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MINUTES OF THE 27th ANNUAL GENERAL MEETING OF LLOYD ELECTRIC & ENGINEERING LIMITED HELD ON MONDAY, 21ST JULY, 2014 AT 9.30 A.M AT THE REGISTERED OFFICE OF THE COMPANY SITUATED AT A-146, (B&C), RIICO INDUSTRIAL AREA, BHIWADI DISTRICT ALWAR, RAJASTHAN- 301019.

PRESENT:

1.	**Mr. Brij Raj Punj**	:	**Chairman and Managing Director**
2.	**Mr. Bharat Raj Punj**	:	**Executive Director**
3.	**Mr. Achin Kumar Roy**	:	**Whole Time Director**
4.	**Mr. Mukat Behari Sharma**	:	**Whole Time Director**
5.	**Mr. S. K. Sharma**	:	**Non- Executive Independent Director and Chairman of Audit Committee**
6.	**Mr. Ramesh Kumar Vasudeva**	:	**Non- Executive Independent Director**
7.	**Ms. Anita K. Sharma**	:	**Company Secretary**

36 Members were Present in person
72 Members participated by exercising their votes through electronic means

Mr. Brij Raj Punj, Chairman & Managing Director of the Company, presided over the Meeting. He declared that quorum was present and called the meeting to order.

The Chairman welcomed all the members present at the meeting and introduced the members of the esteem team of Board of Directors to the shareholders.

Notice taken as a read

With the Consent of the Members present, the Chairman took the Notice convening the meeting as read.

Auditors' Report

The Company Secretary read out the Auditors' Report for the financial year ended 31st March, 2014 to the members. It was agreed that the annexure to the auditors' Report would be taken as read.

The Chairman proceeded to brief the shareholders with an update on the Company's performance and future outlook

The Chairman welcomed the members to the 27th Annual General Meeting of the Company.

He apprised the members that amidst the slowdown in the global economy during the financial year 2013, Company was able to effectively navigate the domestic turmoil through its sound business strategies and robust business model and deliver a sound performance in a difficult business environment. The Consolidated Revenue of the Group grew by 23% over the previous year to **Rs. 1776 crores**, while profits (PBT) expanded by 35% to touch at record high of **Rs. 97 crores**.

The chairman further updated the shareholders on the performance of various segments in which the Company operates and welcomed the shareholders for their participation, comments and suggestions.

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For LLOYD ELECTRIC & ENGINEERING LIMITED

He further expressed that going forward Lloyd is well placed to capitalize on the opportunities arising out of the improved market conditions. Company is investing in augmenting the manufacturing, research and marketing base in order to pursue strong and sustained growth.

Before concluding, the Chairman acknowledged and thanked each and every colleague for their commitment and contribution towards the growth of the company, to the customers, business associates, vendors, supporters and the shareholders for their continued trust in building Lloyd for this exciting future.

Thereafter, the business of the Meeting as per Notice was taken up item wise.

The Chairman informed the members present that in compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of Companies (Management and Administration) Rules, 2014, the Company had provided members the facility to exercise their right to vote on all the business items stated in the Notice of the 27th Annual General Meeting by electronic means.

The e-voting commenced at 9.00 am on 15th July, 2014 and ended at 6.00 pm on 17th July, 2014. Some members have availed the services and voted electronically.

Mr. Sanjay Chugh, Practicing Company Secretary had been appointed as the scrutinizer by the board for scrutinizing the e-voting process. Mr. Chugh has submitted his report and the e-voting register to the Company on 19th July, 2014.

The Chairman thereafter, ordered the Poll on all the resolutions as set out in item No. 1 to 8 of the Notice of the 27th Annual General Meeting and requested all the members present and entitled to vote to participate in the Poll to be taken immediately after the closure of the meeting at the same venue and shall remain open till the members participating in the Poll had casted their votes.

Mr. Sanjay Chugh, Practicing Company Secretary (Membership No. 3754) was appointed as Scrutinizer to scrutinize the poll process. Chairman invited Mr. Chugh, after closure of the meeting, to take over the Poll proceeding.

The members were informed that the consolidated results of the e-voting and physical voting would be declared by the Company within 2 working days and the same would be communicated to the Stock Exchanges, uploaded on the website of the Company www.lloydengg.com and also available at the Registered Office of the Company.

Thanking the members for their participation, suggestions and comments, the Chairman announced formal closure of the 27th Annual General Meeting of the Company.

