

ELNET TECHNOLOGIES LIMITED
 Elnet Software City, TS 140, Block 2 & 9, Rajiv Gandhi Salai,
 Taramani, Chennai 600 113

**MINUTES OF THE ANNUAL GENERAL MEETING OF THE MEMBERS HELD ON
 17th JULY 2014 AT 11.00 AM AT NEW WOODLANDS HOTEL PVT LTD., 72-75,
 DR.RADHAKRISHNAN SALAI, MYLAPORE, CHENNAI - 600 004**

Directors Present

1. Tmt. Unnamalai Thiagarajan, Managing Director
2. Thiru C. Ramachandran, Director
3. Thiru G.Chellakrishna, Director & Chairman, Audit Committee
4. Thiru J. Ravi, Director
5. Thiru K. Padmanaban, Director
6. Thiru H. Karthik Seshadri, Director
7. Thiru K. Kasim, Director
8. Thiru R. Sridhar, Director

In attendance

Thiru S. Lakshmi Narasimhan, Company Secretary
 Thiru S. Bhaskar, Scrutinizer

In presence

1. Thiru V. Ravindranath, M/s.S.H.Bhandari & Co., Chartered Accountant
2. Thiru C. Venkataramanan, Sr.VP - Com. & Oper.
3. Thiru P.S. Subramanian, AGM (F&A)

MEMBERS PRESENT:

134 members of the Company were present which includes 4 representatives of Body Corporates, Promoter Shareholders and six proxies representing 2129113 shares.

NOTICE, CHAIRMAN'S SPEECH AND AUDITORS' REPORT

In the absence of the Chairman of the Company, Thiru C. Ramachandran, Director, was unanimously elected to the Chair, after his name was proposed by Tmt. E. Kamakshi, representing M/s. Southern Projects Management Pvt. Ltd., DP ID / CL ID : IN300484 / 13511068.

Thereafter, Thiru C. Ramachandran, took the chair.

The Chairman after ascertaining the quorum for the Annual General Meeting called the meeting to order and welcomed the members present.

The Chairman after introducing the Directors took the Notice as read with the consent of the members.

Then, the Chairman addressed the members, detailing the performance of the Company for the financial year 2013-14.

The Chairman after getting the consent of the members, took the Audited Balance Sheet, Statement of Profit and Loss and the Directors' Report as read.

The Chairman then requested the Company Secretary to read the Auditors' Report and the Company Secretary read out the same.

The Chairman briefed about the salient features of e-voting facility and the procedures thereof and called for a poll to facilitate the members present in the meeting who could not participate in the e-voting to record their votes.

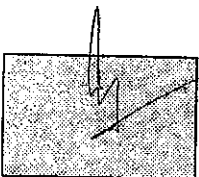
At this juncture, the Chairman invited the members to discuss on the Accounts for the year ended 31st March 2014.

Shareholder - Thiru S. Padmanaban - DP ID IN301313 / CL ID 20794645, made the following points:

- The Annual Report be provided with book value of share, return on capital, return on net worth.
- Since MSE is closing its operations, the Company should delist the shares and also to explore other avenues.
- Whether the Company requires so many directors
- Unsecured loan Rs.4.26 crores may be closed.
- Contingent Liability – The Company should ensure to bring down the contingent liability by taking appropriate steps on the legal issues.
- Addition - Land purchase – no footnote mentioned

Shareholder - Thiru J. Abhishek - DP ID IN301637 / CL ID 41359155 suggested that

- E-mail ID details of Statutory Auditor may be provided in the Annual Report
- Unclaimed dividend amount may be mentioned in the Annual Report and requested to take initiative to pay back the unpaid dividend amount, by sending letters to the shareholders.
- De-listing of Madras Stock Exchange.
- Share price of Elnet has not increased even though the market is booming
- More participation of shareholders required in the Annual General Meeting



CHAIRMAN'S
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Shareholder - Thiru P. JAICHAND - DP ID IN301637 / CL ID 41159143 felt that

- There are too many directors
- More Dividend / Bonus can be given
- More physical shareholders – to take initiative shares to be converted into demat account

Shareholder - Thiru P. Sreenivasalu - DP ID IN301549 / CL ID 14710889 felt that

- Performance could have been better and the company should take adequate steps to close the pending legal cases. The Subsidiary company to become operational as early as possible. R&M expenses to be put on control.

