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HEG/SECTT/2015/ 7th October, 2015

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Madhya Pradesh Stock Exchange Ltd
201, Palika Plaza-II,
MTH Compound, INDORE-452001
Fax No. # 0731 2432849

Sub: Minutes Annual General Meeting

Dear Sir,

Enclosed please find a copy of the Minutes of the 43rd Annual General Meeting of HEG Ltd held on 22nd September, 2015.

Kindly take the same on record.

Thanking you,

Yours faithfully,
For **HEG Limited**

(ASHISH SABHARWAL)
COMPANY SECRETARY

ashish.sabharwal@lnjbhilwara.com

Encl: as above.

MINUTES OF 43RD ANNUAL GENERAL MEETING OF THE MEMBERS OF HEG LIMITED HELD AT 11.30 A.M AND CONCLUDED AT 01.45 P.M. ON 22ND SEPTEMBER, 2015, AT THE REGISTERED OFFICE OF THE COMPANY AT MANDIDEEP (NEAR BHOPAL), DISTT.RAISEN- 462046, MADHYA PRADESH.

PRESENT :

MEMBERS:

51 Members were present including 14 Members through representatives and 1 Member by proxy.

DIRECTORS :

1) Shri Ravi Jhunjhunwala - Chairman
2) Shri Dharmendar Nath Davar

STATUTORY AUDITORS :

1) Shri Mukesh Goyal - Representing M/s. Doogar &Associates
2) Shri Sunil Wahal - Representing M/s. S.S. Kothari Mehta & Co.

SECRETARIAL AUDITORS :

1) Shri Saket Sharma - Representing M/s. GSK & Associates

IN ATTENDANCE :

1) Shri K Vaidyanathan - Chief Operating Officer
2) Shri Raju Rustogi - Chief Financial Officer
3) Shri Ashish Sabharwal - Company Secretary

Shri Ashish Sabharwal, Company Secretary welcomed the Shareholders, Directors and Auditors of the Company. The Company Secretary informed the members that Shri Ravi Jhunjhunwala, Chairman, Managing Director & CEO was also representing the Stakeholders Relationship Committee and Shri Dharmendar Nath Davar, Director was the Chairman of the Audit Committee of the Company, so also of the Nomination and Remuneration Committee. The Company Secretary further informed the members, that the Proxy Register and Register of Directors and Key Managerial Personnel and their shareholding, Auditors Report, Secretarial Audit Report and other Inspection Registers including documents were open for inspection till the conclusion of the Meeting. The Company Secretary also stated that the Company had received 1 Valid Proxy for 11317 Equity Shares.

Quorum:

Company Secretary informed the Chairman that the requisite Quorum was present.

Thereafter, Shri Ravi Jhunjhunwala, Chairman of the Meeting declared the Meeting as open and welcomed all the Shareholders and Shri Dharmendar Nath Davar, Director of the

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Company. The Chairman informed the members that other Directors of the Company were not able to attend the Annual General Meeting due to other commitments.

The Chairman informed the members that there were no qualification remarks reported by the Statutory Auditors and Secretarial Auditors of the Company in their respective reports.

Thereafter, the Chairman addressed the Shareholders and briefed them about the performance of the Company in the context of current state of economy & the emerging scenarios of business.

Notice of the Meeting :

With the permission of the Shareholders present, Notice dated the 30th July, 2015, sent to the Members calling the 43rd Annual General Meeting was taken as read.

E-Voting and Poll on Resolutions :

The Chairman informed the Shareholders that in compliance of Section 108 of the Companies Act, 2013 ("Act"), read with Rule 20 of the Companies (Management and Administration) Amendment Rules, 2015 (Amended Rules 2015) and Clause 35B of the Listing Agreement, the Company provided to the Members the facility to exercise their right to vote at the 43rd Annual General Meeting by electronic means(e-voting).

The Chairman further informed the Shareholders that pursuant to Section 107 of the Act, there would be no voting on the Resolutions by show of hands. However, for the benefit of the Shareholders who were present at the Meeting and who had not cast their votes through remote e-voting, a poll would be conducted. In case a Shareholder had already cast his/her vote through remote e-voting, then such a Shareholder would not cast his/her vote on a poll. Shri Saket Sharma, Company Secretary in practice who was appointed as Scrutinizer for scrutinizing the e-voting, had also been appointed as Scrutinizer for scrutinizing the poll process in a fair and transparent manner.

