

PRECISION WIRES INDIA LIMITED

Regd. Office : Saiman House, J.A.Raul Street, Off Savani Road, Prabhadevi, Mumbai 400 025

Corporate Identity Number: L31300MH1989PLC054356

MINUTES OF THE TWENTYSECOND ANNUAL GENERAL MEETING OF THE MEMBERS OF PRECISION WIRES INDIA LTD., HELD ON WEDNESDAY THE 3RD AUGUST, 2011 AT 02.30 P.M. AT THE HALL OF THE MYSORE ASSOCIATION, 1ST FLOOR, 393, BHAU DAJI ROAD, MAHESHWARI UDYAN (KING CIRCLE), MATUNGA (C.R.) MUMBAI-400 019.

The following Directors/Members were present:

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| Shri Mahendra R. Mehta | - Chairman and Member |
| Shri P.N. Vencatesan | - Non- Executive Director and Chairman of the Audit & Remuneration-cum-Selection Committee. |
| P.R. Merchant | - Independent & Non-Executive Director and Member of Audit & Remuneration-cum-Selection Committee and Member |
| Shri Milan M. Mehta | - Vice Chairman and Member |
| Shri Deepak M.Mehta | - Whole Time Director and Member |

Also, 48 (Forty Eight) other Members and 1 (One) Representative Member were present in person.

Present by Invitation:

Shri S.R. Divatia } Shri Shalin S. Divatia }	S.R. Divatia & Co., Chartered Accountants, Statutory Auditors of the Company
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In Attendance:

Shri C Mohandas Pai Ms. Rajni M. Lalwani	Chief Financial Officer Company Secretary & Compliance Officer
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Shri Mahendra R. Mehta, the Chairman of the Board of Directors, occupied the Chair.

The Chairman welcomed the Members to the Company's Twenty Second Annual General Meeting and as there was requisite quorum for the Meeting, he declared the Meeting as validly constituted and commenced proceedings.

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The Chairman informed the Members that the Company has received 18 Proxies representing 6897943 equity shares, representing about 59.65 % of the Fully Paid-up Equity Share Capital of the Company and that the proxy register is available here with the Company Secretary for inspection by the Members.

The Printed 22nd Annual Report for the year 2010-11 containing the Notice to the Members, Directors' Report, Auditors' Report, Accounts and Schedules etc thereto were posted to the Members in time and the Members present confirmed the receipt of the same.

The Chairman stated that some reporting errors have occurred in the Annual Report for the Financial Year 2010-11 and therefore an errata has been circulated to all Members present at this Meeting and if anyone has not received the errata, the same shall be made available to him immediately. Members confirmed that they have received the sheet containing items of errata.

The Chairman in his address to the Members drew the attention to the Comparative Financial Highlights etc, Directors' Report and Corporate Governance Report and other matters.

The Chairman, in his address to the Members, touched upon various aspects of operations of the Company during the year and future plans and outlook, as under:

He said that during the fiscal, the overall economic climate was satisfactory and your Company has performed very well. PBT has increased to 4701 (3341) and PAT is 3100 (2262) for the year. Reserves and Surplus (without revaluation) has increased to 16983 (14690), all figures are in Rs. /Lacs.

During the year under review, the total Production of Finished Goods was about 25832 [23500] MT, an increase of approx. 10 %. Sales Income Gross was Rs 97618 [Rs. 69706] lacs and Income net of Taxes Rs. 87364 [Rs. 63019] lacs respectively. Sales Income is higher during the year due to increase in production on own account, lower job work business and higher cost of Copper. Increase in the Gross Block stands at Rs. 3430 (696) lacs due to addition in Plant and Machinery and Civil Works during the year.

Prices of Copper, Company's principal input, remained volatile. However, your Company preferred to, generally, have back-to-back procurement of input and sales of finished goods so as to avoid pricing mismatch related issues.



