

PROCEEDINGS OF THE 20th ANNUAL GENERAL MEETING OF KEWAL KIRAN CLOTHING LIMITED HELD ON TUESDAY, SEPTEMBER 6, 2011 AT M.C. GHIA HALL, BHOGILAL HARGOVINDAS BUILDING, 2ND FLOOR, 18/20, KAIKHUSHRU DUBASH MARG, (BEHIND PRINCE OF WALES MUSEUM) MUMBAI: 400 001 AT 3.00 P.M

DIRECTORS PRESENT:

Mr. Kewalchand P. Jain	:	Chairman and Member
Mr. Hemant P. Jain	:	Director and Member
Mr. Dinesh P. Jain	:	Director and Member
Mr. Vikas P. Jain	:	Director and Member
Mr. Nimish G. Pandya	:	Director & Chairman of the Audit Committee
Mr. Popatlal Sundesha	:	Director
Dr. Prakash Mody	:	Director and Member

and 67 members in person and 2 proxies were present.

Mr. Kewalchand P. Jain took the chair.

1. ADOPTION OF AUDITED ACCOUNTS, AUDITOR'S REPORT AND DIRECTORS' REPORT FOR THE YEAR ENDED MARCH 31, 2011.

The Chairman welcomed the members present at the meeting. After ascertaining the quorum, the Chairman called the meeting to order and thereafter introduced the Board members seated on the dais to the shareholders. The notice of the meeting was read and the Chairman informed the members that the necessary Statutory Registers as required to be kept open for inspection were available for inspection of the members. The Chairman thereafter read his speech to the members highlighting the performance of the Company for the financial year ended March 31, 2011.

Thereafter the Chairman directed Mr. Abhijit Warange, Company Secretary to read the Auditor's Report for the financial year ended March 31, 2011, which was read accordingly.

Before putting the resolution to vote, the Chairman invited queries from members in respect of the Audited Accounts of the Company for the year ended March 31, 2011. A few members raised queries which were satisfactorily replied. Thereafter the first resolution pertaining to adoption of audited accounts of the company, Auditors' report and Directors' Report for the year ended March 31, 2011, was put to vote by show of

hands. The Chairman proposed the said resolution which was seconded by Mr. Maniyar, a member of the Company.

“RESOLVED THAT the Audited Balance Sheet as on March 31, 2011 and the Profit & Loss Account for the year ended on that date together with the report of the Directors and the Auditors thereon be and are hereby approved and adopted.”

All the shareholders approved resolution. The Chairman thereafter declared the resolution as passed unanimously.

2. DECLARATION OF DIVIDEND.

The Chairman informed the members that the Board of Directors in their meeting held on May 26, 2011 have recommended dividend @ Rs. 4/- per share for the financial year ended March 31, 2011 on 1,23,25,037 equity shares of the company.

The Chairman thereafter put the following resolution to vote as an Ordinary resolution by show of hands, which was proposed by Mr. Hemant Kakaiya and seconded by Mr. Jiten Parekh, members of the Company.

“RESOLVED THAT the members do and hereby confirm the two interim dividends of Rs. 6.50 and Rs. 6.00 per Equity Share of RS. 10/- each;

FURTHER RESOLVED THAT the final Dividend for the year ended March 31, 2011 be and is hereby declared and be paid to those members whose names appear:

- a) as beneficial owners as per list to be furnished by the Depositories in respect of the shares held in demat form as at close of business hours on August 22, 2011, and
- b) As members on the Register of Members of the Company as on September 6, 2011, after giving effect to all valid share transfers in physical form which would be received by the company upto end of business hours on August 22, 2011

on 1,23,25,037 Equity shares at Rs. 4/- per share.”

All the shareholders approved the above resolution. The Chairman thereafter declared the resolution as passed unanimously.

3. APPOINTMENT OF MR. HEMANT P. JAIN AS AN ORDINARY DIRECTOR OF THE COMPANY.

The Chairman informed the members that he is interested in agenda item no. 3 and agenda item no. 4 and requested Mr. Nimish Pandya, Director to chair agenda item no. 3 and agenda item no. 4.

Mr. Nimish Pandya informed the members that Mr. Hemant Jain retires by rotation at this Annual General Meeting and being eligible has offered himself for reappointment as a Director.

The Chairman thereafter put the following resolution to vote as an Ordinary resolution by show of hands, which was proposed by Mr. Satish Shah and seconded by Mr. Parekh, members of the Company.

“RESOLVED THAT Mr. Hemant Jain, who retires by rotation and being eligible, offers himself for reappointment, be and is hereby re-appointed as a Director of the company.”