Reading of Reports:

The Audited Annual Accounts for the year ended the 31st March, 2015, together with Directors' Report were taken as read with the permission of Shareholders present. Thereafter, Shri Ashish Sabharwal, Company Secretary of the Company read out the Auditors' Report.

The Chairman invited queries on the Annual Accounts from the Shareholders of the Company present at the Meeting. No query was raised by any Shareholder present at the Meeting.

Thereafter, the Chairman briefed the Shareholders about each item set out in the Notice convening the Meeting and invited the Shareholders present to propose and second the Resolutions set in the Notice dated the 30th July, 2015, of the 43rd Annual General Meeting.

1) **Adoption of the Audited Financial Statements, Reports of the Board of Directors and Auditors.**

Shri Dilip Gyanani proposed and Shri Rajeev Kumar Jain seconded the following Resolution as an ORDINARY RESOLUTION:

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"RESOLVED THAT the Audited Balance Sheet of the Company as at 31st March, 2015 together with the Statement of Profit &Loss Account for the year ended on that date, and the reports of the Directors and Auditors thereon and the Consolidated Financial Statements together with the Auditors report thereon be and are hereby approved and adopted".

2) **Declaration of Dividend on Equity Shares.**

Shri Ravikant Tripathi proposed and Shri Vikas Kumar Berge seconded the following Resolution as an ORDINARY RESOLUTION:

"RESOLVED THAT the Dividend for the Financial Year ended 31st March, 2015 at the rate of ₹ 3.00 per Equity Share be and is hereby declared and that the dividend be paid to those Shareholders whose names appear on the Company's Register of Members on the date of this Annual General Meeting".

3) **Re-appointment of Shri Shekhar Agarwal, Director, who retires by rotation.**

Shri Anand Kumar Tandon proposed and Shri Nrusingh Charan Das seconded the following Resolution as an ORDINARY RESOLUTION:

"RESOLVED THAT Shri Shekhar Agarwal,(holding DIN 00066113), who retires by rotation at this Annual General Meeting and being eligible offers himself for re-appointment, be and is hereby re-appointed as Director of the Company liable to retire by rotation".

4) **Appointment of M/s. S.S. Kothari Mehta & Co., Chartered Accountants and M/s. Doogar & Associates, Chartered Accountants, as Auditors and fixing their remuneration.**

Km. Khushbu Goyal proposed and Shri Naveen Jain seconded the following Resolution as an ORDINARY RESOLUTION:

"RESOLVED THAT pursuant to the provisions of section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, including any statutory modification(s) or re-enactment thereof for the time being in force, M/s. S. S. Kothari Mehta & Co., Chartered Accountants (ICAI registration No.000756N) and M/s. Doogar & Associates, Chartered Accountants (ICAI Registration No. 000561N), be and are hereby appointed as joint auditors of the Company to hold office from the conclusion of this Meeting until the conclusion of the next Annual General Meeting of the Company on a remuneration to be fixed by the Board of Directors plus out of pocket expenses that may be incurred by them in the course of audit".

Since, Shri Ravi Jhunjhunwala, Chairman was interested in the next item of the notice, with the permission of Shareholders present, he requested Shri Dharmendar Nath Davar, Director, to Chair the meeting for the said item. Thereafter, Shri Dharmendar Nath Davar took the Chair.

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5) **Approval of remuneration of Shri Ravi Jhunjhunwala, Chairman, Managing Director and CEO for a period of one year w.e.f. 13th February, 2015.**

Shri Rajendra Kumar Awasthi proposed and Shri R. S. Pandey seconded the following Resolution as an ORDINARY RESOLUTION:

"RESOLVED THAT pursuant to the provisions of Section 197 read with Schedule V and other applicable provisions of the Companies Act, 2013 and rules made thereunder and such other regulatory approvals as may be applicable, the remuneration payable to Shri Ravi Jhunjhunwala (holding DIN 00060972), Chairman, Managing Director & CEO is hereby approved for a period of one year w.e.f 13th February, 2015 on the following terms:-

Basic Salary:

₹ 10,00,000/- per month.

Commission:

Not more than 2.50% of the profits of the Company as computed in the manner laid down in Section 198 of the Companies Act, 2013.

