

MINUTES BOOK

BHAGYANAGAR INDIA LIMITED
REGD. OFFICE: 5TH FLOOR, SURYA TOWERS,
S P ROAD, SECUNDERABAD - 500 003

**MINUTES OF 27TH ANNUAL GENERAL MEETING OF THE MEMBERS OF
THE COMPANY HELD ON SATURDAY, 29TH SEPTEMBER, 2012 AT 10.30
A.M. AT TAJ TRISTAR, 1-1-40, SEVEN HILLS, SAROJINI DEVI ROAD,
SECUNDERABAD-500003.**

DIRECTORS PRESENT:

- | | |
|-----------------------------|---------------------|
| 01. SHRI G M SURANA | - CHAIRMAN |
| 02. SHRI NARENDER SURANA | - MANAGING DIRECTOR |
| 03. SHRI DEVENDRA SURANA | - MANAGING DIRECTOR |
| 04. SHRI R SURENDER REDDY | - DIRECTOR |
| 05. SHRI O.SWAMINATHA REDDY | - DIRECTOR |
| 06. SHRI KAMLESH GANDHI | - DIRECTOR |
| 07. SHRI R N SREENATH | - DIRECTOR |
| 08. SHRI D VENKATASUBBIAH | - DIRECTOR |

IN ATTENDANCE

- | | |
|------------------------|---------------------------|
| Shri G Ganesh | - Statutory Auditors |
| Shri Surendra Bhutoria | - Chief Financial Officer |
| Smt Sridevi Madati | - Company Secretary |

MEMBERS PRESENT:

40 Members including 3 directors who are also members attended in person and 11 Members through proxies were present.

After ascertaining that the requisite members were present to form the quorum, Shri G. M. Surana, Chairman of the Company, declared that the meeting is in order. Chairman welcomed all the shareholders, proxies and invitees to the 27th Annual General Meeting (AGM) and requested Shri Devendra Surana to apprise the members on the performance of the Company during the year under review and the future project initiatives.

Shri Devendra Surana thanked the Chairman and briefed the members on the Company's performance and the future project initiatives of the Company.

The notice dated 28th July, 2012 convening the meeting and the Director's report for the year 2011-12 was taken as read by the Chairman with the consent of the

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Members. Thereafter, the Chairman requested Smt. Sridevi Madati, Company Secretary to read out the Auditors Report and the same was read.

The Chairman conducted the proceedings of the AGM as per business agenda laid before the meeting and requested the shareholders to take up the subject one after the other.

Item No. 1 of the notice regarding the adoption of Audited Balance Sheet as at 31st March, 2012 and Profit & Loss Account for the year ended 31st March, 2012 and the Reports of Directors and the Auditors was taken up for consideration.

Thereafter, the Company Secretary invited the suggestions/comments and queries from the members.

Later, the following Ordinary Resolution was proposed by Shri Shantilal C Shah (DP ID: 54500 /Client ID: 1205450000007769) and seconded by Shri Manish C (DP ID: 35200/Client ID: 12035200000026362)

"RESOLVED THAT the Audited Balance Sheet as at 31st March, 2012 and the Profit & Loss Account for the year ended 31st March, 2012 together with the Directors' Report and Auditors' Report thereon be and are hereby received and adopted."

On being put to vote by show of hands, the Chairman declared that above Ordinary Resolution was passed unanimously.

Item No. 2 of the notice regarding declaration of dividend was taken up for consideration.

The following Ordinary Resolution was proposed by Shri Lalit Kumar Baid (DP ID: IN301250/Client ID: 28084578) and seconded by Shri T. Sai Prakash (DP ID: 30700/Client ID: 12030700000019881)

"RESOLVED THAT Dividend at the rate of 20% on the Equity Share Capital of the Company for the financial year ended 31st March, 2012 be and is hereby declared for payment to those shareholders whose names appear in the Register of Members as on 26th day of September 2012".

On being put to vote by show of hands, the Chairman declared that above Ordinary Resolution was passed unanimously.

Item No. 3 of the Notice regarding Appointment of Director in place of Shri Kamlesh Gandhi, Director retiring by rotation and who offered himself for re-appointment was taken up for consideration.

