

MINUTES OF THE PROCEEDINGS RELATING TO DECLARATION OF RESULTS ON POSTAL BALLOT VOTING BY THE MEMBERS OF PARAMOUNT COMMUNICATIONS LIMITED HELD, AT THE REGISTERED OFFICE OF COMPANY, AT C-125, NARAINA INDUSTRIAL AREA, PHASE-I, NEW DELHI-110028 ON THURSDAY, 28TH MARCH, 2013 AT 04:00 P.M.

Present:

Mr. Sanjay Aggarwal : Chairman & CEO
Mr. Sandeep Aggarwal : Managing Director

In Attendance:

Mr. Ratan Aggarwal : CFO & Company Secretary
Ms. Gayatri Chawla : Deputy Company Secretary
Mr. Rajkumar Aggarwal : Representative of April Investment & Finance Pvt. Ltd.
Mr. Sarla Gupta : Representative of Hertz Electricals (International) Pvt. Ltd.
Mr. S. B. Singh : Representative of Worth Finance & leasing Pvt. Ltd.
Mr. Anand Budhalakoti : Representative of Ekta Ayat Niryat Pvt. Ltd.

The Chairman started proceedings of declaration of results of postal ballot after welcoming all present. The Chairman informed that, the Board of Directors of Company in its meeting held on 12th February, 2013 approved the proposals and the passing of special resolutions under Postal Ballot Voting process in terms of Section 192A of the Companies Act, 1956 read with Companies (Passing of the Resolution by Postal Ballot) Rules, 2011 for following subject matters:

1. Issue of 14,35,00,000 equity shares at a price of Rs. 2.30/- each to promoters/ promoter group Companies on preferential basis under Section 81(1A) and approval of CDR re-work package entered into by the Company.
2. Alteration of Articles of Association of the Company pursuant to Section 31 and other applicable provisions of the Companies Act, 1956, to enable issue of redeemable preference shares.
3. Increase and classification of Authorized Share Capital of the Company by creation of 10,00,000 redeemable preference shares of Rs. 100/- each pursuant to Section 94 and



other applicable provisions of the Companies Act, 1956 and in accordance with Articles of Association of the Company.

4. Appointment of Mr. Sanjay Aggarwal as Whole Time Director (to be designated as Chairman & CEO) for a period of 5 years w.e.f. 01.03.2013 at a remuneration not exceeding Rs. 4,00,000/- per month.
5. Appointment of Mr. Sandeep Aggarwal as Managing Director for a period of 5 years w.e.f. 01.03.2013 at a remuneration not exceeding Rs. 4,00,000/- per month.

The Chairman further stated that Mr. Shanker Singal, Practicing Chartered Accountant and former Registrar of Companies (J&K) was appointed as Scrutinizer to conduct the postal ballot voting process in fair & transparent manner in relation to the special resolutions set out in the Postal Ballot Notice dated 12th February, 2013 and explanatory statement attached thereto.

The Postal Ballot Notice, explanatory statement attached thereto, postal ballot form and self addressed pre-paid envelope, were dispatched to the members by 23rd February, 2013 for securing their approval. The members were to return the Postal Ballot Form duly completed with the assent (for) or dissent (against), in the attached self addressed postage pre-paid envelop, so as to reach the Scrutinizer on or before 25th March, 2013.

After due scrutiny of Postal Ballot Forms, the Scrutinizer submitted his report dated 26th March, 2013 confirming receipt of total 449 postal ballot forms representing 34740069 shares (votes) out of which 37 forms were invalid representing 266143 shares (votes) accordingly total no. of valid postal ballot forms is 412 representing 34473926 shares (votes), the Item wise result of passing resolutions under postal ballot, is as under:

Item No. 1:

ISSUE OF EQUITY SHARES TO PROMOTER/PROMOTER GROUP ON PREFERENTIAL BASIS AND APPROVAL OF CDR RE-WORK PACKAGE OF THE COMPANY.

The Chairman took Item No. 1 & read the *Special Resolution*:

“RESOLVED THAT the Corporate Debt Restructuring re-work package (which term shall be deemed to include the original package, re-work package and any subsequent amendment or re-enactment thereof) as approved by Corporate Debt Restructuring-Empowered Group vide their Letter of Approval {LOA} dated July 11th, 2012 under the corporate debt restructuring mechanism laid by the Reserve Bank of India for providing financial assistance by debt restructuring and entered into by the Company, key features of which are forming part of Explanatory Statement attached with this notice, be and is hereby approved.