All the shareholders approved the above resolution. The Chairman thereafter declared the resolution as passed unanimously.

4. APPOINTMENT OF MR. VIKAS P. JAIN AS AN ORDINARY DIRECTOR OF THE COMPANY.

The Chairman informed the members that Mr. Vikas Jain retires by rotation at this Annual General Meeting and being eligible has offered himself for reappointment as a Director.

The Chairman thereafter put the following resolution to vote as an Ordinary resolution by show of hands, which was proposed by Mr. Beruz and seconded by Mr. Kachalia, members of the Company.

“RESOLVED THAT Mr. Vikas Jain, who retires by rotation and being eligible, offers himself for reappointment, be and is hereby re-appointed as a Director of the company.”

All the shareholders approved the above resolution. The Chairman thereafter declared the resolution as passed unanimously.

Mr. Kewalchand Jain thanked Mr. Nimish Pandya for chairing agenda item nos. 3 and agenda item no 4. Mr. Jain thereafter reoccupied the Chair.

5. APPOINTMENT OF DR. PRAKASH MODY AS AN ORDINARY DIRECTOR OF THE COMPANY.

Mr. Kewalchand Jain informed the members that Dr. Prakash Mody retires by rotation at this Annual General Meeting and being eligible has offered himself for reappointment as a Director.

The Chairman thereafter put the following resolution to vote as an Ordinary resolution by show of hands, which was proposed by Ms. Jehangir Batiwala and seconded by Mr. Mascarenhas, members of the Company.

“RESOLVED THAT Dr. Prakash Mody, who retires by rotation and being eligible, offers himself for reappointment, be and is hereby re-appointed as a Director of the company.”

All the shareholders approved the above resolution. The Chairman thereafter declared the resolution as passed unanimously.

6. APPOINTMENT OF M/S. JAIN & TRIVEDI, CHARTERED ACCOUNTANTS, AS STATUTORY AUDITORS.

The Chairman informed the members that M/s. Jain & Trivedi, Chartered Accountants, Mumbai were appointed as the Statutory Auditors of the company in the Annual General Meeting held on August 5, 2010 to hold office from the conclusion of the said general meeting till the conclusion of this Annual General meeting. He further informed the members that M/s. Jain & Trivedi have issued a certificate pursuant to Section 224 (1B) of the Companies Act, 1956 to the effect that their appointment if made will be within the statutory limits prescribed under the Companies Act, 1956.

The Chairman thereafter put the following resolution to vote as an Ordinary resolution by show of hands, which was proposed by Mr. Manu Parekh and seconded by Mr. Maniyar, members of the Company.

“RESOLVED THAT M/s. Jain & Trivedi, Chartered Accountants, Mumbai be and are hereby appointed as Statutory 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 at a remuneration to be mutually decided by the Board of Directors of the company and the Auditors”.

All the shareholders approved the above resolution. The Chairman thereafter declared the resolution as passed unanimously.

7. APPOINTMENT OF M/S. N.A. SHAH ASSOCIATES, CHARTERED ACCOUNTANTS, AS JOINT STATUTORY AUDITORS.

The Chairman informed the members that M/s. N.A. Shah Associates, Chartered Accountants, Mumbai were appointed as the joint Statutory Auditors of the company in the Annual General meeting held on August 5, 2010 to hold office from the conclusion of the said general meeting till the conclusion of this Annual General meeting. He further informed the members that M/s. N.A. Shah Associates have issued a certificate pursuant to Section 224 (1B) of the Companies Act, 1956 to the effect that their appointment if made will be within the statutory limits prescribed under the Companies Act, 1956.

The Chairman thereafter put the following resolution to vote as an Ordinary resolution by show of hands, which was proposed by Mr. Hemant Kakaiya and seconded by Mr. Anil Jain, members of the Company.

“RESOLVED THAT M/s. N.A. Shah Associates, Chartered Accountants, Mumbai be and are hereby appointed as joint Statutory 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 at a remuneration to be mutually decided by the Board of Directors of the company and the Auditors”.

All the shareholders approved the above resolution. The Chairman thereafter declared the resolution as passed unanimously.

8. REVISION OF REMUNERATION PAYABLE TO MR. KEWALCHAND P. JAIN, 'MANAGING DIRECTOR' OF THE COMPANY.

The Chairman informed the members that he is interested in agenda item no. 8 to agenda item no. 13 and requested Mr. Nimish Pandya, Director to chair agenda item no. 8 to agenda item no. 13.