Conduct of Poll

Mr. Sanjay Chugh, Scrutinizer appointed for the Poll conducted the Poll which included distribution of polling papers, showing empty polling boxes to the members, locking and sealing of empty polling boxes in the presence of the members. The members present exercised their vote through Ballot Paper. After ensuring that all members participating in the Poll had casted their votes, the scrutinizer closed the Poll at around 11:15 a.m. and thereafter took the custody of the Polling box.

The Scrutinizer submitted his report and the ballot papers to the Company on 21st July, 2014.

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Result of the Electronic Voting and Poll on the Ordinary and Special Businesses at the Annual General Meeting of the Company held on Monday, July 21, 2014

On the basis of the Scrutinizer's Report for the Electronic Voting dated July 19, 2014 and the conduct of Poll at the Annual General Meeting dated July 21, 2014, the Chairman announced the results of voting on July 23, 2014 that all the resolutions as set out in Item no. 1 to 8 in the Notice of the 27th Annual General Meeting of the Company were duly passed by the requisite majority.

ORDINARY BUSINESS:

1. **APPROVAL & ADOPTION OF ACCOUNTS**

The Audited Balance sheet and Profit & Loss Account of the Company for the year ended March 31, 2014 together with Directors' Report and the Auditors' Report thereon were placed before the meeting. With the Consent of the Members Present, the Audited Balance Sheet and Profit & Loss together with the Directors' report were taken as read.

Total 2,19,19,598 no. of votes (99.997% of the total votes cast) were cast in favour of the said resolution (through e-voting and ballot paper) and 550 no. of votes (0.003%) were cast against the resolution.

Resolution No.1: Ordinary Resolution

"RESOLVED THAT the Audited Balance sheet as at 31st March, 2014 and Profit & Loss Account for the year ended 31st March, 2014 together with Auditors' Report and Directors' Report be and are hereby approved, adopted and confirmed."

The votes cast in favour of the resolution exceed the votes cast against the said resolution by the members so entitled and voting. Therefore, the said resolution was carried out with requisite majority.

2. **DECLARATION OF DIVIDEND**

Resolution No. 2: Ordinary Resolution

Total 2,18,88,811 no. of votes (99.99% of the total votes cast) were cast in favour of the said resolution (through e-voting and ballot paper) and 1337 no. of votes (0.01%) were cast against the resolution.

"RESOLVED THAT a Dividend of Re. 1 per Equity share of Rs. 10/-each (i.e. @10% of the paid-up capital of the Company) for the year ended 31st March, 2014 be declared and paid to those equity shareholders of the Company whose name appeared on Company's Register of the Members on July 13, 2014.

The votes cast in favour of the resolution exceed the votes cast against the said resolution by the members so entitled and voting. Therefore, the said resolution was carried out with requisite majority.

3. **RE-APPOINTMENT OF MR. MUKAT BEHARI SHARMA, DIRECTOR RETIRING BY ROTATION**

Resolution No. 3: Ordinary Resolution

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Total 2,19,08,856 no. of votes (99.997% of the total votes cast) were cast in favour of the said resolution (through e-voting and ballot paper) and 850 no. of votes (0.003%) were cast against the resolution.

"**RESOLVED THAT** pursuant to Section 152 of the Companies Act, 2013, Mr. Mukat Behari Sharma, who retires by rotation and being eligible for re-appointment, offers himself for re-appointment, be and is hereby re-appointed as Director of the Company and that his period of office be liable to determination by retirement of Directors by rotation."

The votes cast in favour of the resolution exceed the votes cast against the said resolution by the members so entitled and voting. Therefore, the said resolution was carried out with requisite majority.

4. RE-APPOINTMENT OF STATUTORY AUDITORS

Resolution No. 4: Ordinary Resolution

Total 2,18,35,296 no. of votes (99.61% of the total votes cast) were cast in favour of the said resolution (through e-voting and ballot paper) and 84,652 no. of votes (0.39%) were cast against the resolution.

"**RESOLVED THAT** pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, as amended or re-enacted from time to time (the 'Act'), and pursuant to the recommendation of the Audit Committee of Board of Directors, **M/s Suresh C. Mathur & Co.**, Chartered Accountants, (ICAI Registration No. 000891N), the retiring Auditors of the Company, be and are hereby re-appointed as Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the Thirtieth AGM (subject to ratification of their appointment by the members at every Annual General Meeting held after this AGM) and that the Board of Directors/Committee thereof be and are hereby authorized to fix such remuneration as may be determined by the Audit Committee in consultation with the Auditors, including out-of-pocket and traveling expenses."

