

**Minutes of the Twenty Fifth Annual General Meeting of Godrej Industries Limited held on Saturday, August 10, 2013 at 3.30 P.M. at Y.B. Chavan Centre, Nariman Point, Mumbai – 400 021.**

**Present:**

|                     |                                                                                             |
|---------------------|---------------------------------------------------------------------------------------------|
| Mr. A.B. Godrej     | Chairman                                                                                    |
| Mr. N.B. Godrej     | Managing Director                                                                           |
| Mr. J. N. Godrej    | Director                                                                                    |
| Mr. S.A. Ahmadullah | Director                                                                                    |
| Mr. A.B. Choudhury  | Director                                                                                    |
| Mr. K.K. Dastur     | Director                                                                                    |
| Mr. K.M. Elavia     | Director                                                                                    |
| Dr. N.D. Forbes     | Director                                                                                    |
| Ms. T.A. Dubash     | Executive Director & Chief Brand Officer                                                    |
| Mr. N.S. Nabar      | Executive Director & President (Chemicals)                                                  |
| Mr. D.Z. Fraser     | Partner of M/s. Kalyaniwalla & Mistry,<br>Chartered Accountants, Auditors of the<br>Company |
| Mr. Clement Pinto   | Vice-President (Finance)                                                                    |
| Mr. K.R. Rajput     | Company Secretary                                                                           |

132 Members/proxies/authorised representatives were present which included the promoters holding 74.90% of the total equity share capital of the Company.

**1. Chairman of the Meeting**

Mr. A.B. Godrej, Chairman of the Company, took the chair and started the proceedings.

The Chairman welcomed all the shareholders to the Meeting. He then introduced the new members on the Board – Mr. K. M. Elavia, who had joined as an Independent Director and Mr. N. S. Nabar, Executive Director & President (Chemicals).

The Chairman informed the shareholders that the meeting was held against the backdrop of the sad demise of his colleague on the Board, Mr. J. S. Bilimoria, who was on the Board as an Independent Director since January 2009. The Chairman then placed on record his valuable contributions and support to the Board and to the Company as an Independent Director during his tenure.

The Chairman informed the shareholders that the Register of Directors' Shareholding and Proxy Register were kept open for inspection. He further informed that a certificate, obtained from the auditors, Kalyaniwalla & Mistry, as required under the provisions of SEBI (Employee Stock Option Scheme & Employee Stock Purchase Scheme), 1999 was also available to the shareholders for inspection.

## 2. Notice convening the Meeting and Auditors' Report

With the consent of requisite majority of the Members present, the Notice dated May 28, 2013 convening the Annual General Meeting was taken as read.

The Company Secretary then read out the Auditors' Report dated May 28, 2013 of M/s. Kalyaniwalla & Mistry, the Auditors of the Company.

## 3. Chairman's Statement

The Chairman then addressed the meeting with his opening remarks as follows:

"I am pleased to share with you the events, developments and the progress that your Company has made during the financial year ended March 2013. The overall performance of your Company has been good despite several challenges on the economic front, both globally and in India. The year gone by is representative of the value Godrej Industries continues to create for all stakeholders as a result of its diversified presence across key segments of economic activity in the country.

As a conglomerate with diverse business interests, growth at the consolidated level is pursued through competitively growing our core businesses, building an environment to achieve transformation while also nurturing and investing in emergent businesses.

Let me summarize the year at GIL for each dimension of our CREATE strategy:

### Consumer

Financial Year 2013 proved to be another year of good performance in both the domestic and international operations of Godrej Consumer Products. We continue to be the market leaders in household insecticides and hair colour in India and have the number two position in soaps. The integration of our overseas acquisitions has gone well and overall our international businesses have had a year of good results. We have had a number of successful launches in both the domestic and international business and believe that these launches will further enhance our competitiveness, improve the equity of our brands and drive both penetration and consumption. In order to continue to deliver healthy performance and create value year after year, we will be focused on six strategic pillars of growth, viz. leading in our core categories, growing our international businesses in line with our 3 by 3 strategy, driving innovation and renovation, creating a future ready sales system, building a best in class supply chain, and fostering an agile, professional and high performance culture.

The GCPL Board has appointed Mr. Vivek Gambhir as the Managing Director effective July 1, 2013. We are confident that he will successfully lead GCPL through its next phase of growth.