Mr. Pandya informed the members that the Board of Directors of the Company had in their meeting held on March 4, 2010, as approved by the Remuneration Committee, reappointed Mr. Kewalchand P. Jain as Managing Director of the Company for five years w.e.f April 1, 2010 and approved the remuneration to be paid to him during his term of office as Managing Director.

He further informed the members that the members of the Company in the Annual General Meeting held on August 5, 2010 accorded their consent for appointment and remuneration payable to Managing Director and Wholetime Directors of the company.

He further informed the members that in appreciation of the dedicated efforts which contributed in achieving an excellent performance by the Company and having regard to the increased responsibilities for further improving the performance of the Company in the competitive market and subject to the approval of the members in this annual general meeting, the Board of Directors have in their meeting held on March 29, 2011 approved revision w.e.f. April 1, 2011 in the remuneration payable to Mr. Kewalchand P. Jain, Managing Director of the Company with liberty to the Board to revise the remuneration, if any from time to time, subject to the same not exceeding the limits specified in Schedule XIII of the Companies Act, 1956.

He apprised the members that the remuneration payable to the Managing/Wholetime Directors would be governed by Part II of Schedule XIII to the Companies Act, 1956. Section I of Part II of Schedule XIII provides for payment of remuneration to the

Managing/Wholetime Directors not exceeding 10 % of the net profits for all the directors in case of sufficient profits. Section II of Part II of Schedule XIII provides for payment of remuneration to them in case of no profits/insufficient profits.

He apprised the members the remuneration payable to the Managing Director and the Wholetime Directors has been approved by the Remuneration Committee.

Mr. Pandya thereafter put the following resolution to vote as a special resolution by show of hands, which was proposed by Ms. Anil Parekh and seconded by Mr. Beruj, members of the Company:

“RESOLVED THAT in partial modification of earlier resolution passed in the Annual General Meeting held on August 5, 2010 and pursuant to the provision of Sections 198, 269, 309, 310 read with Schedule XIII and other applicable provisions if any, of the Companies Act, 1956 or any statutory modification(s) or re-enactment(s) thereof the consent of the members be and is hereby accorded to revise w.e.f. April 1, 2011 the remuneration payable to Mr. Kewalchand P. Jain during his term of office as Managing Director i.e. upto 31st March 2015 as detailed below with a liberty to the Board of Directors which term shall be deemed to include any Committee of the Board constituted to exercise its powers, (including the powers conferred by this resolution) to alter and revise the terms and conditions of remuneration as may be agreed to by the Board of Director and Mr. Jain, subject to the same not exceeding the limits specified under Schedule XIII to the Companies Act, 1956 or any statutory modification(s) or re-enactment(s) thereof:

- I. Total monthly remuneration of Rs. 6,25,000/- (Basic Rs. 1,87,500/- & Allowance Rs. 4,37,500/-)

The Company's contribution to provident fund as per the rules of the company and to the extent not taxable under the income tax law shall not be included for the purpose of computation of the overall ceiling of remuneration

II. Perquisites:

- a) Gratuity at a rate not exceeding half month's salary for each completed year of services, payable at the end of the tenure or retirement or resignation;

- b) Encashment of leave, bonus and allowances as per the Company policy rules;
- c) Medical reimbursement in India or abroad as per Company policy and/or rules and/or medical insurance premium;
- d) Use of Company's car along with driver for official & personal purposes, two telephones at residence and two mobile phones;
- e) Any other allowances, perquisites, benefits and facilities as may be approved by the Board of Directors from time to time;

The valuation of perquisite shall be as per the Income Tax Rules and wherever no method of valuation is prescribed therein, the same shall be valued at the cost to the Company.

III. Reimbursement of expenses incurred in respect of his official duties including traveling and entertainment expenses.

Responsibilities:

Mr. Jain will be responsible for the day to day management of the affairs of the Company under the supervision and control of the Board of Directors of the Company.

He shall report all matters to the Board and shall function under the superintendence and control of the Board.

FURTHER RESOLVED THAT the remuneration payable to Mr. Jain during Mr. Jain's term of office as Managing Director together with the remuneration payable to the other Whole time Directors of the Company viz. Mr. Hemant Jain, Mr. Dinesh Jain and Mr. Vikas Jain shall not in any financial year exceed 10% of the net profits of the Company for that respective financial year calculated in the manner stated in Section 198 of the Companies Act, 1956 or any statutory modification(s) or re-enactment(s) thereof;

FURTHER RESOLVED THAT in the event of absence or inadequacy of profits in any financial year during Mr. Jain's term of office as Managing Director the above remuneration and perquisites be paid as minimum remuneration, subject to the overall limits specified in Schedule XIII of the Companies Act, 1956;

LASTLY RESOLVED THAT Mr. Hemant Jain, Director and Mr. Abhijit Warange, Company Secretary be and are hereby independently authorized to give necessary intimations be given to all statutory authorities concerned and to do all such acts, deeds and things as may be necessary to give effect to this resolution.”

