

MINUTES BOOK

MINUTES OF THE THIRTY SEVENTH ANNUAL GENERAL MEETING OF THE SHAREHOLDERS OF PENNAR INDUSTRIES LIMITED HELD AT 10.00 A.M ON WEDNESDAY, JULY 31, 2013 AT ADITYA SAROVAR PREMIERE, HITEC CITY, GACHIBOWLI, HYDERABAD - 500 032

Directors Present:

1	Shri. Nrupender Rao	Chairman
2	Shri C Parthasarathy	Director
3	Shri C Rangamani	Director
4	Shri Ch. Anantha Reddy	Director
5	Shri Aditya Rao	Vice Chairman

In attendance:

1.	Shri Suhas Baxi	President & CEO, Pennar Industries Limited
2.	Shri P V Rao	MD, Pennar Engineered Building Systems Limited
3.	Shri Shreepad Purkar	President & CEO, Pennar Enviro Limited
4.	Shri. R. Ravi	V.P Finance & Company Secretary

The proceedings commenced at 10.00 a.m. The Chairman, Shri Nrupender Rao (Chairman) occupied the chair and conducted the proceedings of the meeting. He declared that the quorum was present and that the meeting was in order. The Chairman informed that 331 Members were present in person and 107 others for 4,28,02,712 shares, were represented by their respective Proxies / authorised representatives

The Chairman welcomed the members and introduced the Directors and other officials of the Company to the shareholders.

The Chairman stated that the Register of Directors shareholding was open for inspection as required under Section 307 of the Companies Act, 1956.

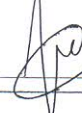
At the invitation of the Chairman, Shri R. Ravi, V.P Finance & Company Secretary read the Auditor's Report, on behalf of M/s Rambabu & Co., Statutory Auditors of the company.

The Chairman then addressed the meeting. He reviewed the performance of the company for the financial year 2012-13.

The Directors present at the meeting also addressed the members.

Mr Suhas Baxi, President & CEO of Pennar Industries Limited made a presentation on the performance of Pennar Industries Limited and the plans for the future. The members were also briefed regarding the performance of the subsidiary companies by Mr. P. V. Rao, MD, Pennar Engineered Building Systems Limited and Mr. Shreepad Purkar, President & CEO, Pennar Enviro Limited.

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The Chairman invited the members to seek clarifications on the accounts before the resolution for adoption of accounts was put to vote.

The shareholders sought clarification on certain matters. The same were answered to their satisfaction.

The Chairman thanked the members for their active support and interest in the Company and then proceeded to put to vote the various resolutions.

RESOLUTION NO : 1

The following ordinary resolution was proposed by Shri. Wali Rahman Sufi Mohammed (folio no. 1204340000047288) and seconded by Shri L Srinivasu (folio no.10026472).

"RESOLVED THAT the Audited Balance Sheet as at 31st March, 2013 and the Profit & Loss Account for the year ended 31st March, 2013 together with the Schedules and Notes, Cash Flow Statement attached thereto along with the Directors' Report and Auditors' Report thereon be and are hereby received and adopted".

The resolution was put to vote which was carried unanimously.

The Chairman then declared that the resolution had been approved unanimously.

RESOLUTION NO : 2

The following ordinary resolution was proposed by Shri Suresh Chand Jain (folio no. 10037587) and Seconded by Shri Shaik Ahmed (folio no. 70023314)

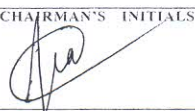
"RESOLVED THAT in terms of the recommendation of the Board of the Directors of the Company, the approval of the members of the Company be and is hereby granted for payment of dividend @ 0.01% p.a i.e Re. 0.05/- ps per preference shares of Rs 5/- each out of the profits of the financial year ended on 31.03.2013 on 1,75,53,299 cumulative redeemable preference shares of Rs 5/- each of the company aggregating to Rs. 8,777/- and the same be paid to all the members whose names appear in the Register of Members:

- a. As beneficial owners, as at the end of business hours on July 23, 2013 as per the details furnished by NSDL and CDSL in respect of shares held in electronic form.*
- b. As members in the Register of Members of the Company as on July 23, 2013 in respect of Shares held in physical form."*

The resolution was put to vote which was carried unanimously.

