

Minutes of the Fifty First Annual General Meeting of the Shareholders of **Century Enka Limited** held at Pudumjee Hall, Maharashtra Chamber of Commerce, Industries and Agriculture, Tilak Road, Pune-411 002 on Saturday, the 5th August, 2017 at 12.30 P.M.

The following Directors, Secretary and the Members of the Company were present:

A) Directors :

Mr. B. S. Mehta
Mr. S. K. Jain
Mr. K. S. Thar
Mr. O.R. Chitlange (Managing Director)

CERTIFIED TO BE TRUE
For CENTURY ENKA LIMITED

Secretary

Secretary :

B) Members Number Signature

- | | | |
|--------------|----|--|
| 1) In Person | 79 | As per signatures obtained on Attendance Slips |
| 2) By Proxy | 09 | As per signatures obtained on Attendance Slips |

C) Mr. Ketan Vikamsay and Mr. Gautam Shah, Partners, M/s Khimji Kunverji & Co., the Statutory Auditors of the Company, Mr. Sanjay Sangani, Secretarial Auditor and Mr. Chetan Maru, Scrutinizer were present at the Meeting.

The Secretary informed the members that the Board of Directors in its meeting requested Mr. B.S. Mehta to chair the Annual General Meeting. Accordingly, Mr. B.S. Mehta occupied the chair and presided over the meeting.

The Chairman initiated the business of the meeting and declared that the required quorum of 30 Members in person being present, the Meeting could proceed with the stipulated business.

It was announced by the Chairman that 11 valid Proxies representing 46,37,430 Equity Shares had been received in the prescribed Form.

The Register of Directors and Key Managerial Personnel and their Shareholding maintained under Section 170, Register of Contracts in which Directors are interested and maintained under Section 189 of the Companies Act, 2013, Auditors' Report and Secretarial Audit Report were placed before the Meeting and kept open and accessible for inspection by the members during the continuance of the meeting.



With the consent of the Members present, the Notice dated 10th May, 2017 convening the 51st Annual General Meeting was taken as read.

The Chairman informed the members that there is no qualification, observation, comment or remark in Auditors' Report and Secretarial Audit Report. He also informed the members that under the new Companies Act, 2013, if there is any qualification, observation or comment in the Auditor's Report then, only that part of the report needs to be read. Since there was no such qualification, observation or comment he informed the members that unlike in the past there is no need to have the Auditors' Report read out at the meeting.

The Chairman announced that remote e-voting had already been conducted as per the Notice of 51st Annual General Meeting dated 10th May, 2017 during the period 2nd August, 2017 (9.00 A.M.) to 4th August, 2017 (5.00 P.M.).

The Chairman further announced that arrangements had been made for e-voting at the venue of the Annual General Meeting, so that those shareholders who did not cast their vote through remote e-voting can cast their vote, after all the resolutions are moved.

Thereafter, the Chairman requested Mr. O.R. Chitlange, the Managing Director to give his observations on the operations of the Company.

The observations of Mr. O.R. Chitlange, in brief were as under:

The overall performance of the Company for the year 2016-17 was better on account of higher sales, both in quantitative terms and in value and well supported by improved plant efficiency coupled with inventory gains due to steep rise in Caprolactam price.

Profit Before Depreciation, Finance Cost, Exceptional item and Tax (EBIDTA) has increased by 35% from Rs.146 crores to Rs.197 crores and profit after finance cost and exceptional item but before tax (PBT) has increased by 58% from Rs.88 crores to Rs.140 crores.

The prices of Caprolactam and Nylon Chips, the raw material for Nylon Tyre Cord Fabric (NTCF) and Nylon Textiles Yarn (NFY) has witnessed continuous upward trend in second half of 2016-17. The reversal of upward trend in prices started in the month of April 2017 and by June 2017 prices of Caprolactam and Nylon Chips corrected by almost 30%. The



results for the quarter June 2017 have been adversely impacted mainly on account of correction in prices of Caprolactam and Nylon Chips.

In addition to this, immediate reaction to introduction of GST by Surat market, which happens to be the largest consumer destination for the Company's NFY products, was adverse, leading to non-acceptance of GST reforms, which led to traders and weavers declaring strike from second week of June 2017. This has resulted in deliveries of NFY getting adversely impacted during the period leading to accumulation of inventory.