All the shareholders approved the above resolution. The Chairman thereafter declared the resolution as passed unanimously.

9. REVISION OF REMUNERATION PAYABLE TO MR. HEMANT P. JAIN, ‘WHOLETIME DIRECTOR’ OF THE COMPANY

The Chairman informed the members that the Board of Directors of the Company had in their meeting held on March 4, 2010, as approved by the Remuneration Committee, reappointed Mr. Hemant P. Jain as Wholetime Director of the Company till the time he continues to be a Director liable to retire by rotation and approved the remuneration to be paid to him during his term of office as Wholetime Director.

He further informed the members that the members of the Company in the Annual General Meeting held on August 5, 2010 accorded their consent for appointment and remuneration payable to Managing Director and Wholetime Directors of the company.

He further informed the members that in appreciation of the dedicated efforts which contributed in achieving an excellent performance by the Company and having regard to the increased responsibilities for further improving the performance of the Company in the competitive market and subject to the approval of the members in this annual general meeting, the Board of Directors have in their meeting held on March 29, 2011 approved revision w.e.f. April 1, 2011 in the remuneration payable to Mr. Hemant P. Jain, Wholetime Director of the Company with liberty to the Board to revise the remuneration, if any from time to time, subject to the same not exceeding the limits specified in Schedule XIII of the Companies Act, 1956.

He apprised the members that the remuneration payable to the Managing/Wholetime Directors would be governed by Part II of Schedule XIII to the Companies Act, 1956. Section I of Part II of Schedule XIII provides for payment of remuneration to the

Managing/Wholetime Directors not exceeding 10 % of the net profits for all the directors in case of sufficient profits. Section II of Part II of Schedule XIII provides for payment of remuneration to them in case of no profits/insufficient profits.

He apprised the members the remuneration payable to the Managing Director and the Wholetime Directors has been approved by the Remuneration Committee.

The Chairman put the following resolution to vote as a special resolution by show of hands, which was proposed by Mr. Naresh Kachalia and seconded by Mr. Besania, members of the Company:

“RESOLVED THAT in partial modification of earlier resolution passed in the Annual General Meeting held on August 5, 2010 and pursuant to the provision of Sections 198, 269, 309, 310 read with Schedule XIII and other applicable provisions if any, of the Companies Act, 1956 or any statutory modification(s) or re-enactment(s) thereof the consent of the members be and is hereby accorded to revise w.e.f. April 1, 2011 the remuneration payable to Mr. Hemant P. Jain as detailed below till such time he continues to be a Director liable to retire by rotation with a liberty to the Board of Directors which term shall be deemed to include any Committee of the Board constituted to exercise its powers, (including the powers conferred by this resolution) to alter and revise the terms and conditions of remuneration as may be agreed to by the Board of Director and Mr. Jain, subject to the same not exceeding the limits specified under Schedule XIII to the Companies Act, 1956 or any statutory modification(s) or re-enactment(s) thereof:

- I. Total monthly remuneration of Rs. 6,25,000/- (Basic Rs. 1,87,500/- & Allowance Rs. 4,37,500/-)

The Company's contribution to provident fund as per the rules of the company and to the extent not taxable under the income tax law shall not be included for the purpose of computation of the overall ceiling of remuneration

II. Perquisites:

- a) Gratuity at a rate not exceeding half month's salary for each completed year of services, payable at the end of the tenure or retirement or resignation;

- b) Encashment of leave, bonus and allowances as per the Company policy rules;
- c) Medical reimbursement in India or abroad as per Company policy and/or rules and/or medical insurance premium;
- d) Use of Company's car along with driver for official & personal purposes, two telephones at residence and two mobile phones;
- e) Any other allowances, perquisites, benefits and facilities as may be approved by the Board of Directors from time to time;

The valuation of perquisite shall be as per the Income Tax Rules and wherever no method of valuation is prescribed therein, the same shall be valued at the cost to the Company.

III. Reimbursement of expenses incurred in respect of his official duties including traveling and entertainment expenses.

Responsibilities:

Mr. Jain will be responsible for the day to day management of the affairs of the Company under the supervision and control of the Board of Directors of the Company.

He shall report all matters to the Board and shall function under the superintendence and control of the Board.