The Company has successfully executed and completed an Order for substantial quantity of Paper Insulated Copper Conductors received from Bharat Heavy Electricals Ltd, the largest Electrical Equipment Manufacturer in Asia.

During the year under review, Net Sale Income was higher at 87363 [63019] due to increase in production, higher rate of input and lower quantity of Job work undertaken. Outflow for Power & Fuel was lower at 1458 [1590]. Salaries and wages were higher at 1095 [1030]. Cost of packing material consumed was higher at 648 [508] due to higher sales, increase in the cost of packing materials and exports. Stores and Spares are higher at 489 [370]. Repairs and maintenance of machinery is higher at 382 [298]. Freight and Transportation has increased to 804 [602] due to increase in the cost of freight, higher sales and exports. Other Expenses 766 [548] includes increase in Security Charges, Bank charges, contract labour etc., Foreign Exchange Loss is 100 [Gain 75] on account of exchange rate variations on imported Input / plant and machinery. Travelling Expenses 62 [41]. Increase is due to more domestic and overseas travels by executives for marketing.

Reserves and Surplus is 16983 [14690] as at 31st March 2011,

Due to the melt-down of economy, in the world and also in our country, during fiscal 2008-09, your Company had deferred plans for expansion. However, equipments ordered during fiscal 2009-10 have been received during the second half of fiscal under review and put to use during QIV FY10-11. Your Company has purchased, for future expansion, about 14 Acres of Industrial Land in Andhra Pradesh at a cost of about Rs. 368 lacs. The Company has deferred decision to invest in wind-power-energy generation.

The Company is the market leader in the field of winding wires made of copper in India and continues to explore export markets. Since India is power-deficit-country, long term prospects of the Electrical Equipment Manufacturing Industry are bright, subject to adequate allocation of funds and reforms in the Power-Sector- Policy. The Company's products are used in the manufacture of electrical equipments.

On the whole, the Company has performed extremely well despite challenging conditions. Barring unforeseen circumstances such as inflation, high rates of interest and other developments, the Company may continue to grow in coming years.



The Chairman concluded his speech by thanking the Members present and proceeded to deal with the various items of the Agenda of the meeting. With the consent of the members present, notice dated 16.05.2011 convening this meeting was taken as read. Thereafter, at the request of the Chairman, the Company Secretary read the Auditor's Report for the year ended 31.03.2011. Again, with the consent of the Members present, the Directors Report and Audited Accounts were taken as read including the printing / reporting errors pointed out to the Members at the outset of the Meeting.

AGENDA ITEM NO.1 : ADOPTION OF ACCOUNTS & REPORTS :

Before inviting Members to propose and second the relevant resolutions relating to the Item 1 "Adoption of Accounts and Reports", the Chairman explained to the Members in detail that an error has occurred due to the expenditure of Rs. 13,23,600/- (which has been debited under the relevant expense head) incurred on the perquisites for the above amount given to Shri Milan M Mehta, Managing Director, in accordance with the terms of his appointment, but inadvertently not considered in the compilation of perquisites reported in the Directors' Report and the Notes to the Accounts.

The Chairman read out each item-wise these reporting errors by referring to Page No. 10 (one error), Page No. 12 (Two Errors), Page No. 38 (Three Errors), and Page No. 40 (Two Errors). The Chairman further stated that before taking up the relevant item no. 1 of the Agenda i.e. adoption of Accounts and Report, members may treat the above reporting errors as suitably amended / rectified in the relevant portion of the Annual Report for the year 2010-11 and treat the errata as part of the Annual Report for the year 2010-11 at the time of consideration of Item No. 1 of the Agenda for the approval of Balance Sheet as at 31st March, 2011, and the Profit and Loss Account for the year ended on that date including Significant Accounting Policies and Notes on Accounts together with the Directors' Report, Auditors' Report and Annexure thereto.