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RESOLVED FURTHER THAT pursuant to the provisions of Section 81(1A) and all other applicable provisions, if any, of the Companies Act, 1956 (including any amendment thereto or re-enactment thereof, for the time being in force), and the enabling provisions of the Memorandum and Articles of Association of the Company and the listing agreement entered into by the Company with the Stock Exchanges where the shares of the Company are listed and in accordance with SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended from time to time and in terms of Regulation 10 (2) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subject to such other laws, rules, regulations and guidelines as may be applicable and subject to such approvals and/or sanctions from all appropriate authorities, including the Securities and Exchange Board of India (SEBI), Govt. of India, Reserve Bank of India, Stock Exchanges and all other regulatory and other bodies and institutions as may be relevant (hereinafter singly or collectively referred to as "the Appropriate Authorities") and subject to such conditions and modifications as may be prescribed or imposed by any of them while granting any such consents, permissions, approvals and / or sanctions (hereinafter singly or collectively referred to as "the requisite approvals") and which may be agreed to by the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include any committee(s) consisting of one or more members of the Board and/or one or more officials of the Company appointed by the Board in this behalf which the Board may constitute to exercise powers of the Board) and in consonance with the approved CDR re-work package of the Company, the consent of the shareholders of the Company be and is hereby accorded to the 'Board' to create, offer, issue and allot up to 14,35,00,000 (Fourteen Crore Thirty Five Lac) equity shares at a price of Rs. 2.30/- each having face value of Rs. 2/- each at a premium of Rs. 0.30/- (Thirty Paise) each based on the relevant date i.e. 11th July, 2012 on preferential basis to the Promoter(s)/Promoters Group, on such terms and conditions and in such manner as the Board may deem fit and appropriate, subject to compliance of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 and such other laws, rules, regulations and guidelines as may be applicable, without offering the same to any other person(s) who on the date of offer are the holders of equity shares and that equity shares shall rank pari-passu with the existing equity shares of the Company.

FURTHER RESOLVED THAT the Board be and is hereby authorized to accept the terms, conditions and stipulations made/imposed by the Appropriate Authorities while granting approval to the Company for issue of the equity shares as aforesaid.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred by this resolution to any director or directors or to the committee of director(s) or any other officer or officers of the Company and to take all such steps and give all such directions as the Board may consider necessary, expedient or desirable for the purpose of giving effect to this resolution, and also to settle any question(s) or difficulty or doubt that may arise in regard to the offer/ issue, allotment and utilization of the



proceeds and to execute, file and submit such forms, applications, returns, documents or papers as may be necessary in this regard and to do all such acts, matters, things and deeds as may be necessary, proper, desirable or expedient as the Board, in its absolute discretion may deem fit and take all such steps which are incidental and ancillary in this regard."

Based on report of Scrutinizer, the Chairman declared:

Total no. of Valid Postal Ballot Received: 412 representing 34473926 shares
(37.06% of total paid up capital)

Total no. of votes in favor of the resolution: 34227453 (99.29% of valid votes)

Total no. of votes against the resolution: 246473 (0.71% of valid votes)

Total no. of Postal Ballot which have not cast their vote: 0 (0% of valid votes)

Thus, the Special Resolution stands approved by shareholders with overwhelming majority.

Item No. 2:

ALTERATION OF ARTICLES OF ASSOCIATION AUTHORIZING THE COMPANY TO
ISSUE PREFERENCE SHARES.

The Chairman took Item No. 2 & read the *Special Resolution*:

"RESOLVED THAT subject to the provisions of Section 31 and other applicable provisions of the Companies Act, 1956 the following article be and is hereby inserted as Article No. 3A after the existing Article No. 3 of the Articles of Association of Company:

3 A. Redeemable Preference Shares

- a) Subject to the Provisions of Section 80 of the Companies Act, 1956, Company shall have the power to issue Preference Shares which are or at the option of the Company are liable to be redeemed and the resolution authorizing such issue shall prescribe the manner, terms of issue and conditions of redemption. Such Preference Shares shall enjoy any such additional rights including convertibility rights as may be permissible under the law.
- b) Board shall have the power to determine the time within and the amount (including premium if any) at which the Preference shares will be redeemed.