The Chairman declared that the resolution had been approved unanimously.

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RESOLUTION NO : 3

The following ordinary resolution was proposed by Shri. Ramesh Shanker Golla (folio no. 1203150000101508) and Seconded by Shri Vasu Dev Sharma (folio no. 271067268).

"RESOLVED THAT in terms of the recommendation of the Board of the Directors of the Company, the approval of the members of the Company be and is hereby granted for payment of a dividend @ 20% i.e. Re 1.00 /- per equity share of face value of Rs 5/- each out of the profits of the financial year ended on 31.03.2013 on 12,20,24,000 equity shares of Rs 5/- each fully paid up aggregating to Rs 12,20,24,000 and the same be paid to all the members whose names appear in the Register of Members:

- a. *As beneficial owners, as at the end of business hours on July 23, 2013 as per the details furnished by NSDL and CDSL in respect of shares held in electronic form.*
- b. *As members in the Register of Members of the Company as on July 23, 2013 in respect of Shares held in physical form".*

The resolution was put to vote which was carried unanimously.

The Chairman declared that the resolution had been approved unanimously.

RESOLUTION NO : 4

The following ordinary resolution was proposed by Shri. S K Mishra (folio no. 120307000070909) and Seconded by Shri. Wali Rahman Sufi Mohammed (folio no. 1204340000047288).

"RESOLVED THAT Mr. C Parthasarathy, Director of the Company, retiring by rotation at this Annual General Meeting be and is hereby re-appointed as Director of the Company".

The resolution was put to vote which was carried unanimously.

The Chairman declared that the resolution had been approved unanimously

RESOLUTION NO : 5

The following ordinary resolution was proposed by Shri Sunder Raja (folio no. 12054500000103119) and Seconded by Shri Shaik Ahmed (folio no. 700023314)

"RESOLVED THAT Mr. Manish Sabharwal, Director of the Company, retiring by rotation at this Annual General Meeting be and is hereby re-appointed as Director of the Company".

The resolution was put to vote which was carried unanimously.

The Chairman declared that the resolution had been approved unanimously.

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RESOLUTION NO : 6

The following ordinary resolution was proposed by Shri B Radhakrishna (folio no.1202230000055514) and Seconded by Shri R Shiva Kumar (folio no. 40659446).

"RESOLVED THAT Mr. J Ramu Rao, Director of the Company, retiring by rotation at this Annual General Meeting be and is hereby re-appointed as Director of the Company".

The resolution was put to vote which was carried unanimously.

The Chairman declared that the resolution had been approved unanimously.

RESOLUTION NO : 7

The following ordinary Resolution was proposed by Shri. K G Gupta (folio no. 10800481) and seconded by Shri Seetharama Reddy M V (folio no. 1201090000609338).

"RESOLVED THAT pursuant to Section 224 of the Companies Act, 1956, M/s. Rambabu & Co., Chartered Accountants, Hyderabad, the retiring auditors, be and are hereby re-appointed as auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting on such remuneration and out-of-pocket expenses as may be fixed by the Board of Directors of the Company".

The resolution was put to vote which was carried unanimously.

The Chairman declared that the resolution had been approved unanimously.

RESOLUTION NO : 8

The following ordinary resolution was proposed by Shri S Karuna Sagar (folio no. 1205140000055939) and Seconded by Shri Saritha Guptha (folio no. 1203520000031273)

"RESOLVED that Mr. Varun Chawla, who was appointed by the Board of Directors as an Additional Director of the Company with effect from November 09, 2012, and who holds office up to the date of this meeting as per Section 260 of the Companies Act, 1956 ("the Act") and Article 107 of the Articles of Association of the Company and in respect of whom the Company has received a notice in writing from a Member under Section 257 of the Act proposing his candidature for the office of Director of the Company, be and is hereby appointed as a Director of the Company, who shall be subject to retire by rotation."