On the suggestion of the Chairman, suggested that Thiru C. Venkataramanan, Sr.VP – Commercial & Operations gave the following replies:

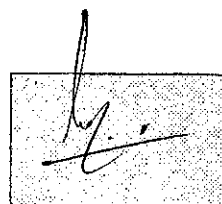
- All the suggestions given by the shareholder in the Annual report presentation is noted and additional information will be incorporated, as per the SEBI guidelines, in future.
- Composition of Directors is only as per the statutory requirements
- Statutory compliance 100% in all respects
- As regards the contingent liability on Income Tax, the company is treating the income from Business and Profession, whereas the Income tax department wants to treat the income from House Property and hence the dispute. The department had gone on appeal and the Madras High Court ruled in favour of the Company. The department had further gone for appeal to Supreme Court.
- Purchase of land – created pathway to our windmill operations, to facilitate the reach to our site.
- Madras Stock Exchange – steps taken to list our shares in NSE
- No operations commenced for Elnet Software City Limited
- Because of the ageing of the building, R&M expenses are necessary and within the tolerant limit.

Thiru G. Chellakrishna, Director and Chairman of the Audit Committee, gave the following clarification:

Contingent liability – High court landmark judgement is in favour of the Company.
Increase in dividend – Company's cash position is reviewed and the same is in tact, to cater the needs of contingent liability and to distribute the dividend, if any, in the lean periods.

Thereafter, the Chairman requested Thiru S. Bhaskar, Scrutinizer, to declare the results of both e-voting as well the Poll:

Then, Thiru S. Bhaskar, Scrutinizer, declared the results:



AGENDA ITEM NO.1 ADOPTION OF THE ANNUAL ACCOUNTS, DIRECTORS' REPORT AND AUDITORS' REPORT.

"RESOLVED that the Statement of Profit and Loss for the year ended 31.03.2014 and Balance Sheet as at 31st March 2014 together with the Notes and Reports of the Directors' and Auditors thereon be and are hereby received, considered and adopted".

Item No of Notice		Votes in favour of the resolution		Votes against the resolution		Invalid votes	
		Nos.	%	Nos.	%	Nos.	%
Item No: 1 of the Notice (Ordinary Resolution)	e-Voting	2113863	52.85%	Nil	Nil	Nil	Nil
	Poll	1159	0.02%	83	0.002%	215	0.005%
	Total	2115022	52.87%	83	0.002%	215	0.005%

AGENDA ITEM NO.2 DECLARATION OF DIVIDEND

"RESOLVED that a dividend of Rs. 1.40 per share be declared to be paid for the year ended 31st March 2014 to such of those shareholders whose names appear in the Register of Members as on 17.07.2014, being the record date"

Item No of Notice		Votes in favour of the resolution		Votes against the resolution		Invalid votes	
		Nos.	%	Nos.	%	Nos.	%
Item No: 2 of the Notice (Ordinary Resolution)	e-Voting	2113863	52.85%	Nil	Nil	Nil	Nil
	Poll	1225	0.03%	17	0.0004%	215	0.005%
	Total	2115088	52.88%	17	0.0004%	215	0.005%


CHAIRMAN'S INITIALS

AGENDA ITEM NO.3 APPOINTMENT OF M/s S.H.BHANDARI & CO, AS STATUTORY AUDITORS

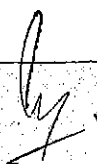
"RESOLVED that pursuant to the provisions of Section 139 and 142 of the Companies Act, 2013 and the Rules made thereunder and pursuant to the recommendations of the Board of Directors, M/s S.H.Bhandari & Co, Chartered Accountants, (FRN:000438S), Chennai be and are hereby appointed as Auditors of the Company to hold office from the conclusion of this Annual General meeting till the conclusion of the next Annual General Meeting of the Company on a remuneration of Rs.3,25,000/- plus service tax as applicable:

Item No of Notice		Votes in favour of the resolution		Votes against the resolution		Invalid votes	
Item No: 3 of the Notice (Special Resolution)	e-Voting	2113863	52.85%	Nil	Nil	Nil	Nil
	Poll	1224	0.03%	18	0.0004%	215	0.005%
	Total	2115087	52.88%	18	0.0004%	215	0.005%

AGENDA ITEM NO.4 APPOINTMENT OF THIRU J. RAVI AS DIRECTOR

"RESOLVED that Thiru J. Ravi, Director be and is hereby re-appointed as Director of the Company."

Item No of Notice		Votes in favour of the resolution		Votes against the resolution		Invalid votes	
Item No: 4 of the Notice (Ordinary Resolution)	e-Voting	2113863	52.85%	Nil	Nil	Nil	Nil
	Poll	1223	0.03%	19	0.0004%	215	0.005%
	Total	2115086	52.88%	19	0.0004%	215	0.005%



AGENDA ITEM NO.5 APPOINTMENT OF DR.V. DHARMALINGAM AS DIRECTOR

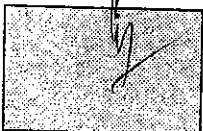
"RESOLVED that Dr.V. Dharmalingam, Director be and is hereby re-appointed as Director of the Company."

