In case of any queries/grievances pertaining to remote e-voting (prior to and/or during the AGM), you may refer to the Frequently Asked Questions ('FAQs') for Shareholders and e-voting user manual for Shareholders available in the 'Downloads' section of www.evoting.nSDL.com or call on toll free number: 1800-222- 990 or send a request at evoting@nsdl.co.in.

In case of any grievances connected with facility for e-voting, please contact Mr. Amit Vishal, Senior Manager, NSDL email id: amitv@nsdl.co.in telephone no: 022-24994360 or Ms. Pallavi Mhatre, Manager, NSDL email id: pallavid@nsdl.co.in telephone no: 022-24994545.

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

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to vdmfcs@hotmail.com.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to vdmfcs@hotmail.com.

f) Instructions for Members for attending AGM through VC / OAVM

- i. Members will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-voting system and they may access the same at [https:// www.evoting.nSDL.com](https://www.evoting.nSDL.com) under the Shareholders/Members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVEN of the Company will be displayed. On clicking this link, the Members will be able to attend and participate in the proceedings of the AGM. Please note that the Members who do not have the User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the remote e-voting instructions mentioned in the notice to avoid last minute rush. Further, Members may also use the OTP based login for logging into the e-voting system of NSDL.
- ii. Members may join the Meeting through Laptops, Smart phones, Tablets and iPads but for better experience Members are encouraged to join the meeting through Laptops. Further, Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the Meeting.

Members will need the latest version of Chrome, Safari, Internet Explorer 11, MS Edge or Firefox. Please note that participants connecting from Mobile Devices or Tablets or through Laptops connecting via mobile hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any glitches.

- iii. Members are encouraged to submit their questions in advance with regard to the financial statements or any other matter to be placed at the AGM, from their registered email address, mentioning their name, DP ID and Client ID number /folio number and mobile number, to reach

the Company's email address vdmlcs@hotmail.com on or before 5.00 p.m. (IST) on Tuesday, September 22, 2020. The same will be replied by the company suitably.

- iv. Facility of joining the AGM through VC / OAVM shall open 15 minutes before and 15 minutes after the scheduled time of the commencement of the Meeting and will be available for Members on first come first served basis.
 - v. Members, who need assistance before or during the AGM, can contact NSDL on evoting@nsdl.co.in/1800-222-990 or contact Mr. Amit Vishal, Senior Manager, NSDL email id: amitv@nsdl.co.in telephone no: 022-24994360 or Ms. Pallavi Mhatre, Manager, NSDL email id: pallavid@nsdl.co.in telephone no: 022-24994545.
30. 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.
 31. The Scrutinizers shall immediately, after the conclusion of voting at the AGM, first count the votes cast during the meeting and thereafter unblock the votes cast through remote e-voting 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.
 32. 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 NSDL i.e. <https://www.evoting.nsdl.com>. The Company shall also simultaneously forward the results to BSE Limited (BSE) and National Stock Exchange of India Limited (NSE), where the shares of the Company are listed.
 33. Subject to receipt of requisite number of votes, the Resolutions shall be deemed to have been passed on the date of the Twenty-Seventh AGM i.e. Tuesday, September 29, 2020.

**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, 2020

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-SEVENTH ANNUAL GENERAL MEETING OF THE COMPANY

Item No. 5:

The Board of Directors, on the basis of recommendation of the Nomination and Remuneration Committee, by passing a circular resolution on March 19, 2020 had appointed Mrs. Jyoti Sunil Modi (DIN: 08699101) as an Additional Independent (Woman) Director of the Company, not liable to retire by rotation, for a term of 5 (five) years w.e.f. March 19, 2020 to March 18, 2025, 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, she 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 Mrs. Jyoti Sunil Modi (DIN: 08699101) for the office of Director.

The Company has received declaration from Mrs. Jyoti Sunil Modi (DIN: 08699101) to the effect that she 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 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). In terms of Regulation 25(8) of Listing Regulations, she has confirmed that she is not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact her ability to discharge her duties. In the opinion of the Board, she fulfills the conditions specified in the Act, Rules and Listing Regulations for appointment as an Independent Director and she is independent of the Management of the Company.

The Company has received following documents from Mrs. Jyoti Sunil Modi (DIN: 08699101):

- (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 she is not disqualified to become a Director under the Act;
- (iii) Declaration that she meets the criteria of independence as provided under section 149 of the Act and 16(1) (b) of the Listing Regulations.

The Nomination and Remuneration Committee has recommended appointment of Mrs. Jyoti Sunil Modi (DIN: 08699101) as an Independent Director for a term of 5 (five) consecutive years. In the opinion of the Board of Directors, Mrs. Jyoti Sunil Modi (DIN: 08699101) fulfill the conditions specified in the Act, Rules made thereunder and Listing Regulations, as amended, for her appointment as an Independent Director of the Company and that she is independent of the Management and is not disqualified to become Director under the Act. The Board believes that her association would be of immense benefit to the Company and it is desirable to avail her services as an Independent Director. Accordingly, the Board of Directors recommends her appointment as an Independent Director of the Company, not liable to retire by rotation for a term of 5 (five) years w.e.f. March 19, 2020 to March 18, 2025.