The resolution was put to vote which was carried unanimously.

The Chairman declared that the resolution had been approved unanimously.

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RESOLUTION NO : 9

The Chairman, as the resolution pertained to his appointment, requested Shri. C Rangamani, Director to chair the meeting. Shri. C Rangamani placed before the members the ordinary resolution for appointment of Shri. Nrupender Rao as the chairman of the company and approval of managerial remuneration

The following ordinary Resolution was proposed by Shri B Radhakrishna (folio no.1202230000055514) and Seconded by Shri P Sunder Raja (folio no. 1205450000103119).

"RESOLVED THAT in accordance with the provisions of Sections 198, 269, 309, 311 and Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, the Company hereby approves the change in terms of appointment and remuneration of Mr. Nrupender Rao, as Chairman for a period of two years with effect from April 1, 2013 to March 31, 2015 on the following terms and conditions with liberty to the Board of Directors (hereinafter referred to as "The Board" 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 of remuneration, 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 thereof:

1. Particulars of Remuneration:

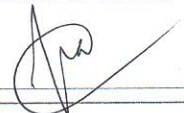
- i. Salary (including dearness and all other allowances) shall be ₹5, 00,000/- per month
- ii. Special salary shall be one third of the salary above.
- iii. Perquisites and Allowances whose aggregate value shall not exceed 65% of the Salary above.
- iv. In addition to the above minimum remuneration, commission not exceeding 1.5% of the net profits of the company, computed according to the provisions of the Companies Act, 1956.
- v. In addition to the above, company car with driver and fuel and also communication facilities will be provided to Mr Nrupender Rao. These will not be treated as perquisites.

Perquisites and Allowances include accommodation (furnished or otherwise) or house rent allowance in lieu thereof; House Maintenance allowance, together with the reimbursement of expenses or allowances for utilities such as gas, electricity, water, furnishings, repairs, servants' salaries, society charges and property tax; medical reimbursement, medical/accident insurance, leave travel concession for self and family; club fees; contribution to any statutory fund including provident fund, superannuation fund, gratuity fund etc. and such other perquisites and allowances in accordance with the Rules of the company or as may be agreed to by the Board of Directors and Mr. Nrupender Rao.

RESOLVED FURTHER THAT where in any financial year, the Company has no profits or inadequate profits, the remuneration as decided by the Board from time to time, shall be paid to Mr. Nrupender Rao as minimum remuneration with the approval of the Central Government, if required.

RESOLVED FURTHER THAT so long as Mr. Nrupender Rao functions as the Chairman of the Company, he will not be paid any fees for attending the meetings of the Board of Directors or any Committee thereof.

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RESOLVED FURTHER THAT for the purpose of giving effect to the foregoing resolution, the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, matters and things, as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in the said regard."

The resolution was put to vote which was carried unanimously.

Shri. C Rangamani declared that the resolution had been approved unanimously.

RESOLUTION NO : 10

As the resolution pertained to the appointment of Shri. Aditya Rao as the Vice Chairman, who was related to the Chairman, at the request of the Chairman, Shri. C Rangamani, Director chaired the meeting.

The following ordinary Resolution was proposed by Shri Suresh Chand Jain (folio no. 10037585) and Seconded by Shri Ramesh Shanker Golla (folio no. 1203150000101508)

"RESOLVED THAT in accordance with the provisions of Sections 198, 269, 309, 311 and Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, the Company hereby approves the change in terms of appointment and remuneration of Mr. Aditya Rao, as Vice Chairman for a period of two years with effect from April 1, 2013 to March 31, 2015 on the following terms and conditions with liberty to the Board of Directors (hereinafter referred to as "the Board" 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 of remuneration, 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 thereof:

Particulars of Remuneration:

- i. Salary (including dearness and all other allowances) of ₹4,00,000 per month.*
- ii. Special salary per year amounting to one third of the salary above.*
- iii. Perquisites and Allowances whose aggregate value shall not exceed 65% of the Salary above.*
- iv. In addition to the above minimum remuneration, commission not exceeding 1% of the net profits of the company, computed according to the provisions of the Companies Act, 1956.*
- v. In addition to the above, company car with driver and fuel and also communication facilities will be provided to Mr. Aditya Rao. These will not be treated as perquisites.*