Balance Sheet Abstract and Company's General Business Profile and Cash Flow statement for the year ended on that date and all the schedules annexed to the said balance sheet and the profit and loss account. The detailed errata is reproduced below for record:

Page #	Particulars	Printed Amount [Rs.]	To Read as [Rs.]
10	Remuneration [Gross] to Shri Milan Mehta	11201301	12524901
12	Perquisites to Shri Milan Mehta	842353	2165953



12	Total Remuneration to Shri Milan Mehta	11432083	12755683
38	Perquisites [under Para 2M(b)]	931035	2254635
38	Sub-Total of Para 2 M(b)	13205535	14529135
38	Total of Para 2 M(b)	28154418	29478018
40	Para 8 (b) Remuneration	28154379	29478018
40	Para 8 (b) Fixed Deposits Taken: This Item should read as "Fixed Deposits Returned"	25000000	25000000

Page = Page Number of the Annual Report for Financial Year 2010-2011.

The Chairman explained that as the perquisites amount Rs. 13,23,600/- was correctly debited to Profit and Loss account under the relevant expense head, there is no impact on the Profit and Loss account or the Balance Sheet.

The members granted the consent.

Thereafter, the Chairman invited somebody to propose the relevant Resolution relating to Item 1 of the Agenda and second the following resolution.

Shri Rohinton Frameroze Batiwala (Client ID No10067222), Shareholder, proposed the following Resolution:

"RESOLVED THAT the Balance Sheet as at 31st March, 2011, and the Profit and Loss Account for the year ended on that date including Significant Accounting Policies and Notes on Accounts together with the Directors' Report, Auditors' Report and Annexure thereto, Balance Sheet Abstract and Company's General Business Profile and Cash Flow statement for the year ended on that date and all the schedules annexed to the said balance sheet and the profit and loss account which have been circulated to the Members earlier and errata statement circulated to day to the members present and are now laid before the Meeting, be and are hereby received, approved and adopted".

Shri Tushar D. Sodha (Client ID No.10000014), Shareholder, Seconded the above Resolution.

The Chairman invited comments and questions from the Members on the Accounts as at 31st March, 2011. The Following Members asked various questions and offered comments.

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| [1] Shri Rohinton Framroze Batiwala | (Client ID No10067222) |
| [2] Shri Tushar D. Sodha | (Client ID No.10000014) |
| [3] Shri Prashant Rajkumar Goswami | (Client ID No. 10120039) |



- [4] Shri Has Mukh Thackersey Vora (Client ID No.10760004)
 [5] Shri Dharmesh D. Bangali (Client ID No.10091606)
 [6] Shri Venkatachari (Client ID No.11789633)

In reply to the various questions and observations, the Chairman clarified the following:

- The nature of Company's business is such that depending on copper prices and jobwork and own sales ratio, the company's turnover may fluctuate despite higher production. However, Company's income is primarily based on fabrication / transformation charges. In the circumstances, the ratio of profit to turnover may fluctuate.
- The Company prefers to raise only secured loans generally from the Banking sector.
- The Company had accepted fixed deposits in previous years from Relatives of Directors and other parties covered in the register maintained under section 301 of the Act which was repaid during the current year. A total of 4 parties were involved in the aforesaid transactions for amounts aggregating to Rs. 2,50,00,000/-.
- The payment of the Principal and Interest on the loans/fixed deposits is regular and there are no overdue amounts payable in respect thereof.
- The dues outstanding of income tax, sales tax, wealth-tax, service tax, customs duty, excise duty and cess on account of any dispute are as follows:

Nature of Statute	Nature of Dues	Financial Year	Amount (Rs.)	Forum where dispute is pending
Central Excise Act	Excise Duty	1983-84	4,55,000/-	CEGAT, Delhi
Service Tax Act	Cenvat of Service Tax	2010-11	4,07,073/-	CEGAT, Ahmedabad

- The Company does not have accumulated losses as at 31st March 2011. The Company has not incurred any cash loss during the financial year covered by the audit or in the immediately preceding financial year.
- The Company had accorded its approval at the Annual General Meeting held on 23rd July, 2010 to Shri Nirbhay Deepak Mehta, a relative of the Executive Directors, to hold office of profit and place of profit in the company for three years. This appointment was subject to the approval of Central Government. It was further informed that the



approval of the Central Government to such appointment was received vide letter dated 28th February, 2011, from the Ministry of Corporate Affairs to the Company in this regard.

