

**NAVIN FLUORINE INTERNATIONAL LIMITED**

**MINUTES OF THE SIXTEENTH ANNUAL GENERAL MEETING OF THE MEMBERS OF THE COMPANY, HELD ON WEDNESDAY, THE 25<sup>TH</sup> JUNE 2014 AT 3.00 P.M. AT RAMA WATUMULL AUDITORIUM, K.C. COLLEGE, DINSHAW WACHA ROAD, CHURCHGATE, MUMBAI 400020.**

**PRESENT:**

306 Shareholders remained present either in person or by Proxy.

The following Directors were also present :

1.	Shri H.A. Mafatlal	Chairman
2.	Shri T.M.M. Nambiar	Director
3.	Shri P.N. Kapadia	Director
4.	Shri S.S. Lalbhai	Director
5.	Shri S.M. Kulkarni	Director
6.	Shri V.P. Mafatlal	Director
7.	Shri S.G. Mankad	Director
8.	Shri A.K. Srivastava	Finance Director
9.	Shri S.S. Khanolkar	Managing Director

Shri Niraj B. Mankad

Company Secretary

115 Shareholders, holding 8,96,502 Equity Shares of the Company had lodged Proxies with the Company.

Shri R. Salivati, Partner and Representative of M/s. Deloitte Haskins & Sells, Chartered Accountants, the Company's Auditors, was present.

Shri H.A. Mafatlal, Chairman of the Board of Directors of the Company, occupied the Chair.

Notice dated 28<sup>th</sup> April, 2014 convening the Meeting was taken as read with the consent of the Shareholders and Shri N.B. Mankad, Company Secretary, read the Auditors' Report to the Shareholders.

The Register of Proxies and Representations received under Section 113 of the Companies Act, 2013, were placed before the meeting.

The Register of Directors' shareholding was also placed before the Meeting.

The Chairman then introduced the Directors, Company Secretary and the representative of the Auditors and welcomed the Shareholders, Representatives and Proxy holders present at the 16<sup>th</sup> Annual General Meeting.

CHAIRMAN'S  
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*[Handwritten Signature]*

MINUTE BOOK

The Chairman informed the Meeting that during the year under Report, the Company has reported an improved operating performance with Profit after Tax of Rs.50.66 crores as against Rs.43.16 crores previous year. Profit before Tax for the year ended 31<sup>st</sup> March, 2014 stood at Rs. 64.12 crores which is lower by approx. Rs.4.45 crores compared to previous year. The previous year revenue included approx. Rs.57.11 crores of CER income where as for the year under report, the same was NIL. Thus operating performance has considerably improved over previous year. The Company does not expect CER income to continue any further.

The improvement in the business performance is mainly due to significant improvement in operating efficiencies at the plant. Most of these improvements are internally initiated and sustainable. This has helped the Company during the year under report when the sales volumes have been flat and there is high volatility in foreign exchange rates.

CRAMS / CRO business turnover has made a quantum jump this year though on a lower base line. Similar growth is expected of this business in coming years. New investment of approx. Rs.60.00 crores was made during the year under report at Dewas and the new facility should be ready for operations during last quarter of Financial Year 2015. Hence it is expected that Financial Year 2016 should see significant jump in CRAMS business. Overall there is an encouraging response from global innovator pharma companies to the Company's business model. Manchester Organics, a subsidiary of the Company, has also shown very high growth and added Rs.37.10 crores to turnover and Rs.2.36 crores to profits of the Company for the year ended 31<sup>st</sup> March, 2014.

Speciality business went through a high volume pressure during the year. New MPP expansion is completed during the last quarter of the year under report. .

HCFC 22 gas production phase out has begun and complete phase out is expected by Year 2030. The Company will continue to sell available capacity in domestic and exports market profitably.

The Company continues to be committed towards its corporate social responsibility. The Company continued to support preventive health care initiative around Dewas and Surat sites. At Dahod, solar powered water pumps are helping underprivileged families having water at their doorsteps. The employees and the Company contributed by helping during natural calamity in Uttarakhand to bring back stability in the lives of few families.

CHAIRMAN'S  
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MINUTE BOOK

Going forward the Company has good growth prospects though there will be some challenges like high fuel and power cost in Gujarat and overall depressed economic growth rate. However, with changed political and economic scenario in the country combined with professional managerial team, the Company hopes to conquer these challenges.

The Chairman further informed that in accordance with Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration Rules) 2014, the Company had provided facility for e-voting to the Members through NSDL in respect of all the items to be transacted at this AGM. The e-voting period commenced on 19<sup>th</sup> June, 2014 at 9 AM and ended on 21<sup>st</sup> June, 2014 at 6 PM. Shri Dharmesh Zaveri, Practicing Company Secretary who was appointed as a Scrutinizer for the purpose of scrutinizing the e-voting process in a fair and transparent manner and ascertaining the votes has submitted his report on the e-voting results to the Chairman.