Item No of Notice		Votes in favour of the resolution		Votes against the resolution		Invalid votes	
Item No: 5 of the Notice (Ordinary Resolution)	e-Voting	2113863	52.85%	Nil	Nil	Nil	Nil
	Poll	1223	0.03%	19	0.0004%	215	0.005%
	Total	2115086	52.88%	19	0.0004%	215	0.005%

AGENDA ITEM NO.6 APPOINTMENT OF THIRU R. SRIDHAR, AS DIRECTOR

"RESOLVED THAT Thiru R.Sridhar who was appointed as Director on 22.04.2014 in the casual vacancy caused by the resignation of Thiru V. RAMACHANDRAN, who vacates office at this Annual General Meeting and is eligible for reappointment, in respect of whom the Company has, as required by Sec. 160 of the Companies Act 2013, received a Notice in writing along with deposit from a member signifying his intention to propose him as a candidate for the office of the Director, be and is hereby appointed as a Director of the Company, is not subject to retire by rotation".

Item No of Notice		Votes in favour of the resolution		Votes against the resolution		Invalid votes	
Item No: 6 of the Notice (Ordinary Resolution)	e-Voting	2113863	52.85%	Nil	Nil	Nil	Nil
	Poll	1224	0.03%	18	0.0004%	215	0.005%
	Total	2115087	52.88%	18	0.0004%	215	0.005%



CHAIRMAN'S
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AGENDA ITEM NO.7 APPOINTMENT OF THIRU G. CHELLAKRISHNA, AS DIRECTOR

"RESOLVED THAT Thiru G. Chellakrishna who was appointed as Director on 22.04.2014 in the casual vacancy caused by the resignation of Thiru P.S. Kumar, who vacates office at this Annual General Meeting and is eligible for reappointment, in respect of whom the Company has, as required by Sec. 160 of the Companies Act 2013, received a Notice in writing from a member signifying his intention to propose him as a candidate for the office of the Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation".

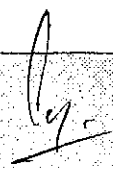
Item No of Notice		Votes in favour of the resolution		Votes against the resolution		Invalid votes	
Item No: 7 of the Notice (Ordinary Resolution)	e-Voting	2113863	52.85%	Nil	Nil	Nil	Nil
	Poll	1225	0.03%	17	0.0004%	215	0.005%
	Total	2115088	52.88%	17	0.0004%	215	0.005%

AGENDA ITEM NO.8 RE-APPOINTMENT OF MANAGING DIRECTOR

"RESOLVED that, pursuant to the provisions of Sections 190, 196, 197, 203 and Schedule V and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder and the Articles of Association of the Company, Tmt. Unnamalai Thiagarajan, Managing Director be and is hereby re-appointed as Managing Director of the Company for a further period of five years with effect from 29th day of September, 2013 and thereby superseding the earlier referred resolution passed in so far her period of office is concerned.

RESOLVED FURTHER THAT, the re-appointment of Tmt. Unnamalai Thiagarajan, Managing Director for a period of five years, with effect from 29th day of September 2013 on the terms and conditions as specified in the Statement pursuant to Section 102(1) of the Companies Act, 2013 annexed to this Notice.

RESOLVED FURTHER THAT Tmt.Unnamalai Thiagarajan, Managing Director, be paid a remuneration of Rs.14,00,000/- per annum with effect from 29th day of September 2013 onwards till the end of the tenure.

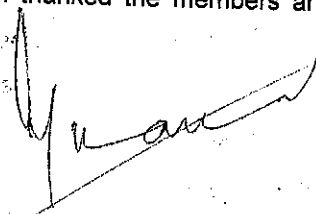


RESOLVED FURTHER THAT the action of the Board of Director in re-appointing Tmt.Unnamalai Thiagarajan as Managing Director with effect from 29th day of September 2013 till the date of this meeting as approved at the Board meeting held on 29th July 2013 be and is hereby ratified and that the remuneration for the services as Managing Director for the period from 29th day of September 2013 till the conclusion of this meeting (both days inclusive) be and is hereby approved".

Item No. of Notice		Votes in favour of the resolution		Votes against the resolution		Invalid votes	
Item No: 8 of the Notice (Ordinary Resolution)	e-Voting	2113863	52.85%	Nil	Nil	Nil	Nil
	Poll	1224	0.03%	18	0.0004%	215	0.005%
	Total	2115087	52.88%	18	0.0004%	215	0.005%

All the above resolutions stand passed under e-voting and poll with the requisite majority.

There being no other business to transact, the Chairman thanked the members and declared the meeting as concluded.



18th JULY 2014

CHAIRMAN OF THE MEETING



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