### **Chemicals**

Overall volatility in the global macroeconomic environment and raw material price fluctuations resulted in our Chemicals business facing a tough year. The team sharpened its efforts on execution to mitigate the impact of external factors and we believe that this will bode well for us in the coming year. Our new oleo-chemicals facility at Ambarnath is progressing on schedule and is expected to be operational in Q3 Financial Year 2013-14. Our strong distribution network and differentiated manufacturing process make us the preferred supplier to key players across industries we cater to, enabling us to capture value from healthy demand in the domestic and international markets.

I would like to take this opportunity to discuss the change in leadership at the Chemicals Business. After a long and illustrious career spanning 36 years, Mathew Eipe has retired on April 30, 2013. Nitin Nabar has taken over as Executive Director and President (Chemicals), and we are very confident that he will successfully lead the Business going forward.

### **Real Estate**

Despite challenges on the economic front, Godrej Properties had a very good year. During Financial Year 2012-13 Godrej Properties had 13 successful launches across the country. With 8 new projects added to the portfolio, new business development momentum has also been sustained. The combination of adding substantial value without excessive risk or capital deployment is key to sustaining our strong track record in business development. With a pan-India presence and a strong business model, we firmly believe that GPL is well poised on a strong growth trajectory.

### **Agri Business**

The year at Godrej Agrovet was tough on several counts including deficient monsoons and rising input costs. However, a resilient business portfolio and a strong suite of innovative agri products enabled us to achieve a growth of 26% in Financial Year 2013 revenues. To provide capacity for future growth in key animal feed markets, three new feed mills were also commissioned. A strategic development during the year was introducing Temasek as an investor and a partner in GAVL.

### Transformation

As a Group, we believe in inclusive growth that aims at enhancing the competitiveness of our businesses while simultaneously advancing the economic and social conditions of the communities in which we operate. This focus is implemented Group wide through the shared value initiative called 'Godrej Good and Green'.

As part of Good & Green, the Group aspires by 2020, to create a more employable Indian workforce, a greener India and innovate for products that are greener or cater to the bottom of the income pyramid. The Group has made good progress on each of the objectives during the last fiscal year. Through employability programs in beautician training, channel sales, rural entrepreneurship and animal husbandry, we have been able to train thousands of unemployed or underemployed youth in the last year.

I am pleased to share with you that in the recently published Brand Trust Report, 2013 Godrej has been ranked the 6th most trusted Brand in India, up five places from last year. I am also pleased to inform you that Godrej Group has been ranked 9<sup>th</sup> in the 1<sup>st</sup> edition of Interbrand's 'Best Indian Brands' Survey. This is a strong validation of our focus on building superior brand equity and ensuring that our heritage brand is relevant and dynamic.

Building on our human capital has always been a priority and during the year we undertook various activities that assisted in enhancing leadership capabilities through specially designed programs. To help us objectively understand the progress made, in Financial Year 2013, we conducted a survey across both domestic and international businesses in association with Aon Hewitt, a leading HR consultancy firm. I am delighted to share with you that Godrej Industries and its associates companies employee engagement level is high (76%) and falls within the Aon Hewitt Best Employer Range.

### Emergent Businesses

As part of our business strategy, through the years, we have selectively incubated businesses and grown them successfully. Natures Basket, our gourmet food retailing business, is one such business where we see good potential. The progress witnessed by this business has been encouraging, with contribution to performance coming from rising same store sales as well as opening of new stores. We are now spread across 6 key metros in India through 27 outlets.

Our seeds venture, Godrej Seeds and Genetics Limited, which is still in a nascent stage, has reported encouraging performance during the year. As part of our commitment to superior value creation for all stakeholders, we have been following a disciplined approach to

profitably grow our core portfolio of businesses and make clear choices to focus on areas where we have a competitive advantage and the best growth opportunities. In line with this portfolio strategy, in September 2012, we divested our stake in the Godrej Hershey joint venture.

#### **Institutional Placement Programme :**

I am happy to share that your Company successfully concluded the Equity Issue - Institutional Placement Program (IPP) during the year. In the midst of a capital scarce market environment we raised Rs. 370 crore where the issue was oversubscribed by 1.67 times, thereby reaffirming the faith of the investor community in your Company. The Public holding in your Company, post this issue is 25%, in line with SEBI's minimum public holding norm.

#### **Performance during April - June 2013**

I would also like to now update you on the results of the first quarter of the current financial year, which were taken on record by the Board at its meeting held this afternoon.