- Outstanding Fixed Loan from Bank is higher due to availment of Buyer's Credit on imported raw materials / plant and machinery: 2594 [1778]. Working Capital Borrowing from Banks is 4909 [3620], making aggregate borrowings from Banks 7508 [5409].
- The Company has discharged all financial obligations in time on due dates without any delay or default.
- Capital Work in progress is 508 [456]
- Inventory has increased to 4877 [2872] due to increase in production and higher rate of input. Debtors have increased to 19188 [13742] due to higher sale on own account, decrease in job work activity and higher rate of input. Current Assets comprising Cash & Bank Balances, Loans & Advances and other current assets are 8567 [5235]. Total Current assets increased to 32631 [21849] and Current Liabilities to Rs. 19927 [11414].

Since there were no other questions or comments on the Annual Report including Audited Accounts, Chairman of the Company put the above Resolution to vote. All members present unanimously voted in favour of the Resolution and the Resolution was declared by the Chairman as passed unanimously on show of hands.

AGENDA ITEM NO. 2: DECLARATION OF DIVIDEND :

Chairman then invited somebody to propose the Resolution for item No. 2 of the Agenda of the Meeting.

Shri Nimesh S. Shah (Client ID No.10937246), Shareholder, proposed the following Resolution:

RESOLVED THAT the Interim Dividend of Rs.2.40 and Final Dividend of Rs.3.60 being Total Dividend of Rs.6.00 (60%) per Equity Share, on 1,15,63,623 Equity Shares of Rs.10/- each, fully paid, as recommended by the Board of Directors be and is hereby Declared out of the current Profits of the Company for the Financial Year ended 31st March 2011.

RESOLVED FURTHER THAT the payment of such Interim Dividend by the Company during the Financial Year 2010-11 is hereby approved and that the Final Dividend be paid by warrants OR



through Electronic Clearing System of the Reserve Bank of India if so mandated, to those Equity Shareholders whose names appear on the Register of Members as on 3rd August, 2011, or to their Mandatees, within 30 days from the said date, subject to the provisions of Section 206(A) of the Companies Act, 1956

Shri Rohinton Framroze Batiwala (Client ID No.10067222), Shareholder Seconded the above Resolution.

The Chairman invited comments and questions, if any from the Members. There were no questions and comments.

The Chairman then put the above Resolution to vote. All the members were in favour and the Resolution was declared by the Chairman as passed unanimously by show of hands.

AGENDA ITEM NO. 3.— Re- APPOINTMENT OF SHRI. P.N. VENCATESAN AS A DIRECTOR OF THE COMPANY.

The Chairman lauded the contribution of Shri. P.N. Vencatesan in the growth of the Company. He stated that Shri Vencatesan is a Chartered Accountant and has vast experience. He is a Director of the Company since inception and his advice has contributed immensely to the growth of the Company. The Chairman recommended re-appointment of Shri. P.N. Vencatesan.

Chairman then invited somebody to propose the Resolution for item No. 3 of the Agenda of the Meeting.

Shri Prasad Manjrekar, shareholder (Folio No.01831889) proposed the following Resolution:

RESOLVED THAT Shri P. N. Vencatesan who retires by rotation, be and is hereby re-appointed as a Director of the Company.

Shri Nimesh Shantilal Shah, shareholder (Client ID.10937246) seconded the above Resolution.

The Chairman invited comments and questions, if any from the Members. There were no questions and comments.

The Chairman then put the above Resolution to vote. All the members were in favour and the Resolution was declared by the Chairman as passed unanimously by show of hands.



AGENDA ITEM NO. 4. RE-APPOINTMENT OF SHRI P. R. MERCHANT AS A DIRECTOR OF THE COMPANY.