Perquisites and Allowances include accommodation (furnished or otherwise) or house rent allowance in lieu thereof, House Maintenance allowance, together with the reimbursement of expenses or allowances for utilities such as gas, electricity, water, furnishings, repairs, servants' salaries, society charges and property tax; medical reimbursement, medical/ accident insurance, leave travel concession for self and family; club fees; contribution to any statutory fund including provident fund, superannuation fund, gratuity fund etc. and such other perquisites and allowances in accordance with the Rules of the company or as may be agreed to by the Board of Directors and Mr. Aditya Rao.

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RESOLVED FURTHER THAT where in any financial year, the Company has no profits or inadequate profits, the remuneration as decided by the Board from time to time, shall be paid to Mr. Aditya Rao as minimum remuneration with the approval of the Central Government, if required.

RESOLVED FURTHER THAT so long as Mr. Aditya Rao functions as the Vice-Chairman of the Company, he will not be paid any fees for attending the meetings of the Board of Directors or any Committee thereof.

RESOLVED FURTHER THAT for the purpose of giving effect to the foregoing resolution, the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, matters and things, as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in the said regard."

The resolution was put to vote which was carried unanimously.

Shri. C Rangamani declared that the resolution had been approved unanimously.

RESOLUTION NO : 11

The Chairman chaired the meeting in respect of the resolution for appointment of Shri Ch Anantha Reddy as Director of the company and for approval of the terms of Remuneration.

The following ordinary resolution was proposed by Shri Shaik Ahmed (folio no. 70023314) and Seconded by Shri. Wali Rahman Sufi Mohammed (folio no. 1204340000047288)

"RESOLVED THAT in accordance with the provisions of Sections 198, 269, 309, 311 and Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, the Company hereby approves the change in terms of appointment and remuneration Mr. Ch. Anantha Reddy as Director for a period of one year with effect from April 1, 2013 to March 31, 2014 on the following terms and conditions with liberty to the Board of Directors (hereinafter referred to as "the Board" 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 of remuneration, 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 thereof:

Particulars of Remuneration:

i. Salary (including dearness and all other allowances) plus value of Perquisites and benefits as detailed below) ₹3,00,000/- per month.

ii. In addition to the above, Company Car with driver and fuel and Communication facilities will be provided to Mr Ch. Anantha Reddy. These will not be treated as perquisites.

Perquisites and Allowances include, as may be applicable and opted by Mr. Ch. Anantha Reddy, accommodation(furnished or otherwise) or house rent allowance in lieu thereof; House Maintenance allowance, together with the reimbursement of expenses or allowances for utilities such as gas, electricity, water, furnishings, repairs, servants' salaries, society charges and property tax; medical reimbursement, medical/accident insurance, leave travel concession for self and family; club fees; contribution to any statutory fund including provident fund, superannuation

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fund, gratuity fund etc. and such other perquisites and allowances in accordance with the Rules of the company or as may be agreed to by the Board of Directors and Mr. Ch. Anantha Reddy.

RESOLVED FURTHER THAT where in any financial year, the Company has no profits or inadequate profits, the remuneration as decided by the Board from time to time, shall be paid to Mr. Ch Anantha Reddy as minimum remuneration with the approval of the Central Government, if required.

RESOLVED FURTHER THAT so long as Mr. Ch Anantha Reddy functions as the Director of the Company, he will not be paid any fees for attending the meetings of the Board of Directors or any Committee thereof.

RESOLVED FURTHER THAT for the purpose of giving effect to the foregoing resolution, the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, matters and things, as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in the said regard."

The resolution was put to vote which was carried unanimously.

The Chairman declared that the resolution had been approved unanimously.

The meeting ended with a vote of thanks to the Chair by Shri Ramesh Shanker Golla.

Place: Hyderabad
Date: 08.08.2013


Chairman

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