

ATUL LIMITED

PROCEEDINGS OF AGM HELD ON AUGUST 25, 2008

Minutes of the proceedings of the Thirty-first Annual General Meeting of the shareholders of Atul Limited held at Sheth Shri Amrutlal Hargovandas Memorial Hall, Gujarat Chamber of Commerce and Industry, Gujarat Chamber Building, Ashram Road, Ahmedabad 380 009, on Monday, August 25, 2008 at 11.00 a.m. to transact business mentioned in the Notice dated June 20, 2008.

Present:

Directors: Mr. Sunil S Lalbhai - Chairman
Mr. J L Shah - Executive Director
Mr. G S Patel - Director and Chairman of Share transfer and Shareholder/ Investor Grievance Committee
Mr. H S Shah - Director

Members:

65 members as per attendance register.
86 members through their proxies, representing 48.42% shares in favour of the Company.

Leave of absence: Leave of absence was granted to Dr. S S Bajjal, Chairman of the Audit Committee in view of his ill health.

The Chairman called upon the Company Secretary of the Company to read the Notice convening the meeting and the Auditors' Report.


At the request of the members and with the permission of the Chairman the Notice convening the meeting was taken as read and the Auditors' Report was read out.

The Chairman then delivered his speech.

The Chairman then proposed the following resolution:

RESOLUTION NO. 1 (ORDINARY)

RESOLVED THAT the Directors' Report and the Profit & Loss Account for the year ended on March 31, 2008 and the Balance Sheet of that date approved by the Directors and verified by the Auditors together with the arrangement of appropriation of profit proposed in the Directors' Report be and the same are hereby approved.

Atul Limited
Gujarat Chamber of Commerce and Industry

General Manager
Legal & Secretarial

Before the resolution was put to vote, the Chairman read the questions earlier received from The Gujarat Investors & Shareholders Association and Mr B J Patel and answered them.

Questions were also raised during the meeting by some more shareholders which were satisfactorily answered by the Chairman.

The resolution was seconded by Mr. B J Patel.

The resolution was carried by majority with all members voting in favour except one.

RESOLUTION NO. 2 (ORDINARY)

Proposed by : Mr. Ghanshyamlal Keshavlal Shah

Seconded by : Mr. Navnitlal Shantilal Shethwala

RESOLVED THAT a dividend of Rs.3.00 per equity share of Rs.10/- each on 2, 96, 61,733 equity shares aggregating to Rs.889.85 Lacs be paid.

The resolution was carried unanimously.

RESOLUTION NO. 3 (ORDINARY)

Proposed by : Mr. Mahendra Babulal Shah

Seconded by : Mr. Ghanshyam Keshavlal Shah

RESOLVED THAT Dr. S S Baijal be and is hereby re-appointed as a Director of the Company.

The resolution was carried unanimously.

RESOLUTION NO. 4 (ORDINARY)

Proposed by : Mr. Navnitlal Shantilal Shethwala

Seconded by : Mr. Mahendra Babulal Shah

RESOLVED THAT Mr. H S Shah be and is hereby re-appointed as a Director of the Company.

The resolution was carried unanimously except that Mr. H S Shah, being interested in the resolution abstained from discussions and voting.

Copy of this Copy
For All.

(Lalit Palni)
General Manager,
Legal & Secretar

RESOLUTION NO. 5 (ORDINARY)

Proposed by : Mr. Kamal Manmatbhai Mehta

Seconded by : Mr. Jatin Popatlal

RESOLVED THAT Mr. J L Shah be and is hereby re-appointed as a Director of the Company.

Mr J L Shah, being interested in the resolution abstained from discussions and voting.

The resolution was carried by majority with all members voting in favour except one.

RESOLUTION NO. 6 (ORDINARY)

Proposed by : Mr. Jatin Popatlal

Seconded by : Mr. Kamal Manmatbhai Mehta

RESOLVED THAT Messrs Dalal & Shah, Chartered Accountants, be and they are hereby appointed as Auditors of the Company, to hold office from the conclusion of this meeting to the conclusion of the next Annual General Meeting, on a remuneration to be decided by the Board of Directors or its Committee.

The resolution was carried unanimously.

RESOLUTION NO. 7 (ORDINARY)

Mr. G S Patel chaired the meeting for this resolution.

Proposed by : Mr. Jayantbhai Passawala

Seconded by : Mr. Sudhir Gunvantlal Shah

RESOLVED THAT pursuant to the provisions of Sections 198, 269, 309 and other applicable provisions of the Companies Act, 1956, the Company hereby accords its approval to the re-appointment of Mr. Sunil S Lalbhai as Chairman and Managing Director of the Company and his receiving of remuneration including minimum remuneration, for a period of 5 years, with effect from July 01, 2009, as per the draft of agreement submitted to this meeting and for identification initialled by the

Chairman, which agreement is hereby specifically sanctioned with liberty to the Board of Directors to alter and vary the terms and conditions of the said reappointment and/or agreement in such manner as may be agreed to between the parties and within the limits prescribed by the Central Government.

FURTHER RESOLVED THAT the Board of Directors be and is hereby authorised to alter and vary any or all of the terms and conditions as approved vide this resolution as may be deemed fit from time to time which may have the effect of increasing the remuneration and for considering modifications, if any, by the Central Government in regard to the policy / guidelines pertaining to managerial remuneration and for the purpose of giving effect to this resolution, the Board of Directors be and is hereby authorised to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, expedient, usual or proper in the best interest of the Company.

Mr. Sunil S Lalbhai being interested in the resolution abstained from discussions and voting.

The resolution was carried by majority with all members voting in favour except one.

RESOLUTION NO. 8 (SPECIAL)

Proposed by : Mr. Sudhir Gunvantlal Shah

Seconded by : Mr. Jayantbhai Passawala

RESOLVED THAT pursuant to Article 126 of the Articles of Association of the Company and in accordance with the provisions of Section 309 and other applicable provisions, if any, of the Companies Act, 1956, the Ordinary Directors of the Company be paid remuneration by way of commission over and above the sitting fees upto 1% of the Net Profits of the Company, computed in the manner laid down in Section 198 of the Companies Act, 1956, for each of the five financial years commencing from April 01, 2008 in such proportion and manner as the Board may from time to time determine.

Mr. G S Patel and Mr. H S Shah being interested in the resolution abstained from discussions and voting.

The resolution was carried unanimously.

Thereafter the meeting terminated with a vote of thanks to the Chair.