FURTHER RESOLVED THAT the remuneration payable to Mr. Jain during Mr. Jain's term of office as Wholetime Director together with the remuneration payable to the Managing Director viz. Mr. Kewalchand Jain and other Whole time Directors of the Company viz. Mr. Dinesh Jain and Mr. Vikas Jain shall not in any financial year exceed 10% of the net profits of the Company for that respective financial year calculated in the manner stated in Section 198 of the Companies Act, 1956 or any statutory modification(s) or re-enactment(s) thereof;

FURTHER RESOLVED THAT in the event of absence or inadequacy of profits in any financial year during Mr. Jain's term of office as Wholetime Director the above

remuneration and perquisites be paid as minimum remuneration, subject to the overall limits specified in Schedule XIII of the Companies Act, 1956;

LASTLY RESOLVED THAT Mr. Kewalchand P. Jain, Director and Mr. Abhijit Warange, Company Secretary be and are hereby independently authorized to give necessary intimations be given to all statutory authorities concerned and to do all such acts, deeds and things as may be necessary to give effect to this resolution.”

All the shareholders approved the above resolution. The Chairman thereafter declared the resolution as passed unanimously.

10. REVISION OF REMUNERATION PAYABLE TO MR. DINESH P. JAIN, ‘WHOLETIME DIRECTOR’ OF THE COMPANY

The Chairman informed the members that the Board of Directors of the Company had in their meeting held on March 4, 2010, as approved by the Remuneration Committee, reappointed Mr. Dinesh P. Jain as Wholetime Director of the Company till the time he continues to be a Director liable to retire by rotation and approved the remuneration to be paid to him during his term of office as Wholetime Director.

He further informed the members that the members of the Company in the Annual General Meeting held on August 5, 2010 accorded their consent for appointment and remuneration payable to Managing Director and Wholetime Directors of the company.

He further informed the members that in appreciation of the dedicated efforts which contributed in achieving an excellent performance by the Company and having regard to the increased responsibilities for further improving the performance of the Company in the competitive market and subject to the approval of the members in this annual general meeting, the Board of Directors have in their meeting held on March 29, 2011 approved revision w.e.f. April 1, 2011 in the remuneration payable to Mr. Dinesh P. Jain, Wholetime Director of the Company with liberty to the Board to revise the remuneration, if any from time to time, subject to the same not exceeding the limits specified in Schedule XIII of the Companies Act, 1956.

He apprised the members that the remuneration payable to the Managing/Wholetime Directors would be governed by Part II of Schedule XIII to the Companies Act, 1956. Section I of Part II of Schedule XIII provides for payment of remuneration to the Managing/Wholetime Directors not exceeding 10 % of the net profits for all the directors in case of sufficient profits. Section II of Part II of Schedule XIII provides for payment of remuneration to them in case of no profits/insufficient profits.

He apprised the members the remuneration payable to the Managing Director and the Wholetime Directors has been approved by the Remuneration Committee.

The Chairman put the following resolution to vote as a special resolution by show of hands, which was proposed by Mr. Anil Parekh and seconded by Mrs. Mascarenhas, members of the Company:

“RESOLVED THAT in partial modification of earlier resolution passed in the Annual General Meeting held on August 5, 2010 and pursuant to the provision of Sections 198, 269, 309, 310 read with Schedule XIII and other applicable provisions if any, of the Companies Act, 1956 or any statutory modification(s) or re-enactment(s) thereof the consent of the members be and is hereby accorded to revise w.e.f. April 1, 2011 the remuneration payable to Mr. Dinesh P. Jain as detailed below till such time he continues to be a Director liable to retire by rotation with a liberty to the Board of Directors which term shall be deemed to include any Committee of the Board constituted to exercise its powers, (including the powers conferred by this resolution) to alter and vary the terms and conditions of remuneration as may be agreed to by the Board of Director and Mr. Jain, subject to the same not exceeding the limits specified under Schedule XIII to the Companies Act, 1956 or any statutory modification(s) or re-enactment(s) thereof:

- I. Total monthly remuneration of Rs. 6,25,000/- (Basic Rs. 1,87,500/- & Allowance Rs. 4,37,500/-)

The Company's contribution to provident fund as per the rules of the company and to the extent not taxable under the income tax law shall not be included for the purpose of computation of the overall ceiling of remuneration

II. Perquisites:

- a) Gratuity at a rate not exceeding half month's salary for each completed year of services, payable at the end of the tenure or retirement or resignation;
- b) Encashment of leave, bonus and allowances as per the Company policy rules;
- c) Medical reimbursement in India or abroad as per Company policy and/or rules and/or medical insurance premium;
- d) Use of Company's car along with driver for official & personal purposes, two telephones at residence and two mobile phones;
- e) Any other allowances, perquisites, benefits and facilities as may be approved by the Board of Directors from time to time;

The valuation of perquisite shall be as per the Income Tax Rules and wherever no method of valuation is prescribed therein, the same shall be valued at the cost to the Company.