The brief profile of Mrs. Jyoti Sunil Modi (DIN: 08699101), nature of her expertise, names of Companies in which she 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 Annexure to the Notice convening this AGM.

The terms & conditions of her appointment, consent to act as Directors, declaration by proposed appointee and notice received u/s 160 of the Companies Act, 2013, will be available electronically for inspection by the

Members during the AGM. The said documents will also be available for electronic inspection without any fee by the Members from the date of circulation of this Notice up to the date of AGM, i.e. September 29, 2020. Members seeking to inspect such documents can send an email to vdmlcs@hotmail.com.

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

Mrs. Jyoti Sunil Modi (DIN: 08699101) and her relatives are concerned or interested in the Resolution mentioned at Item No. 5 relating to her own appointment. None of the other Directors and Key Managerial Personnel of the Company are in any way, concerned or interested, in the Resolution set out at Item No. 5 of the Notice.

Item No. 6:

Mr. Mihir Bipin Manek (DIN: 00650613) has been involved in leading the food colour manufacturing business of the Company successfully and has been instrumental in achieving substantial growth for the Company. Owing to his outstanding qualities, experience and performance over the years, he was designated as a Joint Managing Director of the Company and re-appointed from time to time. He was previously re-appointed by the Members of the Company at the 22nd Annual General Meeting of the Company held on September 16, 2015 as the Joint Managing Director of the Company with effect from July 15, 2015 for a period of five years i.e. till July 14, 2020 on continuation basis, without any interruption/ break in service, on various terms and conditions including remuneration as approved at the 22nd Annual General Meeting and amended in the 23rd AGM and 26th AGM. The tenure of Mr. Mihir Bipin Manek (DIN: 00650613) as Joint Managing Director was expiring on July 14, 2020.

Considering the responsibilities entrusted to him and based on the recommendation of the Nomination and Remuneration Committee and pursuant to the provisions of Sections 196, 197, 198, 203 read with Schedule V and all other applicable provisions of the Act and all applicable Rules made under the Act, the Board of Directors in their Meeting held on June 25, 2020 has unanimously approved the re-appointment of Mr. Mihir Bipin Manek (DIN: 00650613) as Joint Managing Director for a further period of Five years w.e.f. July 15, 2020 and ending on July 14, 2025 on existing terms and conditions and remuneration. The aforesaid re-appointment is on a continuation basis without any interruption/break in the service and is subject to the approvals, consents, permissions, sanctions and the like of the Members of the Company and all other concerned statutory and other authorities, if and to the extent applicable and required.

Mr. Mihir Bipin Manek (DIN: 00650613) satisfies all the applicable conditions as set out under Section 196 read with Schedule V of the Act for being eligible for the office of the Joint Managing Director. The Company has received from him consent to act as the Joint Managing Director of the Company.

Pursuant to the provisions of Section 190 of the Act, the written memorandum setting out the terms and conditions including remuneration and other relevant documents are open for inspection by the Members electronically without payment of any fees. The material terms and conditions of the re-appointment of Mr. Mihir Bipin Manek (DIN: 00650613) as Joint Managing Director, as given in Joint Managing Director Agreement, are as follows:

a) Designation and period of re-appointment:

Mr. Mihir Bipin Manek (DIN: 00650613) has been re-appointed as Joint Managing Director under the provisions of Section 196 and all other applicable provisions, if any, of the Act. The aforesaid re-appointment of Mr. Mihir Bipin Manek (DIN: 00650613) is for the period of 5 (five) years commencing from July 15, 2020 and ending on July 14, 2025, on continuation basis, without any interruption/ break in service. His period of office shall be liable to determination by retirement of Directors by rotation.

b) Remuneration:

- a. **Salary:** Rs. 5,00,000/- (Rupees Five Lacs 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.

Sitting fees

The Joint Managing Director shall not be entitled to sitting fees for attending meetings of the Board of Directors or Committees thereof so long as he continues as Joint Managing Director.

c) Overall Limit:

The remuneration referred to in Clause (b) hereof is subject to the limit of 5% of the Annual Net Profits of the Company calculated pursuant to Section 197 and 198 of the Act and further subject to the overall limit of 10% on the remuneration of all the Managing Directors/Whole-time Directors of the Company.

d) Termination

The aforesaid re-appointment may be terminated by either party by giving to the other party not less than three months' prior notice in writing of such termination or payment in lieu of notice.