- c) On redemption, the preference shares may be re-issued as such or otherwise to such persons and in such manner and on such terms and conditions as the Board may from time to time determine.
- d) Board shall have power to redeem its preference shares out of the reserves of the Company which would otherwise be available for dividend or out of the proceeds of a fresh issue of shares made for the purpose of the redemption as may be permitted by law.
- e) Where any such shares are redeemed otherwise than out of the proceeds of a fresh issue there shall, out of profits which would otherwise have been available for dividend, be transferred to a reserve fund, to be called "the Capital Redemption Reserve Fund" a sum equal to the nominal amount of the shares redeemed and the provisions of the Act relating to the reduction of the share capital of the Company shall, except as provided in Section 80 of the Act, apply as if the Capital Redemption Reserve Fund were paid-up share capital of the Company.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, things and deeds as may be necessary in this regard and to file/submit all the required forms/returns/documents with the respective authorities to give effect to above resolution."

Based on report of Scrutinizer, the Chairman declared:

Total no. of Valid Postal Ballot Received: 412 representing 34473926 shares
(37.06% of total paid up capital)

Total no. of votes in favor of the resolution: 34085126 (98.87% of valid votes)

Total no. of votes against the resolution: 234568 (0.68% of valid votes)

Total no. of Postal Ballot which have not cast their vote: 154232 (0.45% of valid votes)

Thus, the Special Resolution stands approved by shareholders with overwhelming majority.

Item No. 3:

INCREASE AND CLASSIFICATION OF AUTHORISED SHARE CAPITAL OF THE COMPANY.

The Chairman took Item No. 3 & read the *Special Resolution*:



"RESOLVED THAT pursuant to Section 94 and other applicable provisions of Companies Act, 1956 and the enabling provisions of the Memorandum and Articles of Association of the Company, the authorised share capital of the Company be and is hereby increased by Rs. 10,00,00,000 (Ten Crores) i.e. from existing Rs. 50,00,00,000 (Rupees Fifty Crores) divided into 25,00,00,000 (Twenty Five Crores) Equity Shares of Rs. 2/- each to Rs. 60,00,00,000 (Rupees Sixty Crores) classified as:

1. Rs. 50,00,00,000 (Rupees Fifty Crores) divided into 25,00,00,000 (Twenty Five Crores) Equity Shares of Rs. 2/- each and
2. Rs. 10,00,00,000 (Rupees Ten Crores) divided into 10,00,000 (Ten lakhs) Redeemable Preference Shares of Rs. 100/- each

By creation of additional 10,00,000 Redeemable Preference Shares of Rs. 100/- each and consequently the Memorandum of Association of the Company be and is hereby altered by substituting the following clause for the existing clause VI thereof:-

The Authorised Share Capital of the Company is Rs. 60,00,00,000 (Rupees Sixty Crores) divided into

- (i) 25,00,00,000 (Twenty Five Crores) Equity Shares of Rs. 2/- (Rupees Two) each and
- (ii) 10,00,000 (Ten Lac) Redeemable Preference Shares of Rs. 100/- (Rupees One Hundred) each

With such rights and privileges and conditions attached thereto or as may be determined by the Board of Directors at the time of issue. The Company shall always have the power to divide the Authorized Share Capital from time to time into different classes and to vary, modify or abrogate any rights, privileges or conditions attached to any class of shares in such manner as may be decided by the Board of Directors of the Company."

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, things and deeds as may be necessary in this regard and to file/submit all the required forms/returns/documents with the respective authorities to give effect to above resolution."

Based on report of Scrutinizer, the Chairman declared:

Total no. of Valid Postal Ballot Received: 412 representing 34473926 shares
(37.06% of total paid up capital)

Total no. of votes in favor of the resolution: 34078301 (98.85% of valid votes)

Total no. of votes against the resolution: 240493 (0.70% of valid votes)

Total no. of Postal Ballot which have not cast their vote: 155132 (0.45% of valid votes)

Thus, the Special Resolution stands approved by shareholders with overwhelming majority.

Item No. 4:

APPOINTMENT OF MR. SANJAY AGGARWAL AS WHOLE TIME DIRECTOR (DESIGNATED AS CHAIRMAN & CEO) OF THE COMPANY AND FIXATION OF HIS REMUNERATION.

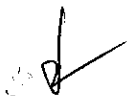
The Chairman took Item No. 4 & read the *Special Resolution*:

“RESOLVED THAT subject to approval of Central Government and pursuant to the provisions of Section 269, 198, 309 and 310 read with Schedule XIII and other applicable provisions of Companies Act, 1956 and such other laws, rules, regulations, guidelines or notifications as may be applicable, including any statutory modifications or re-enactment thereof, for the time being in force, and subject to such other approvals as may be necessary, the consent of members be and is hereby accorded to the appointment of Mr. Sanjay Aggarwal as Whole Time Director to be designated as Chairman & CEO of the Company for a period of five years with effect from 1st March, 2013, at a remuneration not exceeding Rs. 4,00,000/- per month as detailed and on such other terms & conditions, as set out in the Explanatory statement annexed to this notice.