The Chairman stated that Shri P R Merchant is a retired Banker with vast experience and his advise as a Board Member for the last almost ten years has been very useful in the progress of the company. He recommended that Shri P R Merchant be re-appointed to the Board.

Chairman invited somebody to propose the Resolution set out at item No. 4 of the Agenda of the Meeting.

Shri Milan Mahendra Mehta (Client ID 14581556), Shareholder proposed the following Resolution:

RESOLVED THAT Shri P. R. Merchant, who retires by rotation, be and is hereby re-appointed as a Director of the Company.

Shri Prasad Manjrekar, (Client ID 01831889) a Shareholder, seconded the above Resolution.

The Chairman invited comments and questions, if any from the Members. There were no questions and comments.

The Chairman then put the above Resolution to vote. All the members were in favour and the same was declared by the Chairman as passed unanimously by show of hands.

AGENDA ITEM NO. 5.--- APPOINTMENT OF AUDITORS AND FIXATION OF THEIR REMUNERATION.

The Chairman lauded the services rendered by Statutory Auditors S R Divatia & Co., Chartered Accountants and invited somebody to propose and second the Resolution for item No. 5 of the Agenda of the Meeting.

Shri. Hasmukhlal Thackersey Vora, Shareholder (Client ID No.10760004) Proposed the following Resolution.

RESOLVED THAT M/s S R Divatia & Company, Chartered Accountants, be and are hereby 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 such remuneration and Service Tax thereon, as may be fixed by the Board of Directors of the



company in addition to reimbursement of travel and other out of pocket expenses incurred by them.

Shri Kersi Burjor Doctor (Client ID No.12615812), Shareholder, seconded the above Resolution.

The Chairman invited comments and questions, if any from the Members. There were no questions and comments.

The Chairman then put the above Resolution to vote. All the members were in favour and the Resolution was declared by the Chairman as passed unanimously by show of hands.

Before the next item of Agenda was taken up, the Chairman stated that he, Shri Deepak Mehta, Whole Time Director and Shri Milan Mehta, the Managing Director of the Company were interested in the Agenda item No. 6 of the Notice dated 16.5.2011 calling this AGM, and that for the consideration of this item of the Agenda, he vacated the Chair and requested the members to appoint the Chairman from amongst the Members/ non executive Directors present to chair the meeting for conducting the business in respect of Agenda item no 6. Thereafter members present unanimously elected Shri P N Vencatesan, as Chairman of the meeting. Shri P. N. Vencatesan, Chairman of the Audit Committee and Remuneration-cum-Selection Committee and Non Executive Director of the Company took the Chair and conducted the further Business of this Meeting.

The Chairman, Shri P.N.Vencatesan thanked the Members and then took up the business of the Meeting as set out in the Agenda item no. 6 of the Notice dated 16.5.2011, calling this Meeting.

AGENDA ITEM NO. 6: RE-APPOINTMENT OF SHRI MAHENDRA R. MEHTA AS CHAIRMAN AND MANAGING DIRECTOR.

At the outset, Shri Vencatesan stated that, the Chairman & Managing Director of the Company Shri Mahendra R Mehta, the Vice-Chairman and Managing Director Shri Milan Mehta and the Whole Time Director Shri Deepak Mehta are the promoters of this company and they have contributed substantially to the growth of the company over many years. They all are full time Executive Directors. They are highly experienced. The Company has become the market leader in India due to their hard work and foresight. He therefore whole-heartedly recommends Special Resolution at Item Number 6 of the Notice dated 16.5.2011, calling this Meeting for the re-appointment of Shri Mahendra R. Mehta as Chairman and Managing Director for a further

period of three years from 1st October, 2011 to 30th September, 2014, on the terms stated in the Explanatory Statement under section 173 of the Companies Act, 1956, attached to the Notice.

Thereafter, the Chairman Shri Vencatesan invited someone to propose the resolution set out at Item No. 6 in the notice of this meeting as a Special Resolution.