The consolidated total income for the first 3 months of the current year is Rs. 1,945 crore as against Rs. 1,834 crore in the previous year, a growth of 6%. The consolidated Profit before tax for the quarter ended June 30, 2013 is Rs. 100 crore as against Rs. 52 crore in the previous year, a growth of 92%. The consolidated Net Profit for the quarter ended June 30, 2013 is Rs. 53 crore as against Rs. 41 crore in the previous year, a growth of 28%.

I would like to express my appreciation to all our employees, for their contributions towards the performance of Godrej Industries. I would also like to extend my gratitude towards our business partners and associates, vendors, and also the Central and the State governments for their continued support. And to all of our shareholders, I would like to express my sincere appreciation for your continued faith, trust, encouragement and support."

After his opening remarks, the Chairman began with the agenda items in the Notice of the Annual General Meeting dated May 28, 2013.

#### **4. Adoption of Accounts**

Mr. Dinesh Bhatia proposed the following resolution as an ORDINARY RESOLUTION which was seconded by Mr. Shailesh Mahadevia:

**RESOLVED THAT** the Balance Sheet as at March 31, 2013, the Statement of Profit & Loss and Cash Flow Statement for the year ended March 31, 2013, the Auditors' Report thereon, the Directors'

Report dated May 28, 2013 along with Management Discussion and Analysis Report and Report of Corporate Governance placed before this meeting, be and are hereby approved and adopted.

Before putting the resolution to vote, the Chairman invited the shareholders to raise any matters that they may wish to in connection with the performance of the Company and arising out of the businesses to be transacted in the meeting. He further informed that he would answer the queries before putting the motions to vote.

In response to the Chairman's invitation, the following shareholders spoke:

- Mr. Vinay Bhide
- Mr. Michael Martins
- Mr. Behruz Pourudehi
- Ms. H.S. Patel
- Mr. Kishan Chokshi
- Mr. Vinod Agarwal
- Mr. Shailesh Mahadevia
- Mr. Yusuf Rangwala
- Mr. Dinesh Bhatia

The above members gave their observations / sought clarification on certain matters reported in the annual report and the general performance of the Company. A few of the clarification sought are as under:-

- Whether Godrej Industries' shareholders are entitled to get Godrej Properties rights issue shares.
- Is the Company arranging any Plant visit and visit to the Subsidiary Company, Natures Basket Limited's stores.
- A shareholder felt that Mr. N.B. Godrej's proposed salary is less and that he should be paid salary in line with other industry leaders.
- Expected date of commission of Ambarnath Factory, capex incurred and plant capacity.
- When was the last bonus given and is the management considering any bonus issue.
- Congratulated Mr. A.B. Godrej on receipt of prestigious Padma Bhushan award.
- Congratulated on the good annual report and printing on eco-friendly paper.
- How Temasek Group as an investor would benefit Godrej Agrovet Ltd.

The Chairman replied to the queries raised / information sought.

The Chairman then put the resolution to vote by a show of hands. As all the shareholders voted in favour, he declared that the resolution has been carried unanimously.

5. **Approval for declaration of Dividend**

Mr. Adil Irani proposed the following resolution as an ORDINARY RESOLUTION, which was seconded by Mr. Dinesh Bhatia :

**RESOLVED THAT** sanction be and is hereby given to the payment of final dividend to all equity shareholders whose names appear in the Register of Members of the Company on the eligibility date fixed by the Company i.e. August 2, 2013 [Book Closure dates August 3, 2013 to August 10, 2013] at the rate of Rs.1.75 per equity share, aggregating Rs. 58,70,05,846 out of the profits available for appropriation.

The Chairman then put the resolution to vote by a show of hands. As all the shareholders voted in favour, he declared that the resolution has been carried unanimously.

6. **Reappointment of a Director in place of Mr. K. K. Dastur, who retires by rotation and being eligible, offers himself for re-appointment**

Mr. Adil Irani proposed the following resolution as an ORDINARY RESOLUTION, which was seconded by Mr. Vinod Agarwal:

**RESOLVED THAT** Mr. K. K. Dastur, who retires by rotation and being eligible for reappointment, be and is hereby reappointed as a Director of the Company, liable to retire by rotation.

The Chairman then put the resolution to vote by a show of hands. As all the shareholders voted in favour, he declared that the resolution has been carried unanimously.

7. **Chairman for items no.4 and 11 of the Notice**

The Chairman then informed the members that items no.4 and 11 of the notice pertained to his appointment and the appointment and remuneration payable to Mr. N. B. Godrej, his brother. Being interested, he requested the members present to elect a Chairman from amongst the Directors present for the said items.