RESOLVED FURTHER THAT the Board of Directors (hereinafter referred to as the “Board” which term shall be deemed to include the Remuneration Committee constituted by the Board) be and are hereby authorised to alter and vary the terms and conditions of the said appointment and remuneration without increasing the remuneration mentioned herewith, in such form and manner as may be directed by the Central Government.

FURTHER RESOLVED THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred by this resolution to any director or directors or to the committee of director(s) or any other officer or officers of the Company and to take all such steps and give all such directions as the Board may consider necessary, expedient or desirable for the purpose of giving effect to this resolution, and also to settle any question(s) or difficulty or doubt that may arise with respect to the appointment of Mr. Sanjay Aggarwal as Whole Time Director to be designated as Chairman & CEO of the Company for a period of five years with effect from 1st March, 2013 and to execute, file and submit such forms, applications, returns, documents or papers as may be necessary in this regard and to do all such acts, matters, things and deeds as may be necessary, proper, desirable or expedient as the Board, in its absolute discretion may deem fit and take all such steps which are incidental and ancillary in this regard.”.

Based on report of Scrutinizer, the Chairman declared:



Total no. of Valid Postal Ballot Received: 412 representing 34473926 shares
(37.06% of total paid up capital)

Total no. of votes in favor of the resolution: 33977372 (98.56% of valid votes)

Total no. of votes against the resolution: 337822 (0.98% of valid votes)

Total no. of Postal Ballot which have not cast their vote: 158732 (0.46% of valid votes)

Thus, the Special Resolution stands approved by shareholders with overwhelming majority.

Item No. 5:

APPOINTMENT OF MR. SANDEEP AGGARWAL AS MANAGING DIRECTOR OF THE
COMPANY AND FIXATION OF HIS REMUNERATION.

The Chairman took Item No. 5 & read the *Special Resolution*:

“RESOLVED THAT subject to approval of Central Government and pursuant to the provisions of Section 269, 198, 309 and 310 read with Schedule XIII and other applicable provisions of Companies Act, 1956 and such other laws, rules, regulations, guidelines or notifications as may be applicable, including any statutory modifications or re-enactment thereof, for the time being in force, and subject to such other approvals as may be necessary, the consent of members be and is hereby accorded to the appointment of Mr. Sandeep Aggarwal as Managing Director of the Company for a period of five years with effect from 1st March, 2013, at a remuneration not exceeding Rs. 4,00,000/- per month as detailed and on such other terms & conditions, as set out in the Explanatory statement annexed to this notice.

RESOLVED FURTHER THAT the Board of Directors (hereinafter referred to as the “Board” which term shall be deemed to include the Remuneration Committee constituted by the Board) be and are hereby authorised to alter and vary the terms and conditions of the said appointment and remuneration without increasing the remuneration mentioned herewith, in such form and manner as may be directed by the Central Government.

FURTHER RESOLVED THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred by this resolution to any director or directors or to the committee of director(s) or any other officer or officers of the Company and to take all such steps and give all such directions as the Board may consider necessary, expedient or desirable for the purpose of giving effect to this resolution, and also to settle any question(s) or



difficulty or doubt that may arise with respect to the appointment of Mr. Sandeep Aggarwal as Managing Director of the Company for a period of five years with effect from 1st March, 2013, and to execute, file and submit such forms, applications, returns, documents or papers as may be necessary in this regard and to do all such acts, matters, things and deeds as may be necessary, proper, desirable or expedient as the Board, in its absolute discretion may deem fit and take all such steps which are incidental and ancillary in this regard."

Based on report of Scrutinizer, the Chairman declared:

Total no. of Valid Postal Ballot Received: 412 representing 34473926 shares
(37.06% of total paid up capital)

Total no. of votes in favor of the resolution: 33944571 (98.45% of valid votes)

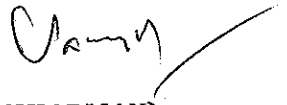
Total no. of votes against the resolution: 368723 (1.07% of valid votes)

Total no. of Postal Ballot which have not cast their vote: 166032 (0.48% of valid votes)

Thus, the Special Resolution stands approved by shareholders with overwhelming majority.

The Chairman confirmed that there were 6 shareholders (including both executive directors) present at the registered office of the Company at the time of announcement of Result of Postal Ballot.

Dated: 25.04.2013
Place: New Delhi


(CHAIRMAN)