In e-voting, the shareholders have voting rights in proportion to their shares in the paid-up equity capital and therefore it is required that poll be taken on all the Resolutions of Ordinary and Special Business as set out in Items 1 to 12 of the 16<sup>th</sup> Annual General Meeting. Members, who have already voted through e-voting process, shall not be debarred from participation in the meeting, but he/she shall not be entitled to vote again in the meeting and the vote cast by him/her through e-voting shall be treated as final.

The Chairman announced that he is appointing two professionals viz. Shri Dharmesh Zaveri and Shri Manuprasad Patel, both Practicing Company Secretaries as Scrutinizers to conduct the poll in a smooth and transparent manner and report on the results of the poll. The results of the poll and e-voting will be declared within 48 hours. The results of e-voting and poll will be combined for each Resolution and the same will be filed with the Stock Exchanges and uploaded on the website of the Company. In the usual course, the Members are requested to propose and second the Resolutions before the poll is taken on all the Resolutions. The Poll on all the resolutions will be conducted after all resolutions are proposed seconded and discussed.

#### **RESOLUTION NO: 1**

##### **Ordinary Resolution**

Shri H. A. Mafatlal, Chairman of the Company proposed the following resolution:

"RESOLVED THAT the Directors' Report, the Audited Financial Statements including Statement of Profit and Loss for the year ended on 31<sup>st</sup> March, 2014 and the Balance Sheet as at that date and the Auditors' Report thereon be and is hereby approved and adopted."

Shri Prakash Mapara seconded the resolution.

CHAIRMAN'S  
INITIAL

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MINUTE BOOK

The Chairman invited queries on Balance Sheet and Statement of Profit and Loss of the Company for the year ended 31<sup>st</sup> March 2014. Some Members raised questions on Carbon Credits, Capital Expenditure Proposals, raw material prices, status of Dahej Project, status of joint venture with GMDC, export markets, investments, performance of Manchester Organics, benefits of R&D, new molecules, market share in speciality chemicals business, plant capacities, CSR activities, CRAMS business, factory visit, etc. which were answered in detail by the Chairman to the satisfaction of the members.

**RESOLUTION NO: 2**

Shri Dinesh Bhatia proposed the following Ordinary Resolution:

“RESOLVED THAT the Interim Dividend of Rs.7.50 per share declared by the Board of Directors and paid to the eligible shareholders during the financial year 2013-2014 be and is hereby confirmed.”

“RESOLVED FURTHER THAT a final dividend of Rs.8.50 per share be and is hereby declared to be paid out of the amount available for appropriation standing to the credit of the Statement of Profit and Loss to the eligible shareholders of the Company.”

“RESOLVED FURTHER THAT the aforesaid dividend be paid at par through the Company’s Bankers on 30<sup>th</sup> June, 2014.”

Shri Jitendra Maheshwari seconded the resolution.

**RESOLUTION NO: 3**

The Chairman being interested in this item of business, requested Shri T.M.M. Nambiar, Director, to take the Chair. Accordingly, Shri Nambiar occupied the Chair. He informed the Members that he is ordering poll on this item of business also and is appointing the same Scrutinizers viz. Shri Dharmesh Zaveri and Shri Manuprasad Patel, both Practicing Company Secretaries as Scrutinizers to conduct the poll in a smooth and transparent manner and report on the results of the poll.

Smt. Shobhana Mehta proposed the following Ordinary Resolution:

“RESOLVED THAT Shri V. P. Mafatlal be and is hereby appointed as a Director of the Company.”

Shri Naresh Kachalia seconded the resolution.

Shri T.M.M. Nambiar announced that poll on this resolution will be taken along with the other resolutions.

Thereafter, Shri T.M.M. Nambiar handed over the Chair back to Shri H.A. Mafatlal, who occupied the Chair.

CHAIRMAN'S  
INITIAL



MINUTE BOOK

**RESOLUTION NO: 4**

Shri Kishore Makhija proposed the following Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, M/s. Deloitte Haskins & Sells, Chartered Accountants, Vadodara (Registration No.117364W), be and are hereby appointed as Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the 19<sup>th</sup> Annual General Meeting (subject to ratification of the appointment by the Members at every AGM held after this AGM) on such remuneration as may be fixed by the Board, apart from reimbursement of out of pocket expenses as may be incurred by them for the purpose of audit.”

Shri Prakash Mapara seconded the resolution.

**RESOLUTION NO: 5**

Shri Atul Kumar Srivastava proposed the following resolution:

“RESOLVED THAT Shri H.H. Engineer (holding DIN 01843009) who was appointed as an Additional Director of the Company by the Board of Directors with effect from 23<sup>rd</sup> October, 2013, in terms of Section 260 of the Companies Act, 1956 [corresponding to Section 161(1) of the Companies Act, 2013] and Article 127 of the Articles of Association of the Company and whose term of office expires at the Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an independent director of the Company to hold office for five consecutive years for a term up to 31<sup>st</sup> March, 2019.”