The following Ordinary Resolution was proposed by Shri Hare Ram.P (DP ID: IN302679/Client ID: 30975383) and seconded by Shri Manish C (DP ID: 35200/Client ID: 12035200000026362)

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"RESOLVED THAT Shri Kamlesh Gandhi, Director of the Company retiring by rotation at this Annual General Meeting be and is hereby re-appointed as Director of the Company".

On being put to vote by show of hands, the Chairman declared that above Ordinary Resolution was passed unanimously

Item No. 4 of the notice regarding appointment of a Director in place of Shri D Venkatasubbiah, Director retiring by rotation and who offered himself for re-appointment, was taken up for consideration.

The following Ordinary Resolution was proposed by Shri Hare Ram.P (DP ID: IN302679/Client ID: 30975383) and seconded by Shri T Sai Prakash (DP ID: 30700/Client ID: 1203070000019881)

"RESOLVED THAT Shri D Venkatasubbiah, Director of the Company retiring by rotation at this Annual General Meeting be and is hereby re-appointed as Director of the Company".

On being put to vote by show of hands, the Chairman declared that above Ordinary Resolution was passed unanimously.

Item No. 5 of the notice regarding appointment of a Director in place of Dr. R N Sreenath, Director retiring by rotation and who offered himself for re-appointment, was taken up for consideration.

The following Ordinary Resolution was proposed by Shri Manish C (DP ID: 35200/Client ID: 1203520000026362) and seconded by Shri M Venkatesham (DP ID: IN300020/Client ID: 11288225)

"RESOLVED THAT Dr. R N Sreenath, Director of the Company retiring by rotation at this Annual General Meeting be and is hereby re-appointed as Director of the Company".

On being put to vote by show of hands, the Chairman declared that above Ordinary Resolution was passed unanimously.

Item No. 6 of the notice regarding the re-appointment of M/s. Sekhar & Company, Chartered Accountants, as Auditors was taken up for consideration.

The following Ordinary Resolution was proposed by Shri J V Ganesh Kumar authorized representative of Surana Infocom Private Limited (DP ID: IN301022/Client ID: 21457959) and seconded by Shri Lalit Kumar Baid (DP ID: IN300020/Client ID: 28084578).

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"RESOLVED THAT M/s. Sekhar & Co., Chartered Accountants, (Registration No. 003695S), be and are hereby appointed as Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company on such remuneration as shall be fixed by the Board of Directors."

On being put to vote by show of hands, the Chairman declared that above Ordinary Resolution was passed unanimously.

Item No. 7 of the notice regarding the re-appointment of Shri Narender Surana as Managing Director was taken up for consideration.

The following Special Resolution was proposed by Shri P Sreerama Murthy authorized representative of Surana Telecom and Power Limited (DP ID: IN301022/Client ID: 21457977) and seconded by Smt. G Manju (DP ID: 38100/Client ID: 1203810000174199)

RESOLVED THAT pursuant to the provisions of Sections 198, 269, 309, 314 and Schedule XIII and all other applicable provisions if any, of the companies Act, 1956 (including any Statutory modification or re-enactment thereof for the time being in force), the re-appointment of Shri Narender Surana as Managing Director of the company for a period of 3 years w.e.f 18.01.2012 to 17.01.2015, be and is hereby recommended to the Board of Directors.

RESOLVED FURTHER THAT Shri Narender Surana be entitled to remuneration package as below

1. SALARY:

Rs. 4,00,000/- per month

2. PERQUISITES:

In addition to salary as above, Shri Narender Surana shall be entitled to perquisites as under:

Category 'A'

i) Medical Reimbursement:

Expenses actually incurred for Shri Narender Surana and his family shall be reimbursed subject to a ceiling of one month's salary in a year or three months' salary over a period of three years.

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ii) Leave Travel concession:

For Shri Narender Surana and his family once in a year incurred in accordance with any rule specified by the Company.

iii) Club Fees:

Fees of clubs subject to a maximum of two clubs provided no life membership or admission fee shall be paid.

iv) Personal Accident Insurance:

Premium not to exceed Rs.1,000/- per annum.

Explanation: For the purpose of Category 'A', family means the spouse, dependent children and dependent parents of the Managing Director.

Overall Limit: The monetary value of perquisites listed in Category 'A' at 2(i), (ii), (iii) and (iv) above shall not exceed an amount equal to the annual salary.