Shri. Nilesh L Chheda (Client ID No. 22611250), Shareholder, Proposed the following Resolution as a Special Resolution:

RESOLVED THAT pursuant to and in accordance with the provisions of Sections 198, 269, 309, 310, 311 and other applicable provisions of the Companies Act, 1956, read with Schedule XIII to the Companies Act 1956 or any statutory amendment or modifications thereto and subject to such sanctions and approvals as may be necessary in law, the Company hereby approves the re-appointment of Shri Mahendra R. Mehta as Chairman & Managing Director of the Company for a period of Three years with effect from 1st October, 2011 to 30th September, 2014, on remuneration and the terms and conditions as set out in the Letter of Appointment dated 16th May, 2011, a copy whereof initialed by the Vice-Chairman for the purpose of identification has been placed before the Meeting, which Letter of Appointment dated 16th May, 2011 is hereby specifically approved and sanctioned with the liberty to the Board of Directors (which term shall be deemed to include the Remuneration-Cum-Selection Committee constituted by the Board) to alter, vary and modify the terms and conditions of the said appointment and/or remuneration including commission, perquisites and other allowances and/or the letter of appointment in such manner as may be agreed to between the Board of Directors and Shri Mahendra R. Mehta within and in accordance with and subject to the limits and conditions prescribed in Schedule XIII to the Companies Act, 1956, or any statutory amendments and modifications thereto, and if necessary as may be stipulated by the Central Government and as may be agreed to accordingly between Board of Directors and Shri Mahendra R. Mehta.

RESOLVED FURTHER THAT subject to the provisions of Sections 198, 309 and other applicable provisions, if any, of the Companies Act, 1956, the remuneration payable to Shri Mahendra R. Mehta as Chairman & Managing Director by way of salary, perquisites, commission and other allowances shall not exceed five percent of the net profits of the company computed under Section 198 of the Companies Act, 1956 and if the company has more than



one managerial personnel, ten percent of such net profits for all such managerial personnel of the Company together in that financial year.

RESOLVED FURTHER THAT notwithstanding anything stated hereinabove if in any financial year of the company during the currency of tenure of Shri Mahendra R.Mehta as Chairman & Managing Director of the company, the Company has no profits or its profits are inadequate, the remuneration, perquisites and other allowances shall be governed by and paid in accordance with the limits and conditions prescribed in Section II of Part II of the Schedule XIII to the Companies Act, 1956, as amended from time to time.

RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, matters and things and may take such steps considered necessary, expedient or desirable in the best interest of the Company.

The Chairman, Shri P.N.Vencatesan invited someone to second the above resolution.

Shri Ramesh Sunderlal Dalal (Client ID No.00002134), Shareholder, Seconded the above Resolution.

The Chairman, Shri P.N.Vencatesan invited comments and questions, if any from the Members. There were no questions and comments.

The Chairman, Shri P.N.Vencatesan then put the above Resolution to vote. All the members were in favour and the Resolution was declared by the Chairman as passed as Special Resolution by majority on show of hands.

The Chairman, Shri P.N.Vencatesan thereafter, requested Shri Mahendra R. Mehta to take over as the Chairman of the Meeting for conducting the Business of the remaining Items of the Agenda and vacated the Chair.

Shri Mahendra R. Mehta thereafter took over the Chair.



VOTE OF THANKS:

The Chairman Shri Mahendra R. Mehta thanked the Members for attending the Meeting and showing keen interest in the working of the Company and also thanked for the continued assistance and co-operation from Bank of Baroda, the Administration of Union Territory of Dadra and Nagar Haveli, Palej Gram Panchayat, Shareholders and all the staff and employees of the Company.

He further stated that all the items on the Agenda of this Meeting have been dealt with and there is no other business to be transacted and therefore, declared the Meeting concluded.

Mumbai:

Dated : 29th Aug 2011

Mahendra Mehta
Chairman

