

**MINUTES OF 16<sup>TH</sup> ANNUAL GENERAL MEETING OF THE MEMBERS OF JBM AUTO LIMITED HELD ON WEDNESDAY 26<sup>TH</sup> SEPTEMBER 2012 AT 5:00 P.M. AT M.P.C.U SHAH AUDITORIUM, SHREE DELHI GUJARATI SAMAJ MARG, CIVIL LINES, DELHI - 110054**

**PRESENT:**

- |                       |                    |
|-----------------------|--------------------|
| 1. Mr. S. K. Arya     | Chairman           |
| 2. Mr. M. K. Aggarwal | Director           |
| 3. Mr. Nishant Arya   | Director           |
| 4. Mr. H.R Saini      | Executive Director |

**IN ATTENDANCE:**

- |               |                                                |
|---------------|------------------------------------------------|
| Mr. N.K. Goel | Chief Financial Officer<br>& Company Secretary |
|---------------|------------------------------------------------|

**BY INVITATION:**

- |                                   |                                                                             |
|-----------------------------------|-----------------------------------------------------------------------------|
| Mr. R.K. Mehra, Statutory Auditor | Sr. Partner Representing<br>M/S Mehra Goel & Co.<br>(Chartered Accountants) |
|-----------------------------------|-----------------------------------------------------------------------------|

**AND Members / proxies holding 2968 folios attended the meeting holding 8330835 equity shares of the Company.**

Mr. S. K. Arya, Chairman of the Company took the chair and welcomed the members present in the meeting. The Chairman called the meeting in order as requisite quorum was present.

Mr. S. K. Arya, Chairman delivered the chairman speech and briefed the members about the Company's performance during 2011-12, business scenario, expansion and future plan. The Key points of the Chairman Speech are as follows: -

1. The Chairman informed the shareholders about the Industry scenario, economic scenario and the emerging market Dynamics.
2. In the first quarter of the current financial year the Net Sales was Rs. 89 crores as against Rs. 78 crores for the same period last year on standalone basis, registering a growth of 14% and the Consolidated Net Sales is Rs. 210 crores as against Rs. 136 crores respectively, registering a growth of 54%. Profit after tax was Rs. 1.73 crores and Rs. 5.22 crores on standalone basis and consolidated basis respectively.

With the permission of the members present, the notice convening the meeting was taken as read with general consent of the Members.



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Mr. S K Arya, Chairman invited the Statutory Auditor to read their report on the Annual Accounts of the Company for the Financial Year 2011-12.

The Statutory Auditors of the Company, Mr. R.K. Mehra, Senior Partner (representing M/s Mehra Goel & Co., Chartered Accountants) read the Auditors' Report on the Annual Accounts of the Company for the Financial Year 2011-12.

Mr. S K Arya, Chairman took up the items as per agenda one by one for members' approval.

### **ORDINARY BUSINESS**

#### **AGENDA ITEM NO. 1 – ORDINARY RESOLUTION**

#### **ADOPTION OF BALANCE SHEET AND PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED ON 31<sup>ST</sup> MARCH 2012, DIRECTOR'S REPORT AND AUDITOR'S REPORT**

The following resolution was proposed by Mr. S. K. Arya, Chairman (DP/Client ID No. 1202060000002020) as an ordinary resolution:

**"RESOLVED THAT** the Audited Balance Sheet as on 31<sup>st</sup> March 2012 and Profit & Loss Account for the year ended 31<sup>st</sup> March 2012 along with Directors' Report and Auditors' Report thereon, as laid before the Members at this meeting, be and are hereby approved and adopted."

SECONDED BY : Mr. Ajay Kumar, (DP/Client ID No. 1201910101109504)

The resolution was then put to vote on show of hands by Mr. S.K. Arya, Chairman and declared that it was passed unanimously.

#### **AGENDA ITEM NO. 2- ORDINARY RESOLUTION**

#### **DECLARATION OF DIVIDEND**

Mr. S.K. Arya, Chairman informed members that the Board of Directors had recommended a dividend at the rate of 15% on 10198841 fully paid-up equity shares of Rs. 10/- each of the Company for the Financial Year 2011-12 for the approval of members.

The following resolution was proposed by Mr. D K Bhambri (DP/Client ID No. 00002441) as an ordinary resolution:

**"RESOLVED THAT** dividend at the rate of Rs. 1.50 (15%) on every fully paid up equity share of Rs. 10/- each of the Company, as recommended by the Board of Directors of the Company for the Financial Year 2011-12 be and is hereby approved for payment to members.