Mr. Beruz Feramroz, a shareholder, proposed the following resolution as an ORDINARY RESOLUTION, which was seconded by Mr. Vinay Bhide.

**RESOLVED THAT** Mr. J. N. Godrej, Director be and is hereby appointed as a Chairman for items no.4 and 11 of the Notice of the Annual General Meeting dated May 28, 2013 in place of Mr. A.B. Godrej who is concerned / interested in the same.

The Chairman then put the resolution to vote by show of hands. As all the shareholders voted in favor, the resolution was declared as carried unanimously.

After the aforesaid resolution was passed, Mr. A.B. Godrej vacated the chair. Mr. J. N. Godrej took the chair and continued with the proceedings of the meeting.

**8. Reappointment of a Director in place of Mr. A.B. Godrej, who retires by rotation and being eligible, offers himself for re-appointment**

Mr. Michael Martins proposed the following resolution as an ORDINARY RESOLUTION, which was seconded by Mr. Vinod Agarwal:

**RESOLVED THAT** Mr. A. B. Godrej, who retires by rotation and being eligible for reappointment, be and is hereby reappointed as a Director of the Company, liable to retire by rotation.

The Chairman then put the resolution to vote by a show of hands. As all the shareholders voted in favour, he declared that the resolution has been carried unanimously.

At this point Mr. A. B. Godrej took the Chair and continued the proceedings of the meeting.

**9. Reappointment of a Director in place of Mr. A.B. Choudhury, who retires by rotation and being eligible, offers himself for re-appointment**

Mr. Adil Irani proposed the following resolution as an ORDINARY RESOLUTION, which was seconded by Mr. Vinod Agarwal:

**RESOLVED THAT** Mr. A. B. Choudhury, who retires by rotation and being eligible for reappointment, be and is hereby reappointed as a Director of the Company, liable to retire by rotation.

The Chairman then put the resolution to vote by a show of hands. As all the shareholders voted in favour, he declared that the resolution has been carried unanimously.

**10. Reappointment of a Director in place of Mr. V. M. Crishna, who retires by rotation and being eligible, offers himself for re-appointment**

Mr. Michael Martins proposed the following resolution as an ORDINARY RESOLUTION, which was seconded by Mr. Adil Irani :

**RESOLVED THAT** Mr. V. M. Crishna, who retires by rotation and being eligible for reappointment, be and is hereby reappointed as a Director of the Company, liable to retire by rotation.

The Chairman then put the resolution to vote by a show of hands. As all the shareholders voted in favour, he declared that the resolution has been carried unanimously.

**11. Appointment of Auditors**

Mr. Adil Irani proposed the following resolution as an ORDINARY RESOLUTION, which was seconded by Mr. Vinod Agarwal:

**RESOLVED THAT** M/s. Kalyaniwalla & Mistry, Chartered Accountants [Firm Registration No.: 104607W], be and are hereby reappointed as the Auditors of the Company, to hold the 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 may be decided by the Board of Directors of the Company.

The Chairman then put the resolution to vote by a show of hands. As all the shareholders voted in favour, he declared that the resolution has been carried unanimously.

**12. Appointment of Mr. K. M. Elavia as a Director, liable to retire by rotation**

Mr. Vinod Agarwal proposed the following resolution as an ORDINARY RESOLUTION, which was seconded by Mr. Michael Martins:

**RESOLVED THAT** Mr. K. M. Elavia, who was appointed by the Board of Directors as an Additional Director with effect from May 28, 2013 and who holds office upto the date of this Annual General Meeting in terms of Section 260 of the Companies Act, 1956 ("the Act") and being eligible for appointment as Director in terms of Section 258 of the Act, and in respect of whom the Company has received notice under Section 257 of the Act, proposing his candidature for the office of Director of the Company, be and is hereby appointed as a Director of the Company, liable to retire by rotation.

The Chairman then put the resolution to vote by a show of hands. As all the shareholders voted in favour, he declared that the resolution has been carried unanimously.

**13. Appointment of Mr. N. S. Nabar as a Director, liable to retire by rotation**

Mr. Dinesh Bhatia proposed the following resolution as an ORDINARY RESOLUTION, which was seconded by Mr. Vinay Bhide:

**RESOLVED THAT** Mr. N. S. Nabar, who was appointed by the Board of Directors as an Additional Director with effect from May 1, 2013 and who holds office upto the date of this Annual General Meeting in terms of Section 260 of the Companies Act, 1956 ("the Act") and being eligible for appointment as Director in terms of Section 258 of the Act, and in respect of whom the Company has received notice under Section 257 of the Act, proposing his candidature for the office of Director of the Company, be and is hereby appointed as a Director of the Company, liable to retire by rotation.