The use of radial tyres in buses and trucks has been continuously increasing and has now reached to about 40% market share due to improvement in road conditions. The trend is expected to continue and share of radialisation is expected to reach 55% by 2020, which will impact NTCF demand in this segment. However, demand for NTCF in two wheeler segment, farm and OTR tyres is witnessing increasing trend on the back of higher growth of these vehicles. With this emerging trend, the demand for NTCF is likely to remain at the existing levels.

The Company's market share in NTCF is steady at about 25% and product are well accepted in the market. Similarly our share in NFY continues to be steady at about 21%. With focus on new product development and value added products, the company expects to consolidate its presence in NFY.

NTCF plants at both the sites of the company are operating at full capacity and operational efficiency of plants continues to be good.

With a view to diversify the product base, the Company is evaluating entry into polyester tyre cord fabric by using its existing conversion facilities. Steps have been initiated to undertake debottlenecking of NTCF dipping capacity and installation of required machines for conversion of additional quantities of industrial yarn into tyre cord fabric at Bharuch site.

ORDINARY BUSINESS :

Item No.1

AS AN ORDINARY RESOLUTION

"RESOLVED THAT the audited financial statements of the Company for the year ended 31st March, 2017 together with the Reports of the Auditors and the Directors as circulated amongst the Members and placed before the Meeting be and are hereby adopted."



Proposed By : Mr. Mahendra B Kapadia

Seconded By : Mr. Ajay Vijaysingh Bagwe

The Chairman thereafter invited the members for their comments. Some of the members participated in the discussions and sought some clarifications which were duly explained and answered by the Chairman and Mr.O.R. Chitlange, Managing Director.

Item No.2

AS AN ORDINARY RESOLUTION

"RESOLVED THAT Mrs. Rajashree Birla, a Director of the Company, who retires by rotation and, being eligible, offers herself for re-appointment, be and is hereby re-appointed as a Director of the Company."

Proposed By : Mr. Yogesh Chandra Maheshwari

Seconded By :Mr. Mahendra B Kapadia

Item No.3

AS AN ORDINARY RESOLUTION

"RESOLVED THAT as recommended by the Board of Directors, dividend at the rate of Rs.7.00 per Equity Share (Rupee Seven) on 2,18,50,589 Equity Shares of Rs.10/- each in the Company for the year ended 31st March, 2017 be and is hereby declared and the same will be paid subject to the provisions of Section 126 of the Companies Act, 2013 to those Members or their Mandatees whose names stand registered :

- i) as Beneficial Owners as per the lists furnished by National Securities Depository Limited and Central Depository Services (India) Limited for the purpose of payment of dividend in respect of the shares held in dematerialised form; and
- ii) as Members in the Register of Members of the Company on 28th July, 2017."

Proposed By : Ms. Snehal Salunke

Seconded By : Mr. Hemant K Joshi



Item No.4

AS AN ORDINARY RESOLUTION

“RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions of the Companies Act, 2013, the appointment of M/s. Khimji Kunverji & Co., Chartered Accountants, Sunshine Tower, Level 19, Senapati Bapat Marg, Elphinstone Road, Mumbai-400013 (having its Firm Registration Number – 105146W) be and is hereby ratified as Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the 52nd Annual General Meeting of the Company.”

Proposed By : Mr. Ashokkumar Punjiram Shah

Seconded By : Mr. Ashok M Dixit

SPECIAL BUSINESS :

Item No.5

AS ORDINARY RESOLUTION

“RESOLVED THAT pursuant to the provisions of Sections 152, 161 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), and Articles of Association of the Company, Mr.O.R. Chitlange (DIN 00952072) who was appointed by the Board of Directors as an Additional Director of the Company with effect from 16th May, 2017 and who hold the said office, upto the date of this Annual General Meeting be and is hereby appointed as a Director of the Company.”

Proposed By : Mr. Ajay Vijaysingh Bagwe

Seconded By : Mr. Vasant R Godbole

Item No.6

AS ORDINARY RESOLUTION

“RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198, 203 and other applicable provisions of the Companies Act, 2013 (the Act), read with Schedule V to the Act, and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time



being in force), the Articles of Association of the Company and, subject to such other approvals as may be necessary, consent of the Members be and is hereby accorded to the appointment of Mr. O.R. Chitlange (DIN 00952072), as the Managing Director of the Company for the period and upon the terms and conditions, including remuneration and perquisites, as set out hereunder, with further liberty to the Board of Directors (hereinafter referred to as "the Board"), which term shall be deemed to include any Committee constituted or to be constituted by the Board to alter, modify or revise from time to time, the terms and conditions of appointment and remuneration of Mr. O.R. Chitlange, in such manner as may be considered appropriate and in the best interests of the Company and as may be permissible in law.