**RESOLVED FURTHER THAT** dividend shall be paid to the members for shares held in physical form, whose names appear in the register of members as on the

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date of Book closure of the Company as per provision of Section 206 of the Companies Act 1956 and to the members for the shares held in electronic form, the dividend will be paid on the basis of particulars of beneficial ownerships furnished by the Depositories for this purpose as on that date."

SECONDED BY : Mr. Gurmeet Singh (DP/Client ID No. IN302404/10178032)

The resolution was then put to vote on show of hands by Mr. S.K. Arya, Chairman and declared that it was passed unanimously.

### **AGENDA ITEM NO. 3- ORDINARY RESOLUTION**

#### **RE-APPOINTMENT OF MR. NISHANT ARYA AS DIRECTOR**

The following resolution was proposed by Mr. Rajat Kumar Chhabra (DP/Client ID/Folio No. IN301774/12037064) as an ordinary resolution:

"**RESOLVED THAT** Mr. Nishant Arya, who retires by rotation and being eligible for re-appointment, be and is hereby re-appointed as a Director of the Company, whose office shall be liable to retire by rotation."

SECONDED BY : Ms. Amita Gupta (DP/Client ID/Folio No. IN300644/10434809)

The resolution was then put to vote on show of hands by Mr. S.K. Arya, Chairman and declared that it was passed unanimously.

### **AGENDA ITEM NO. 4 – ORDINARY RESOLUTION**

#### **STATUTORY AUDITORS' RE-APPOINTMENT**

The following resolution was proposed by Mr. Anuj Bhargava (DP/ Client ID No. IN301143/10465747) as an ordinary resolution:

"**RESOLVED THAT** M / S Mehra Goel & Co., Chartered Accountants be and are hereby re-appointed as Statutory 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 at remuneration to be fixed by the Board of Directors in consultation with the auditors."

SECONDED BY : Mr. Manish Kapur (DP/Client ID No. IN301143/11033601)

The resolution was then put to vote on show of hands by Mr. S.K. Arya, Chairman and declared that it was passed unanimously.

### **AGENDA ITEM NO. 5 – SPECIAL RESOLUTION**

#### **RE-APPOINTMENT OF MR. H.R. SAINI AS A WHOLE TIME DIRECTOR**

The following resolution was proposed by Ms. Navneet Kaur Reen (DP/Client ID No. IN300206/10860887) as special resolution.



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**"RESOLVED THAT** pursuant to provisions of Section 198, 269, 309, Schedule XIII and other applicable provisions of the Companies Act, 1956 or any other statutes and subject to approval of Central Government, if any required, Mr. H.R. Saini be and is hereby reappointed as a Whole Time Director (designated as an Executive Director) for a further period of 2 (Two) years w.e.f. June 07, 2012 upon the terms & conditions and remuneration as set out below:

- a. **Basic Salary:** Rs. 1,25,000/- (Rs. One Lac Twenty five thousand only) per month in the pay scale of RS. 1,00,000/- Rs.1,50,000/- with an authority to Board of Directors or Remuneration Committee to fix the quantum of annual increment within the above scale from time to time.
- b. **Perquisites & Allowances:** In addition to the basic salary, Mr. H.R. Saini shall be entitled to Perquisites like Furnished Accommodation ( including gas, water, electricity etc.) or payment of House Rent Allowance (HRA); house maintenance allowance / Reimbursement; Allowance/ Reimbursement of domestic help / Servant(s); Child Education Allowance / Reimbursement; Medical Allowance / Reimbursement; Accident / Medical Insurance; Leave Travel Expenses / or Allowances for self, spouse, dependent children and dependent parents; club fees or any other permissible perquisites. The aggregate value of these perquisites shall be restricted to an amount equivalent to 100% of the basic salary per month. Further Mr. H.R. Saini shall also be entitled to such incentive remuneration, in addition to the above salary and perquisites, as may be determined by the Board of Directors of the Company or Remuneration Committee thereof at the end of each Financial Year, subject to the maximum of 50% of annual basic salary.

Apart from the above, the Executive Director shall also be entitled to following, which shall not be included in the computation of the perquisites for the purpose of calculating the said ceiling perquisites;

- i) Company's Chauffeur driven car(s) for the business of the Company;
- ii) Telephone Facility at residence to be used for the purpose of the Company;
- iii) One Month's leave with full salary for every eleven months of service; and
- iv) Reimbursement of Entertainment / Travelling / Hotel / and other expenses actually and properly incurred for the business of the Company;
- v) Company's contribution to the Provident Fund, Superannuation Fund or Annuity Fund;
- vi) Gratuity payable at the rate not exceeding half months salary for each completed year of service in the Company;
- vii) Encashment of leave at the end of tenure.