The terms and conditions of the aforesaid re-appointment/employment including but not limited to the remuneration payable to Mr. Mihir Bipin Manek (DIN: 00650613) may be revised, modified, altered and varied from time to time as may be determined by the Board at its sole discretion.

It is proposed to seek the Members approval for re-appointment of Mr. Mihir Bipin Manek (DIN: 00650613) as Joint Managing Director of the Company for a further period of five years. Details of remuneration paid to Mr. Mihir Bipin Manek (DIN: 00650613) during the financial year 2019-20 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 annexure to the notice convening this AGM.

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 his parents, are concerned or interested

in the Resolution at Item No. 6 of the accompanying notice relating to re-appointment of Joint Managing Director.

As on March 31, 2020, 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. 6 of the Notice.

Accordingly, the Board recommends the Ordinary Resolution in relation to the re-appointment of Mr. Mihir Bipin Manek (DIN: 00650613) as set forth in Item No. 6 of the notice for the approval of the Members.

All the documents referred in the resolution mentioned at Item No. 6 and explanatory statement thereto will be available electronically for inspection by the Members during the AGM. The said documents will also be available for electronic inspection without any fee by the Members from the date of circulation of this Notice up to the date of AGM, i.e. September 29, 2020. Members seeking to inspect such documents can send an email to vdmlcs@hotmail.com.

Item No. 7:

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 26th Annual General Meeting held on September 23, 2019 has approved payment of remuneration of Rs. 6,00,000 (Rupees Six Lakhs Only) per annum (Rs. 50,000/- 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 with effect from financial year 2019-20 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, 2024.

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 2020-21, as per the 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 Rs. 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 2020-21. 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. 7 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, 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. 7 of the accompanying Notice, being resolution related to payment of remuneration to him.

Item No. 8:

As per Regulation 17(6)(e) the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 ('the Amendment Regulations') 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. Since remuneration of both the Executive Directors were increased in the 26th AGM, again approval of the Members was taken in the 26th AGM of the Company held on September 23, 2019 under regulation 17(6) (e) of the Listing Regulation.

Subsequent to that approval, the Board of Directors in their meeting held on June 25, 2020, on recommendation of the Nomination and Remuneration Committee, has re-appointed Mr. Mihir Bipin Manek (DIN: 00650613) as Joint Managing Director of the Company for a further period of five years w.e.f. July 15, 2020 and approved the remuneration payable to him as mentioned in the Explanatory Statement to Resolution no. 6 of the notice of this AGM.

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, Mr. Mihir Bipin Manek (DIN: 00650613) is re-appointed after taking approval under Regulation 17(6)(e) of the Listing Regulations in the 26th AGM, 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. 8 as set out in the accompanying notice for the approval of Members for re-appointment and payment of remuneration to Mr. Mihir Bipin Manek (DIN: 00650613) 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. 8 of the accompanying notice.

As on March 31, 2020, 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. 8 of the accompanying Notice.

All the documents referred in the resolution mentioned at Item No. 8 and explanatory statement thereto will be available electronically for inspection by the Members during the AGM. The said documents will also be available for electronic inspection without any fee by the Members from the date of circulation of this Notice up to the date of AGM, i.e. September 29, 2020. Members seeking to inspect such documents can send an email to vdmlcs@hotmail.com.

Annexure to Item Nos. 5 to 8 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. Jyoti Sunil Modi	Mr. Vijay Krishnaswamirao Atre
DIN	08699101	00416853
Date of Birth	November 06, 1970	April 06, 1925
Age	49 years	95 Years
Qualifications	B.A. and B.H.S.C.	M. Sc.
Nationality	Indian	Indian
Experience	She has an experience of more than 3 years in food industry	Over 41 years of rich experience in the field of food colours manufacturing unit.
Terms and conditions of appointment/re-appointment	Proposed to be appointed as an Independent Director for a term of 5 (five) consecutive years w.e.f. March 19, 2020 till March 18, 2025.	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.
Date of first appointment on the Board	March 19, 2020	May 02, 1995
Shareholding in the Company	Nil	25,000 Equity Shares of Rs. 1/- each
List of Directorships held in other Companies	Nil	Nil
Committee Chairmanship/ Membership in other Companies	Nil	Nil

Name of the Director	Mr. Mihir Bipin Manek
DIN	00650613
Date of Birth	March 08, 1982
Age	38 years
Qualifications	B. Sc. in Industrial Chemistry
Nationality	Indian
Experience	14 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	Re-appointed for further period of Five years w.e.f. July 15, 2020 till July 14, 2025 on payment of remuneration and other terms as given in Explanatory Statement to Item no. 6.
Date of first appointment on the Board	July 31, 2006
Shareholding in the Company	Nil
List of Directorships held in other Companies	Arjun Food Colorants Manufacturing Private Limited
Committee Chairmanship/Membership in other Companies	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,**

Date: August 14, 2020
Place: Mumbai

Sd/-
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