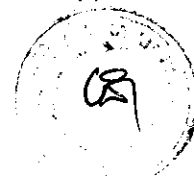
A. Period : 5 (five) Years w.e.f. 16th May, 2017.

B. Remuneration :

- (i) Basic Salary : Rs.5,00,000/- (Rupees five lacs) per month with such increments as the Board may decide from time to time, subject however to a ceiling of Rs.8,50,000/- (Rupees eight lacs fifty thousand) per month as Basic Salary.
- (ii) Personal Allowance : Rs.12,38,000/- (Rupees twelve lacs thirty eight thousand) per month with such increment as the Board may decide from time to time, subject however to a ceiling of Rs.21,04,000/- (Rupees twenty one lacs four thousand) per month.
- (iii) Annual Variable Pay : Rs.40,00,000/- (Rupees forty lacs) per annum linked to the achievement of business & individual performance, as may be decided by the Board from time to time. This is subject to a maximum payout of Rs.60,00,000/- (Rupees sixty lacs) per annum.
- (iv) House Rent Allowance : 50% of Basic Salary.

C. Perquisites, Allowances and Other Benefits :

- (i) Expenses on electricity and water will be borne / reimbursed by the Company.
- (ii) Medical expenses / allowances at one month Basic Salary per annum.
- (iii) Leave travel allowance at one month Basic Salary per annum.
- (iv) Annual Membership fee of one Club during the tenure of appointment. This will not include admission or life membership fees.
- (v) Personal Accident Insurance as per the Company's Policy as applicable to Senior Executives of the Company.
- (vi) Company's contribution towards Provident Fund (12%) of Basic Salary and Superannuation Fund (15%) of Basic Salary as per the Rules / Policies applicable to Senior Executives of the Company.



- (vii) Gratuity as per the Rules/Policies of the Company and any additional gratuity as may be decided by the Board.
 - (viii) A chauffeur driven car provided and maintained by the Company for use on Company's business and personal use.
 - (ix) Telephone, telefax and other communication facilities at residence as applicable to Senior Executives of the Company".
- D. In case, Mr. O.R. Chitlange is elevated to the next higher level of the Company during the tenure of his appointment, the allowances, perquisites and benefits, applicable to that level, will also apply to him.
- E. Annual remuneration review is effective from 1st July each year, as per the Policy of the Company and subject to recommendation of the Nomination and Remuneration Committee of Directors and approval of the Board of Directors .
- F. Subject as aforesaid, the Managing Director shall be governed by such other Rules as are applicable to the Senior Executives of the Company from time to time.
- G. The aggregate of the remuneration and perquisites as aforesaid, in any financial year, shall not exceed the limit under Sections 197 and 198 read with Schedule V and other applicable provisions of the Act, or any statutory modification or re-enactments thereof for the time being in force, or otherwise as may be permissible at law.

Provided that where in any financial year, the company has no profits or its profits are inadequate, the company shall pay the above salary, perquisites, allowances and other benefits to the Managing Director as and by way of minimum remuneration, subject to applicable provisions of Schedule V to the Act and such approvals as may be required.

- H. Though considering the provisions of Section 188 of the Companies Act, 2013, and the applicable Rules and Schedule of the Act, Mr. O.R. Chitlange would not be holding any office or place of profit by his being a mere director of the Company's Subsidiaries / Joint Ventures / Associates, to accept the sitting fees / commission paid / payable to other directors for attending the meetings of Board of Directors / Committee(s) of Subsidiaries / Joint Ventures / Associates of the Company or companies promoted by Century Enka Limited.

"RESOLVED FURTHER THAT the Company has no objection to Mr. O.R. Chitlange's association with Century Rayon (a Unit of Century Textiles And Industries Ltd.) as a Business Advisor in his personal capacity so far his association does not interfere with the discharge of his duties as Managing Director of the Company, and subject to such terms and conditions as the Board of Directors may decide from time to time."

"RESOLVED FURTHER THAT so long as Mr. O.R. Chitlange functions as the Managing Director of the Company, his office shall not be subject to retirement by rotation."

"RESOLVED FURTHER THAT the aforesaid appointment may be terminated by either party giving to the other three months notice in writing".