Category 'B'

i) Provident and Superannuation Fund:

Contribution to the Provident Fund, Superannuation Fund or Annuity Fund to the extent these either singly or put together are not taxable under the Income Tax Act. This will not be included in the computation of the ceiling on perquisites.

ii) Gratuity:

Gratuity payable shall not exceed one half month's salary for each completed year of service.

Category 'C'

i) Provision of Car and Telephone:

Shri Narender Surana shall be entitled to a motor car for use on Company's business and telephone at residence. However, use of car for private purpose and personal long distance calls on telephone shall be billed by the Company to Shri Narender Surana.

3. COMMISSION:

In addition to salary and perquisites as above, Shri Narender Surana shall be entitled to commission at the rate of 3% of the net profits of the Company computed in the manner laid down under Section 309(5) of the Companies Act, 1956, subject to the overall ceiling laid down in Section 198 and Section 309 of the Companies Act, 1956.

4. MINIMUM SALARY:

Where in any financial year, during the currency of tenure of Shri Narender Surana, the Company has no profits or its profits are inadequate, the Company shall pay to Shri Narender Surana remuneration by way of salary and perquisites not exceeding the limits specified herein under Part -II Section II of Schedule -XIII of the Companies Act, 1956 including any statutory modifications thereof for the time being in force.

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5. OTHER BENEFITS:

i) Shri Narender Surana shall be entitled to reimbursement of actual entertainment, traveling, boarding and lodging expenses incurred by him in connection with the Company's Business.

ii) He will not be eligible for any sitting Fees for attending the Company's Board/Committee Meetings.

On being put to vote by show of hands, the Chairman declared that above Special Resolution was passed unanimously.

Item No. 8 of the notice regarding the re-appointment of Shri Devendra Surana as Managing Director was taken up for consideration.

The following Special Resolution was proposed by Shri T Sai Prakash (DP ID: 30700/Client ID: 1203070000019881) and seconded by Shri Shantilal C Shah (DP ID: 301022/Client ID: 20208729)

"RESOLVED THAT subject to the consent of the Members of the Company at the General Meeting and pursuant to the provisions of Sections 198, 269, 309, Schedule XIII and other applicable provisions of the Companies Act, 1956, Shri Devendra Surana, be re-appointed as Managing Director of the Company for a period of 3 years from 18.01.2012, i.e., upto 17.01.2015, on a salary and perquisites as detailed below:

1. SALARY:

Rs. 4,00,000/- per month

2. PERQUISITES:

In addition to salary as above, Shri Devendra Surana shall be entitled to perquisites as under:

Category 'A'

i) Medical Reimbursement:

Expenses actually incurred for Shri Devendra Surana and his family shall be reimbursed subject to a ceiling of one month's salary in a year or three months' salary over a period of three years.

ii) Leave Travel concession:

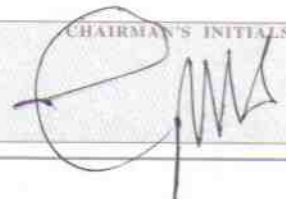
For Shri Devendra Surana and his family once in a year incurred in accordance with any rule specified by the Company.

iii) Club Fees:

Fees of clubs subject to a maximum of two clubs, provided no life membership or admission fee shall be paid.

iv) Personal Accident Insurance:

Premium not to exceed Rs.1,000/- per annum.

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Explanation: For the purpose of Category 'A', family means the spouse, dependent children and dependent parents of the Managing Director.

Overall Limit: The monetary value of perquisites listed in Category 'A' at 2(i), (ii), (iii) and (iv) above shall not exceed an amount equal to the annual salary.

Category 'B'

i) Provident and Superannuation Fund:

Contribution to the Provident Fund, Superannuation Fund or Annuity Fund to the extent these either singly or put together are not taxable under the Income Tax Act. This will not be included in the computation of the ceiling on perquisites.

ii) Gratuity:

Gratuity payable shall not exceed one half month's salary for each completed year of service.

Category 'C'

i) Provision of Car and Telephone:

Shri Devendra Surana shall be entitled to a motor car for use on Company's business and telephone at residence. However, use of car for private purpose and personal long distance calls on telephone shall be billed by the Company to Shri Devendra Surana.

3. COMMISSION:

In addition to salary and perquisites as above, Shri Devendra Surana shall be entitled to commission at the rate of 3% of the net profits of the Company computed in the manner laid down under Section 309(5) of the Companies Act, 1956, subject to the overall ceiling laid down in Section 198 and Section 309 of the Companies Act, 1956.