III. Reimbursement of expenses incurred in respect of his official duties including traveling and entertainment expenses.

Responsibilities:

Mr. Jain will be responsible for the day to day management of the affairs of the Company under the supervision and control of the Board of Directors of the Company.

He shall report all matters to the Board and shall function under the superintendence and control of the Board.

FURTHER RESOLVED THAT the remuneration payable to Mr. Jain during Mr. Jain's term of office as Wholetime Director together with the remuneration payable to the Managing Director Mr. Kewalchand Jain and other Whole time Directors of the Company viz. Mr. Hemant Jain and Mr. Vikas Jain shall not in any financial year exceed 10% of the net profits of the Company for that respective financial year calculated in the manner stated in Section 198 of the Companies Act, 1956 or any statutory modification(s) or re-enactment(s) thereof;

FURTHER RESOLVED THAT in the event of absence or inadequacy of profits in any financial year during Mr. Jain's term of office as Wholetime Director the above remuneration and perquisites be paid as minimum remuneration, subject to the overall limits specified in Schedule XIII of the Companies Act, 1956;

LASTLY RESOLVED THAT Mr. Kewalchand P. Jain, Director and Mr. Abhijit Warange, Company Secretary be and are hereby independently authorized to give necessary intimations be given to all statutory authorities concerned and to do all such acts, deeds and things as may be necessary to give effect to this resolution.”

All the shareholders approved the above resolution. The Chairman thereafter declared the resolution as passed unanimously.

11. REVISION OF REMUNERATION PAYABLE TO MR. VIKAS P. JAIN, 'WHOLETIME DIRECTOR' OF THE COMPANY

The Chairman informed the members that the Board of Directors of the Company had in their meeting held on March 4, 2010, as approved by the Remuneration Committee, reappointed Mr. Vikas P. Jain as Wholetime Director of the Company till the time he continues to be a Director liable to retire by rotation and approved the remuneration to be paid to him during his term of office as Wholetime Director.

He further informed the members that the members of the Company in the Annual General Meeting held on August 5, 2010 accorded their consent for appointment and remuneration payable to Managing Director and Wholetime Directors of the company.

He further informed the members that in appreciation of the dedicated efforts which contributed in achieving an excellent performance by the Company and having regard to the increased responsibilities for further improving the performance of the Company in the competitive market and subject to the approval of the members in this annual general meeting, the Board of Directors have in their meeting held on March 29, 2011 approved revision w.e.f. April 1, 2011 in the remuneration payable to Mr. Vikas P. Jain, Wholetime Director of the Company with liberty to the Board to revise the remuneration, if any from

time to time, subject to the same not exceeding the limits specified in Schedule XIII of the Companies Act, 1956.

He apprised the members that the remuneration payable to the Managing/Wholetime Directors would be governed by Part II of Schedule XIII to the Companies Act, 1956. Section I of Part II of Schedule XIII provides for payment of remuneration to the Managing/Wholetime Directors not exceeding 10 % of the net profits for all the directors in case of sufficient profits. Section II of Part II of Schedule XIII provides for payment of remuneration to them in case of no profits/insufficient profits.

He apprised the members the remuneration payable to the Managing Director and the Wholetime Directors has been approved by the Remuneration Committee.

The Chairman put the following resolution to vote as a special resolution by show of hands, which was proposed by Mr. Prasad Manjrekar and seconded by Mr. Kachalia, members of the Company:

“RESOLVED THAT in partial modification of earlier resolution passed in the Annual General Meeting held on August 5, 2010 and pursuant to the provision of Sections 198, 269, 309, 310 read with Schedule XIII and other applicable provisions if any, of the Companies Act, 1956 or any statutory modification(s) or re-enactment(s) thereof the consent of the members be and is hereby accorded to revise w.e.f. April 1, 2011 the remuneration payable to Mr. Vikas P. Jain as detailed below till such time he continues to be a Director liable to retire by rotation with a liberty to the Board of Directors which term shall be deemed to include any Committee of the Board constituted to exercise its powers, (including the powers conferred by this resolution) to alter and vary the terms and conditions of remuneration as may be agreed to by the Board of Director and Mr. Jain, subject to the same not exceeding the limits specified under Schedule XIII to the Companies Act, 1956 or any statutory modification(s) or re-enactment(s) thereof:

- I. Total monthly remuneration of Rs. 6,25,000/- (Basic Rs. 1,87,500/- & Allowance Rs. 4,37,500/-)

The Company's contribution to provident fund as per the rules of the company and to the extent not taxable under the income tax law shall not be included for the purpose of computation of the overall ceiling of remuneration

II. Perquisites:

- a) Gratuity at a rate not exceeding half month's salary for each completed year of services, payable at the end of the tenure or retirement or resignation;
- b) Encashment of leave, bonus and allowances as per the Company policy rules;
- c) Medical reimbursement in India or abroad as per Company policy and/or rules and/or medical insurance premium;
- d) Use of Company's car along with driver for official & personal purposes, two telephones at residence and two mobile phones;
- e) Any other allowances, perquisites, benefits and facilities as may be approved by the Board of Directors from time to time;

The valuation of perquisite shall be as per the Income Tax Rules and wherever no method of valuation is prescribed therein, the same shall be valued at the cost to the Company.

III. Reimbursement of expenses incurred in respect of his official duties including traveling and entertainment expenses.

Responsibilities:

Mr. Jain will be responsible for the day to day management of the affairs of the Company under the supervision and control of the Board of Directors of the Company.

He shall report all matters to the Board and shall function under the superintendence and control of the Board.

FURTHER RESOLVED THAT the remuneration payable to Mr. Jain during Mr. Jain's term of office as Wholetime Director together with the remuneration payable to the Managing Director Mr. Kewalchand Jain and other Whole time Directors of the Company viz. Mr. Hemant Jain and Mr. Dinesh Jain shall not in any financial year exceed 10% of the net profits of the Company for that respective financial year

calculated in the manner stated in Section 198 of the Companies Act, 1956 or any statutory modification(s) or re-enactment(s) thereof;

FURTHER RESOLVED THAT in the event of absence or inadequacy of profits in any financial year during Mr. Jain's term of office as Wholetime Director the above remuneration and perquisites be paid as minimum remuneration, subject to the overall limits specified in Schedule XIII of the Companies Act, 1956;

LASTLY RESOLVED THAT Mr. Kewalchand P. Jain, Director and Mr. Abhijit Warange, Company Secretary be and are hereby independently authorized to give necessary intimations be given to all statutory authorities concerned and to do all such acts, deeds and things as may be necessary to give effect to this resolution.”

All the shareholders approved the above resolution. The Chairman thereafter declared the resolution as passed unanimously.

12. REVISION OF SALARY PAYABLE TO MR. PANKAJ K. JAIN AND REDESIGNATING HIM AS ‘PRESEIDENT RETAIL’

Mr. Pandya informed the members that in the Board meeting held on October 18, 2008 the Board of Directors had subject to the approval of the members approved the appointment and remuneration payable to Mr. Pankaj Jain, a relative of the executive Directors of the company. Mr. Pankaj Jain was appointed as a Manager not being a Manager within the meaning of Section 2(24) read with Section 385 of the Companies Act, 1956. Since Mr. Pankaj is related to the Directors his appointment is governed by the provisions of Section 314 of the Companies Act, 1956. In the Annual General Meeting of the Company held on August 3, 2009 the members of the company accorded their consent to the appointment and remuneration payable to Mr. Jain.

He further apprised the members that in appreciation of the dedicated efforts which contributed in achieving an excellent performance by the Company and having regard to the increased responsibilities for further improving the performance of the Company in this competitive market and subject to the approval of the shareholders in this annual general meeting, the Board of Directors have in their meeting held on May 26, 2011 approved revision w.e.f. October 1, 2011 in the remuneration payable Mr. Pankaj K. Jain

and designated him as ‘President – Retail’;.

The Chairman thereafter put the following resolution to vote as a special resolution by show of hands, which was proposed by Mr. Zahur Maniyar and seconded by Mr. Anil Jain, members of the Company:

“RESOLVED THAT in partial modification of the resolution passed in the Annual General Meeting held on August 3, 2009 and pursuant to Section 314(1B) and other applicable provision, if any of the Companies Act, 1956 consent of the members be and is hereby accorded to revise w.e.f. 1st October 2011 the remuneration payable to Mr. Pankaj Jain, a relative of Mr. Kewalchand P. Jain, Mr. Hemant P. Jain, Mr. Dinesh P. Jain and Mr. Vikas P. Jain, Directors of the company and holding an office of profit under the company as a ‘President – Retail’ as per the terms and conditions mentioned herein below:

I. Salary

- a. Basic and DA – Rs. 36,832/- per month
- b. Other allowances including House Rent Allowance, Education Allowance, Conveyance Allowance, Medical Allowance etc. not exceeding Rs. 36,831/- per month.