Smt. Ratna Makhija seconded the resolution.

**RESOLUTION NO. 6:**

Shri Rajesh Dave proposed the following resolution:

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Shri T.M.M. Nambiar (holding DIN 00046857), Director of the Company whose period of office was liable to determination by retirement of directors by rotation under the provisions of the Companies Act, 1956 and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 proposing his candidature for the office of the Independent Director, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years.”

CHAIRMAN'S  
INITIAL



Shri Damodaran Ramaswamy seconded the resolution.

**RESOLUTION NO. 7:**

Shri Subhash Mangaonkar proposed the following resolution:

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Shri P. N. Kapadia (holding DIN 00078673), Director of the Company whose period of office was liable to determination by retirement of directors by rotation under the provisions of the Companies Act, 1956 and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 proposing his candidature for the office of the Independent Director, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years.”

Smt. Shobhana Mehta seconded the resolution.

**RESOLUTION NO. 8:**

Shri Pankaj Shah proposed the following resolution:

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Shri S. S. Lalbhai (holding DIN 00045590), Director of the Company whose period of office was liable to determination by retirement of directors by rotation under the provisions of the Companies Act, 1956 and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 proposing his candidature for the office of the Independent Director, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years.”

Shri Dinesh Kapadia seconded the resolution.

**RESOLUTION NO. 9:**

Smt. Veena Shah proposed the following resolution:

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Shri S.M. Kulkarni (holding DIN 00003640), Director of the Company whose period of office was liable to determination by retirement of directors by rotation under the provisions of the Companies Act, 1956 and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 proposing his

CHAIRMAN'S  
INITIAL

h

MINUTE BOOK

candidature for the office of the Independent Director, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years.”

Smt. Ratna Makhija seconded the resolution.

**RESOLUTION NO. 10:**

Shri P.K. Venugopal Nair proposed the following resolution:

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Shri S.G. Mankad (holding DIN 00086077), Director of the Company whose period of office was liable to determination by retirement of directors by rotation under the provisions of the Companies Act, 1956 and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 proposing his candidature for the office of the Independent Director, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years.”

Shri Damodaran Ramaswamy seconded the resolution.

**RESOLUTION NO. 11:**

Shri Naresh Kachalia proposed the following resolution:

“RESOLVED THAT in supersession of the Ordinary Resolution passed at the Extra Ordinary General Meeting of members held on 10<sup>th</sup> January, 2003 and pursuant to Section 180(1)(c) and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), the consent of the Company be and is hereby accorded to the Board of Directors to borrow moneys in excess of the aggregate of the paid up share capital and free reserves of the Company, provided that the total amount borrowed and outstanding at any point of time, apart from temporary loans obtained/to be obtained from the Company's Bankers in the ordinary course of business, shall not be in excess of Rs.150 crores (Rupees one hundred fifty crores) over and above the aggregate of the paid up share capital and free reserves of the Company.”

“RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to negotiate, finalise and settle with the lenders concerned, all deeds, documents and writings for the purpose of borrowings and to do all such acts, deeds and things as may be necessary and expedient for giving effect to the aforesaid resolution.”

Shri Bakul Joshi seconded the resolution.

CHAIRMAN'S  
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**RESOLUTION NO. 12:**

Shri Jitendra Maheshwari proposed the following resolution:

"RESOLVED THAT in accordance with the provisions of Section 148(3) of the Companies Act, 2013 read with Rule 14 of The Companies (Audit and Auditors) Rules 2014 and other applicable provisions, if any, of the Companies Act, 2013, payment of Remuneration of Rs.2.50 lacs (Rupees two lacs fifty thousand only) (apart from re-imbusement of out-of-pocket expenses incurred for the purpose of Audit) to Shri I. V. Jagtiani, Cost Auditor (Membership Number M-997) for conducting the audit of Cost Accounting Records relating to the chemical products manufactured by the Company for the year 1 April, 2014 to 31 March, 2015 be and is hereby approved and ratified."

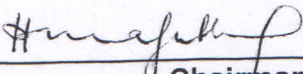
Shri Dinesh Bhatia seconded the resolution.

The Scrutinizers sealed two empty polling boxes in the presence of the members and the proxy holders. Thereafter, the Chairman asked the Scrutinizers and the volunteers to ascertain that all eligible persons have been given poll papers. The Chairman then requested the members, proxy holders and representatives to cast their votes and put the ballot papers in the ballot boxes.

The Members were allowed to cast their votes and put the ballot papers in the ballot boxes kept for the purpose.

After ascertaining that all the persons , who were willing to cast their vote have done so, the Chairman closed the proceedings of the meeting. The Ballot boxes were sealed and handed over to the scrutinizers. The Chairman again announced that the result of the poll will be declared in 48 hours.

The meeting concluded with a vote of thanks to the Chair.

  
Chairman

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CHAIRMAN'S  
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