The Chairman then put the resolution to vote by a show of hands. As all the shareholders voted in favour, he declared that the resolution has been carried unanimously.

**14. Appointment of and remuneration to Mr. N. S. Nabar as a Whole-time Director**

Mr. Michael Martins proposed the following resolution as a SPECIAL RESOLUTION, which was seconded by Mr. Vinay Bhide:

**RESOLVED THAT** pursuant to the provisions of Sections 198, 269, 309, 310, Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, approval of the Company be and is hereby accorded for the appointment of and terms of remuneration payable to, including the remuneration to be paid in the event of loss or inadequacy of profit in any financial year during the tenure of appointment of Mr. N. S. Nabar as a Whole-time Director of the Company designated as Executive Director & President (Chemicals) for a period from May 1, 2013 to March 31, 2016, on the terms and conditions as set out in the Explanatory Statement annexed to the Notice convening this meeting, with liberty to the Directors/ Compensation Committee to alter and vary the terms and conditions of the said appointment in such manner as may be agreed to between the Directors/ Compensation Committee and Mr. N.S. Nabar.

The Chairman then put the resolution to vote by a show of hands. As all the shareholders voted in favour, he declared that the resolution has been carried unanimously.

At this point the Chairman requested Mr. J. N. Godrej to take the Chair. Thereafter Mr. J. N. Godrej took the Chair and continued the proceedings of the meeting.

**15. Reappointment of and remuneration payable to Mr. N. B. Godrej, Managing Director**

Mr. Beruz Feramroz proposed the following resolution as a SPECIAL RESOLUTION, which was seconded by Mr. Vinay Bhide:

**RESOLVED THAT** pursuant to the provisions of Sections 198, 269, 309, 310, Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, approval of the Company be and is hereby accorded for the reappointment of and terms of remuneration payable to including the remuneration to be paid in the event of loss or inadequacy of profit in any financial year during the tenure of appointment of Mr. N. B. Godrej as a Managing Director of the Company, for a period of three years from April 1, 2014 to March 31, 2017 on the terms and conditions as set out in the Explanatory Statement annexed to the Notice convening this meeting, with liberty to the Directors/ Compensation Committee to alter and vary the terms and conditions of the said appointment in such manner as may be agreed to between the Directors/ Compensation Committee and Mr. N. B. Godrej.

Mr. J. N. Godrej acting as Chairman then put the resolution to vote by a show of hands. As all the shareholders voted in favour, he declared that the resolution has been carried unanimously.

After the aforesaid resolution was passed, Mr. J. N. Godrej vacated the chair. Mr. A.B. Godrej took the chair and continued with the proceedings of the meeting.

**16. Modification of Godrej Industries Limited Employee Stock Option Plan I**

Mr. Adil Irani proposed the following resolution as a SPECIAL RESOLUTION, which was seconded by Mr. Vishnu Agarwal:

**RESOLVED THAT** pursuant to the provisions of the Companies Act, 1956 (including any statutory modifications or re-enactment thereof for the time being in force), the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, as amended, the Memorandum and Articles of Association of the Company and subject to such other approvals, permissions and sanctions as may be necessary and required and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, the consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the

"Board", which term shall be deemed to include any Committee, which the Board has constituted to exercise its powers (including the Compensation Committee), including the powers conferred into this resolution) to carry out the following modifications in the Godrej Industries Limited Employees Stock Option Plan I (the "GIL ESOP I"):

The following Clauses shall be replaced/ inserted in the GIL ESOP I:

1. Clause 4.3 of GIL ESOP I to be replaced with the new clause 4.3 as under:

" 4.3 Compensation Committee shall constitute an independent Trust to:

- i. Subscribe to the Shares of the Company issued by way of fresh allotment, including by way of rights issue, by utilizing loan fund from the Participating Companies in accordance with the provisions of Section 77(2) (b) of the Companies Act, 1956;
- ii. Hold the Shares of the Company (including the Shares of the Company acquired from the current promoters or secondary market prior to January 17, 2013) till the time of Exercise of Options by the Eligible Employee in accordance with GIL ESOP I, subject to applicable law and clarifications issued by the Securities and Exchange Board of India;
- iii. To transfer Shares of the Company (including the Shares of the Company acquired from the current promoters or secondary market prior to January 17, 2013) to the Eligible Employees of the Participating Companies in consultation with the Compensation/Remuneration Committee and in accordance with the terms of GIL ESOP I and subject to applicable laws and clarifications issued by the Securities and Exchange Board of India; and
- iv. To do all the necessary acts to achieve the objectives under GIL ESOP I."