**RESOLVED FURTHER THAT** the perquisites & allowances shall be evaluated as per the provisions of Income Tax rules in force, from time to time, wherever applicable. In the absence of any such rules, perquisites and allowance shall be evaluated at the actual cost.

**RESOLVED FURTHER THAT** Mr. H.R. Saini, Executive Director shall not be entitled to sitting fee for attending meetings of the Board and / or Committees thereof



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**RESOLVED FURTHER THAT** in case of inadequacy of profit / or no profits in the Company in any Financial Year, Mr. H.R. Saini, Executive Director shall be entitled to the aforesaid salary, perquisites and allowances and incentive remuneration as minimum remuneration during his tenure subject to such permission, as may be required. In addition thereto, Mr. H.R. Saini, Executive Director shall also be entitled to the following perquisites (not to be included in the computation of the ceiling of the minimum remuneration):

- i) Company's contribution to the provident Fund, Superannuation, Annuity Fund to the extent these singly or put together are not taxable under the Income Tax Act, 1961;
- ii) Gratuity payable at the rate not exceeding half months' salary for each completed year of service
- iii) Encashment of leave at the end of tenure.

**RESOLVED FURTHER THAT** Board of Directors / or Remuneration Committee of the Company be and are hereby authorized to alter / vary the terms and condition from time to time as it may deem fit subject to necessary approvals, if any in accordance with the applicable provisions of the Companies Act, 1956.

**RESOLVED FURTHER THAT** in pursuance to Article No. 116 of the Articles of Association of the Company, Mr. H.R. Saini, Executive Director shall not be subject to retire by rotation whilst holding of the office of the Whole Time Director.

**RESOLVED FURTHER THAT** Board of Directors / or Remuneration Committee of the Company be and are hereby authorized to all such acts, deeds or things as may be required by or considered necessary or incidental thereto."

SECONDED BY : Mr. Prem Prakash Goel (DP/Client ID No. IN300206/10022940)

The resolution was then put to vote on show of hands by Mr. S.K. Arya, Chairman and declared that it was passed unanimously.

#### **AGENDA ITEM NO. 6 – SPECIAL RESOLUTION**

##### **INVESTMENT OF THE COMPANY'S FUND**

The following resolution was proposed by Mr. Sunil Bala (DP/Client ID No. IN302822/10015756) as special resolution.

**"RESOLVED THAT** pursuant to Section 372A and all other applicable provisions, if any, of the Companies Act, 1956 and subject to such other approvals as may be necessary, consent of the Company be and is hereby accorded to the Board of Directors of the Company for investment of the Company's funds to acquire Equity Shares by subscription, purchase or otherwise of the following Company, viz.:

| S. No. | Name of the Company               | Amount of Investment up to(Excluding Stamp Duty) |
|--------|-----------------------------------|--------------------------------------------------|
| 1.     | JBM MA Automotive Private Limited | Rs. 10 Crores                                    |



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Notwithstanding that the aggregate of the loans and investments so far made in or to be made in and the Guarantees or Securities so far given or to be given to all the Bodies Corporate may exceed the limits prescribed under the said Section.

**FURTHER RESOLVED THAT** the Board of Directors of the Company be and is hereby authorized to take such steps as may be necessary for obtaining approvals, Statutory, Contractual or otherwise, in relation to such investment, to settle all matters arising out of and incidental thereto and to sign and execute all deeds, applications, documents and writings that may be required to be signed on behalf of the Company, in connection with such investment and generally to do all such acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to the aforesaid resolution."

SECONDED BY : Mr. Sanjay Rawal (DP/Client ID No. IN301372/10004849)

The resolution was then put to vote on show of hands by Mr. S.K. Arya, Chairman and declared that it was passed unanimously

#### VOTE OF THANKS

Mr. Murlidhar Talreja (DP/Client ID No IN300118/10042082) member of the Company proposed a hearty vote of thanks to the Chair.

There being no other matter, Mr. S.K. Arya, Chairman declared the Meeting concluded and closed.



Date:- 25.10.2012  
Place:- New Delhi

Certified True Copy

For JBM Auto Limited

  
N. K. Goel  
Chief Financial Officer  
& Company Secretary