4. MINIMUM SALARY:

Where in any financial year, during the currency of tenure of Shri Devendra Surana, the Company has no profits or its profits are inadequate, the Company shall pay to Shri Devendra Surana remuneration by way of salary and perquisites not exceeding the limits specified herein under Part -II Section II of Schedule -XIII of the Companies Act, 1956 including any statutory modifications thereof for the time being in force.

5. OTHER BENEFITS:

i) Shri Devendra Surana shall be entitled to reimbursement of actual entertainment, traveling, boarding and lodging expenses incurred by him in connection with the Company's Business.

ii) He will not be eligible for any sitting Fees for attending the Company's Board/Committee Meetings.

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On being put to vote by show of hands, the Chairman declared that above Special Resolution was passed unanimously.

Item No. 9 of the notice regarding the increase in the limits of the Board for creation of charge/mortgage on the assets of the Company u/s. 293(1) (a) was taken up for consideration.

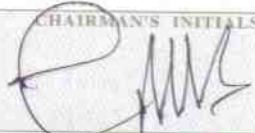
The following Ordinary Resolution was proposed by Shri M Venkatesham (DP ID: IN300020/Client ID: 11288225) and seconded by Shri Hare Ram.P (DP ID: IN302679/Client ID: 30975383)

"RESOLVED THAT pursuant to the provisions of section 293 (1) (a) and other applicable provisions of the Companies Act, 1956, consent of the company be and is hereby accorded to the Board of Directors of the company (hereinafter called "the Board " and which term shall be deemed to include any committee, which the Board may have constituted or hereinafter for mortgaging and/or charging on such terms and conditions and at such time or times, and in such form and manner, as it may think fit, the whole or substantially the whole of the company's any one or more or all the undertakings, including the present and/or future properties and undertakings of the company as the case may be in favor of the lenders for the loans up to an aggregate value not exceeding Rs 400.00 crores to secure the loans raised/to be raised by the company upon the terms and conditions as may be decided by the Board of Directors/Committee of the company from Banks/Financial and/or other institutions, together with interest thereon at the respective agreed rates, compound interest, additional interest, liquidated damages, commitment charges, premia on pre-payment or on redemption, costs, charges, expenses and other monies including any increase as a result of devaluation/revaluation of the aforesaid Financial Assistance under the respective documents entered into/to be entered in to by the Company in respect of the said Loans.

RESOLVED FURTHER THAT the securities to be created by the company as aforesaid may be created either subject to the charges already created or subservient to other existing charges or rank as second charge or rank pari-passu with the mortgages and/or charges already created or to be created in future by the company or in such other manner and ranking as may be thought expedient by the Board of Directors of the Company as may be agreed to between the concerned parties and the institutions."

On being put to vote by show of hands, the Chairman declared that above Ordinary Resolution was passed unanimously.

Item No. 10 of the notice regarding the increase in borrowing powers of the board u/s. 293(1) (d) was taken up for consideration.

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The following Ordinary Resolution was proposed by Shri Ankur Agrawal (DP ID: 38100/Client ID: 1203810000120805) and seconded by Shri Hare Ram P (DP ID: IN302679/Client ID: 30975383)

"RESOLVED THAT pursuant to section 293 (1) (d) and other applicable provisions, if any of the Companies Act, 1956, the consent of the company be and is hereby accorded to the Board of Directors of the Company (hereinafter called "the Board " and which term shall be deemed to include any committee, which the Board may have constituted or hereinafter for borrowing from time to time, as they may think fit, any sum or sums of money on such terms and conditions as the board my deem fit, not withstanding that the monies to be borrowed together with the monies already borrowed by the company (apart from the temporary loans obtained from the Company's bankers in the ordinary course of business) may exceed the aggregate, for the time being, of the paid-up capital of the company and its free reserves, that is to say, reserves not set apart for any specific purpose provided however, the total amount so borrowed shall not exceed Rs 400.00 crores

On being put to vote by show of hands, the Chairman declared that above Ordinary Resolution was passed unanimously.

There being no other business to transact, the meeting was concluded by Shri Devendra Surana proposing vote of thanks to the Chair, the Board, Shareholders and the employees of the Company for their all round support.

Date: 05.10.2012

Place: Secunderabad


CHAIRMAN

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