Proposed By : Mr. Yogesh Chandra Maheshwari

Seconded By : Mr. Mahendra B. Kapadia



Item No.7

AS ORDINARY RESOLUTION

"RESOLVED THAT remuneration of Rs.2,75,000/- (Rupees two lacs seventy five thousand only) plus taxes and reimbursement of out-of-pocket expenses to M/s. D.C. Dave & Co., Cost Accountants, appointed as the Cost Auditors of the Company and fixed their remuneration by the Board of Directors, pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 for the conduct of the audit of the cost records of the Company's products Nylon and Polyester as covered under the head "Textiles" in the Notification dated 31st December, 2014 issued by the Ministry of Corporate Affairs, Government of India for the financial year ended 31st March, 2017 be and is hereby ratified.

Proposed By : Mr. Sunil Dinakar Gangote

Seconded By : Mr. Ramnath N Kalambi

Item No.8

AS SPECIAL RESOLUTION

"RESOLVED THAT pursuant to the provisions of Section 42 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification, amendment, substitution or re-enactment thereof for the time being in force), the approval of the Company be and is hereby accorded for making offer(s) or invitation(s) to subscribe to Non-Convertible Debentures (NCD)/bonds/other instruments on a private placement basis, in one or more tranches during a period of one year from the date of passing of this resolution, provided the outstanding amount at any time during the period shall not exceed Rs.150 crores (Rupees one hundred fifty crores), within the overall borrowing limits of the Company, as approved by the members from time to time.

"RESOLVED FURTHER THAT the Board of Directors of the Company (including any Committee thereof), be and is hereby authorized to do all such acts, deeds and things and give such directions as may be deemed necessary or expedient to give effect to the above resolution, including determining the terms and conditions of NCDs/bonds/other instruments."

Proposed By : Mr. Shashishekhar V Pundlik

Seconded By: Mr. Yogesh Chandra Maheshwari

The Meeting concluded at 02.00 P.M. with a vote of thanks to the Chair.



Results of Remote e-voting and e-voting at AGM venue

All the resolutions as set out in item No. 1 to 8 in the notice of Annual General Meeting of the Company and as described herein above had been passed with the requisite majority. The results of Remote e-voting and e-voting at AGM venue as announced are annexed herewith.

Sd/-

18.08.2017
Mumbai

(Chairman)

Annexure : Results of Remote e-voting and e-voting at AGM venue.



Results of remote e-voting conducted between 2nd August, 2017 (9.00 A.M.) to 4th August, 2017 (5.00 P.M.) and e-voting on 5th August, 2017 at the venue of Annual General Meeting (Pudumjee Hall) of the Shareholders of the Company.

Resolutions of the 51 st Annual General Meeting	No. of equity shares	No. of votes polled	No. of Votes in favour	No. of Votes Against	% of Votes In favour	% of Votes against
Item No.1 – Ordinary Resolution Consider and adopt the Reports of the Auditors, Directors and Audited Financial Statements for the year ended 31st March, 2017.	21850589	10950147	10948802	1345	99.99	0.01
Item No.2 – Ordinary Resolution Re-appointment of Mrs. Rajashree Birla as a Director of the Company, liable to retire by rotation.	21850589	10969832	9921955	1047877	90.45	9.56
Item No.3 – Ordinary Resolution Declaration of Dividend on equity shares @ Rs.7/- per equity share of Rs.10/- each face value for the Financial Year ended 31st March, 2017.	21850589	10969859	10968514	1345	99.99	0.01
Item No.4 – Ordinary Resolution Ratification of appointment of M/s. Khimji Kunverji & Co. Chartered Accountants as Statutory Auditors of the Company from the conclusion of 51st Annual General Meeting until the conclusion of 52nd Annual General Meeting.	21850589	10969137	10967787	1350	99.99	0.01
Item No.5 – Ordinary Resolution Appointment of Mr.O.R. Chitlange as a Director.	21850589	10969782	10758940	210842	98.08	1.92
Item No.6 – Ordinary Resolution Appointment of Mr.O.R. Chitlange as a Managing Director.	21850589	10969787	10743251	226536	97.93	2.07
Item No.7 – Ordinary Resolution Ratification of remuneration of M/s.D.C. Dave & Co., Cost Accountants for the financial year ended 31st March, 2017.	21850589	10969087	10967732	1355	99.99	0.01
Item No.8 – Special Resolution Offer or invitation to subscribe to Non-Convertible Debentures on private placement basis upto Rs.150 crores.	21850589	10969683	10968248	1435	99.99	0.01