Perquisites:

In addition to the salary and commission, Shri Ravi Jhunjhunwala is entitled to the following perquisites:

Category 'A'

i) **Housing:**

a) The expenditure incurred by the Company on hiring unfurnished accommodation for him subject to a ceiling, namely (for residence in Delhi/outside Delhi), 60% of the basic salary or

b) In case the accommodation is owned by the Company, 10% of the basic salary shall be deducted by the Company, or

c) In case no accommodation is provided by the Company, a house rent allowance subject to a ceiling of 60% of the basic salary.

ii) The expenditure incurred by the Company on Gas, Electricity, Water and furnishing shall be valued as per Income-tax Rules, 1962 and will be subject to a ceiling of 10% of the basic salary.

iii) **Medical Reimbursement:**

For self and family subject to a ceiling of one month's basic salary in a year or three month's basic salary over a period of three years.

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iv) **Leave Travel Concession:**

For self and family once in a year incurred in accordance with the Rules specified by the Company.

v) **Club fees :**

Fees, subject to a maximum of two clubs will be allowed. This will not include admission and life membership fees.

vi) **Personal Accident Insurance:**

Of an amount, the annual premium of which shall not exceed ₹ 10,000/-.

For the purpose of this category, "family" means the spouse, dependent children and dependent parents.

Category 'B'

i) **Provident Fund:**

Company's contribution to provident fund shall be as per the rules of the Company.

ii) **Superannuation / Annuity Fund:**

Company's contribution to superannuation/annuity fund shall be in accordance with the rules of the Company.

iii) **Gratuity:**

As per Rules of the Company, payable in accordance with the approved fund at the rate of half a month's basic salary for each completed year of service.

Category 'C'

i) **Car:**

Provision of car for use on Company's business. A car for personal use would be providedby the Company and valuation of the perquisites of the same would be as perIncome Tax Rules.

ii) **Telephone:**

Telephone at residence. Personal long distance calls shall be billed by the Company.

RESOLVED FURTHER THAT in terms of provisions of Section 197 of the Companies Act, 2013, approval is hereby given that subject to the company earning profits, the aforesaid remuneration for the period of one year from 13th February, 2015 to 12th February, 2016 could be paid to Shri Ravi Jhunjhunwala even if the

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aggregate amount exceeds 5% of net profits, but shall be within the limit of 10% of net profits calculated in terms of Section 198 of the Companies Act, 2013; AND THAT it is noted, approved and confirmed that the remuneration that has been paid for the period 13th February, 2014 to 12th February, 2015 was also within the said limit of 10% of net profits.

RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year during the currency of tenure of service of Shri Ravi Jhunjhunwala, as Chairman, Managing Director & CEO, his remuneration shall be governed by the limits prescribed under Section III of Part II of the Schedule V of the Companies Act, 2013."

Thereafter, Shri Dharmendar Nath Davar requested Shri Ravi Jhunjhunwala, to Chair the Meeting for remaining items. Shri Ravi Jhunjhunwala took the Chair.

6) **Appointment of Shri Satyendra Nath Bhattacharya, as a Director of the Company, liable to retire by rotation.**

Shri Padam Singh proposed and Shri Suresh Kumar Sharma seconded the following Resolution as an ORDINARY RESOLUTION:

"RESOLVED THATpursuant to the provisions of Section 152, 160 and other applicable provisions of the Companies Act, 2013 and rules made thereunder(including any statutory modification(s) or re-enactment thereof for the time being in force) and the provisions of Articles of Association of the Company, Shri Satyendra Nath Bhattacharya, (holding DIN 06758088), representative of Life Insurance Corporation of India, in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of the Director of the Company, be and is hereby appointed as a Director of the Company, whose period of office shall be liable to determination by retirement of Directors by rotation."

7) **Approval of the remuneration payable to M/s. N.D Birla & Co., Cost Auditors of the Company for the Financial Year 2015-16.**

Smt. Swapna Pillai proposed and Shri Naveen Jain seconded the following Resolution as an ORDINARY RESOLUTION:

"RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013, the Companies (Audit and Auditors) Rules, 2014, M/s. N.D. Birla & Co., Cost Accountants who were appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year ending March 31, 2016, be paid the remuneration of ₹ 2,00,000/- (Rupees Two lacs only) plus service tax and out of pocket expenses that may be incurred by them during the course of audit."

Poll on the Resolutions:

The Chairman thereafter ordered for voting by poll and requested the Shareholders who had not cast their vote through e-voting, to cast their vote through the ballot paper, under the supervision of Shri Saket Sharma, the Scrutinizer.

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Shri Ashish Sabharwal, Company Secretary of the Company briefed the Shareholders about the process of poll. Thereafter, Shri Saket Sharma displayed the empty ballot box to the Members and Proxy present and sealed the same. The poll was then conducted in the normal course. After the poll was over, the Scrutinizer took custody of the ballot box.