II. Perquisites:

In addition to the salary and allowances payable as above, Mr. Pankaj Jain will also be entitled to the following perquisites :

- a. Medical reimbursement from time to time upto a limit of Rs. 15,000/- per annum, for himself and his family members.
- b. Attire Allowance from time to time upto a limit of Rs. 18,000/- per annum.
- c. Leave Travel Allowance from time to time upto a limit of Rs.30,000/- per annum.
- d. Company’s contribution to Provident Fund as per rules of the company.

FURTHER RESOLVED THAT Mr. Pankaj Jain would be responsible to assist the management in its finance and retail operations;

LASTLY RESOLVED THAT Mr. Abhijit Warange, Company Secretary be and is hereby authorized to file the necessary forms, if any and make the necessary applications, if any and do all such acts deeds matters and things as are necessary to give effect to this resolution.”

13. REVISION OF SALARY PAYABLE TO MS. ARPITA K. JAIN AND REDISGNATING HER AS MAMANEGR – MARKETING NOT BEING A MANAGER WITHIN THE MEANING OF SECTION 2(24) READ WITH SECTION 385 OF THE COMPANIES ACT, 1956

Mr. Pandya informed the members that in the Board meeting held on March 4, 2010 the Board of Directors had subject to the approval of the members approved the appointment and remuneration payable to Ms. Arpita Jain, a relative of the executive Directors of the company. Ms. Arpita Jain was appointed as an Executive H.R. Since Ms. Jain is related to the Directors her appointment is governed by the provisions of Section 314 of the Companies Act, 1956. In the Annual General Meeting of the Company held on August 5, 2010 the members of the company accorded their consent to the appointment and remuneration payable to Ms. Jain.

He further apprised the members that in appreciation of the dedicated efforts which contributed in achieving an excellent performance by the Company and having regard to the increased responsibilities for further improving the performance of the Company in this competitive market and subject to the approval of the shareholders in this annual general meeting, the Board of Directors have in their meeting held on May 26, 2011 approved revision w.e.f. October 1, 2011 in the remuneration payable Ms. Arpita Jain and designate her as ‘Manager – Marketing’ not being a Manager within the meaning of Section 2(24) read with Section 385 of the Companies Act, 1956.

The Chairman thereafter put the following resolution to vote as a special resolution by show of hands, which was proposed by Mr. Jehangir Batiwala and seconded by Mr. Kachalia, members of the Company:

“RESOLVED THAT in partial modification of the resolution passed in the Annual General Meeting held on August 5, 2010 and pursuant to Section 314(1B) and other applicable provision, if any of the Companies Act, 1956 consent of the members be and hereby accorded to revise w.e.f. 1st October 2011 the remuneration payable to Ms. Arpita Jain, a relative of Mr. Kewalchand P. Jain, Mr. Hemant P. Jain, Mr. Dinesh P. Jain and Mr. Vikas P. Jain, Directors of the company and holding an office of profit under the company as a ‘Manager – Marketing’ not being a Manager within the meaning of Section 2(24) read with Section 385 of the Companies Act, 1956 as per the terms and conditions mentioned herein below:

I. Salary

- a. Basic and DA – Rs. 17,885/- per month
- b. Other allowances including House Rent Allowance, Education Allowance, Conveyance Allowance, Medical Allowance etc. not exceeding Rs. 17,885/- per month.

II. Perquisites:

In addition to the salary and allowances payable as above, Ms. Arpita Jain will also be entitled to the following perquisites:

- a. Medical reimbursement from time to time upto a limit of Rs. 15,000/- per annum, for herself and her family members.
- b. Attire Allowance from time to time upto a limit of Rs. 15,000/- per annum.
- c. Leave Travel Allowance from time to time upto a limit of Rs.15,000/- per annum.
- d. Company’s contribution to Provident Fund as per rules of the company.

FURTHER RESOLVED THAT Ms. Arpita Jain would be responsible for assisting the marketing department and such other functions as may be assigned to Ms. Jain from time to time;

LASTLY RESOLVED THAT Mr. Abhijit Warange, Company Secretary be and is hereby authorized to file the necessary forms, if any and make the necessary applications, if any and do all such acts deeds matters and things as are necessary to give effect to this resolution.”

Mr. Kewalchand Jain thanked Mr. Nimish Pandya for chairing agenda item nos. 8 to 13.

Mr. Nimish Pandya proposed a vote of thanks to the chair. Mr. Kewalchand P. Jain thereafter declared the meeting as concluded.

CHAIRMAN

Place: Mumbai

Date: 06/09/2011