Note: Pursuant to the circular (No. CIR/CFD/DIL/3/2013) issued by the Securities and Exchange Board of India on January 17, 2013, the Trust (acting through its trustee) shall not acquire any Shares of the Company from secondary market with effect from January 17, 2013.

2. To insert following proviso to the definition of the term "Market Price" in Clause 2.1(r) of the GIL ESOP I:

"Provided, however, that in the event Shares are acquired by the Trust for a specific grant by subscribing to the Shares of the Company pursuant to a rights issue, the "Market Price" shall mean the issue price of the Shares in that rights issue, notwithstanding that such issue price may be lower than the market price."

RESOLVED FURTHER THAT the Board be and is hereby authorized to take all such steps and actions as may be required to give effect to this Resolution and give such directions as may in its absolute discretion deem fit or necessary and to settle any question that may arise in this regard.

The Chairman then put the resolution to vote by a show of hands. As all the shareholders voted in favour, he declared that the resolution has been carried unanimously.

**17. Modification of Godrej Industries Limited Employee Stock Option Plan II**

Mr. Vinod Agarwal proposed the following resolution as a SPECIAL RESOLUTION, which was seconded by Mr. Adil Irani:

**RESOLVED THAT** pursuant to the provisions of the Companies Act, 1956 (including any statutory modifications or re-enactment thereof for the time being in force), the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, as amended, the Memorandum and Articles of Association of the Company and subject to such other approvals, permissions and sanctions as may be necessary and required and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, the consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "Board", which term shall be deemed to include any Committee, which the Board has constituted to exercise its powers (including the Compensation Committee), including the powers conferred into this resolution) to carry out the following modifications in the Godrej Industries Limited Employees Stock Option Plan (the "GIL ESOP II"):

The following Clauses shall be replaced/ inserted in the GIL ESOP II:

1. Clause 4.3 of GIL ESOP II to be replaced with the new clause 4.3 as under:
  - "4.3 Compensation/Remuneration Committee shall constitute an independent Trust to:
    - i. Subscribe to the Shares of the Company issued by way of fresh allotment, including by way of rights issue, by utilizing loan fund from the Participating Companies in accordance with the provisions of Section 77(2)(b) of the Companies Act, 1956;
    - ii. Hold the Shares of the Company (including the Shares of the Company acquired from the current promoters or secondary market prior to January 17, 2013) till the time of

- Exercise of Options by the Eligible Employee in accordance with GIL ESOP II, subject to applicable law and clarifications issued by the Securities and Exchange Board of India;
- iii. To transfer Shares of the Company (including the Shares of the Company acquired from the current promoters or secondary market prior to January 17, 2013) to the Eligible Employees of the Participating Companies in consultation with the Compensation/Remuneration Committee and in accordance with the terms of GIL ESOP II and subject to applicable law and clarifications issued by the Securities and Exchange Board of India; and
  - iv. To do all the necessary acts to achieve the objectives under GIL ESOP II."

Note: Pursuant to the circular (No. CIR/CFD/DIL/3/2013) issued by the Securities and Exchange Board of India on January 17, 2013, the Trust (acting through its trustee) shall not acquire any Shares of the Company from secondary market with effect from January 17, 2013.

- 2. To insert following proviso to the definition of the term "Grant Price" in Clause 2.1(p) of the GIL ESOP II:

"Provided, however, that in the event Shares are acquired by the Trust for a specific grant by subscribing to the Shares of the Company pursuant to a rights issue, the "Grant Price" shall mean the issue price of the Shares in that rights issue, notwithstanding that such issue price may be lower than the market price."

RESOLVED FURTHER THAT the Board be and is hereby authorised to take all such steps and actions as may be required to give effect to this Resolution and give such directions as may in its absolute discretion deem fit or necessary and to settle any question that may arise in this regard.

The Chairman then put the resolution to vote by a show of hands. As all the shareholders voted in favour, he declared that the resolution has been carried unanimously.

Mr. Shailesh Mahadevia proposed a vote of thanks to the Chair.

With this the Chairman declared the Twenty Fifth Annual General Meeting as concluded.

September 6, 2013

  
Chairman