On conclusion of the poll, the Chairman informed the Meeting that the results of remote e-voting would be downloaded by the Scrutinizer at the conclusion of this Meeting, following which he would prepare his report on results as per e-voting. Thereafter, he would club the e-voting results with results of voting by poll. The Scrutinizer would submit his reports to Dr. Om Parkash Bahl, Director who had been also authorized to countersign the same. Thereafter, the combined results would be displayed on the website of the Company and intimated to the Stock Exchange(s) and NSDL. The combined results would be treated as the part of the proceedings.

There being no other business to transact, the meeting concluded with a vote of thanks to the Chair.

Ravi Jhunjhunwala
Chairman

Date : 6th October, 2015

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Addendum to the Minutes of the Forty-third Annual General Meeting of the Members of HEG Limited held on 22nd September, 2015, at 11.30 a.m. at the Registered Office of the Company at Mandideep (Near Bhopal), Distt. Raisen- 462046, Madhya Pradesh.

The Scrutinizer, Shri Saket Sharma, submitted his Report containing the combined results of e-voting cast during 19th September, 2015 to 21st September, 2015 and poll conducted at the Annual General Meeting on 22nd September, 2015, on all the Resolutions (at Serial No. 1 to 7 of the Notice) as summarized below:

Resolution No. 1

Adoption of the Audited Financial Statements, Reports of the Board of Directors and Auditors.

Total No. of Shares held	No. of Votes polled	% of Votes polled on total no. of Shares*	No. of Votes in favour	No. of Votes against	% of Votes in favour on votes polled*	% of votes against on votes polled*
39959142	27702691	69.33	27702601	90	100	0.00

Resolution No. 2

Declaration of Dividend on Equity Shares.

Total No. of Shares held	No. of Votes polled	% of Votes polled on total no. of Shares*	No. of Votes in favour	No. of Votes against	% of Votes in favour on votes polled*	% of votes against on votes polled*
39959142	27702691	69.33	27702601	90	100	0.00

Resolution No. 3

Re-appointment of ShriShekharAgarwal, Director who retires by rotation.

Total No. of Shares Held	No. of Votes polled	% of Votes polled on total no. of Shares*	No. of Votes in favour	No. of Votes against	% of Votes in favour on votes polled*	% of votes against on votes polled*
39959142	27702691	69.33	27691235	11456	99.96	0.04

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Resolution No. 4

Appointment of M/s. S.S. Kothari Mehta &Co., Chartered Accountants and M/s.Doogar& Associates, Chartered Accountants, as Auditors and fixing their remuneration.

Total No. of Shares held	No. of Votes polled	% of Votes polled on total no. of Shares*	No. of Votes in favour	No. of Votes against	% of Votes in favour on votes polled*	% of votes against on votes polled*
39959142	27702691	69.33	27702421	270	100	0.00

Resolution No. 5

Approval of remuneration of Shri Ravi Jhunjhunwala, Chairman, Managing Director and CEO for a period of one year w.e.f. 13th February,2015.

Total No. of Shares held	No. of Votes polled	% of Votes polled on total no. of Shares*	No. of Votes in favour	No. of Votes against	% of Votes in favour on votes polled*	% of votes against on votes polled*
39959142	26425003	66.13	26423468	1535	99.99	0.01

Resolution No. 6

Appointment of Shri Satyendra Nath Bhattacharya, representative of Life Insurance Corporation of India, as a Director of the Company, liable to retire by rotation.

Total No. of Shares held	No. of Votes polled	% of Votes polled on total no. of Shares*	No. of Votes in favour	No. of Votes against	% of Votes in favour on votes polled*	% of votes against on votes polled*
39959142	27702391	69.33	27690945	11446	99.96	0.04

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Resolution No. 7

Approval of the remuneration payable to M/s. N.D Birla & Co., Cost Auditors of the Company for the Financial Year 2015-16.

Total No. of Shares held	No. of Votes polled	% of Votes polled on total no. of Shares*	No. of Votes in favour	No. of Votes against	% of Votes in favour on votes polled*	% of votes against on votes polled*
39959142	27702691	69.33	27701957	734	100	0.00

***Figures have been rounded off**

Accordingly, all the Resolutions (at Serial No.1 to 7 of the Notice) were passed by the Shareholders with requisite majority.

Ravi Jhunjhunwala
Chairman

Date: 6th October, 2015

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