The votes cast in favour of the resolution exceed the votes cast against the said resolution by the members so entitled and voting. Therefore, the said resolution was carried out with requisite majority.

SPECIAL BUSINESS

5. APPOINTMENT OF MR. GOPAL KACKER AS NON-EXECUTIVE INDEPENDENT DIRECTOR

Resolution No. 5: Ordinary Resolution

Total 2,18,74,746 no. of votes (99.79% of the total votes cast) were cast in favour of the said resolution (through e-voting and ballot paper) and 45,202 no. of votes (0.21%) were cast against the resolution.

"**RESOLVED THAT** pursuant to Section 149, 152 and other applicable provisions of the Companies Act, 2013 (Act) and the Rules made thereunder, read with Schedule IV

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to the Act, as amended from time to time, Mr. Gopal Kacker (DIN: 01047554), who was appointed as an Additional Director of the Company by the Board of Directors with effect from May 29, 2014 and who holds the office until the date of the AGM in terms of Section 161 of the Companies Act, 2013, and in respect of whom the Company has received a notice in writing from member under Section 160 of the Companies Act, 2013 signifying his intention to propose Mr. Gopal Kacker as a candidate for the office of a Director of the Company, be and is hereby appointed as a Non Executive Independent Director of the Company up to May 28, 2019, not liable to retire by rotation."

The votes cast in favour of the resolution exceed the votes cast against the said resolution by the members so entitled and voting. Therefore, the said resolution was carried out with requisite majority.

6. **RE-APPOINTMENT OF MR. BRIJ RAJ PUNJ AS MANAGING DIRECTOR OF THE COMPANY**

Total 2,19,18,748 no. of votes (99.995% of the total votes cast) were cast in favour of the said resolution (through e-voting and ballot paper) and 1,000 no. of votes (0.005%) were cast against the resolution.

Resolution No. 6: Special Resolution

"**RESOLVED THAT** pursuant to the provisions of sections 196, 197 and 203 read with schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and other Rules made thereunder, as amended or re-enacted from time to time (corresponding to Section 197A, 198, 201, 267, 269, 309, 310, 316, 317, 386, 387 and all other applicable provisions of the Companies Act, 1956 read with Schedule XIII of the Act) and subject to approval of the Central Government, if necessary, and such other approvals, permissions and sanctions, as may be required, and subject to such conditions and modifications, as may be prescribed or imposed by any of the authorities in granting such approvals, permissions and sanctions, approval of the Company be and is hereby accorded to the re-appointment of Shri Brij Raj Punj (DIN: 00080956) as Managing Director of the Company for a period of 5 (five) years w.e.f. October 31, 2013 at a remuneration of Rs. 6,00,000/- per month in the scale of Rs. 6,00,000/- per month to Rs. 10,00,000/- per month (with an annual increment of upto 10% per year subject to the approval of the Board of Directors/ Committee thereof from time to time) and benefits, amenities and perquisites which are presently paid/payable/ enjoyed to/by Shri Brij Raj Punj, Managing Director as stated in the Explanatory Statement annexed to the notice convening this meeting. All other terms and conditions of his appointment shall remain the same.

RESOLVED FURTHER THAT the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall also be deemed to include the Nomination and Remuneration Committee or any other Committee constituted by the Board) be and is hereby authorized to vary, alter, modify, substitute and/ or re-fix the said remuneration and/ or other perquisites, benefits and amenities provided that so revised/ re-fixed remuneration and/or other perquisites etc. does not exceed the limits prescribed from time to time under Schedule V of the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof, (corresponding to Schedule XIII

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or any other provisions of Companies Act, 1956) and provided further that such enhanced remuneration, allowances and perquisites (except for the annual increment within the limits approved by this meeting) are subsequently placed before the shareholders in their General Meeting held after such enhancement/ revision/ fixation by the Board/ Committee."

Terms and Conditions of remuneration

a) **Term of Office:** 5 years w.e.f. 31st October, 2013

b) **Gross Remuneration:** Gross monthly remuneration of Rs. 6,00,000/- per month in the scale of Rs. 6,00,000/- per month to Rs. 10,00,000/- per month (with an annual increment upto 10% per year subject to the approval of the Board of Directors/ Committee thereof from time to time) whether paid as salary, allowance(s), perquisites or a combination thereof.

The perquisites and allowances as aforesaid shall include accommodation (furnished or otherwise) or House rent allowance in lieu thereof; house maintenance allowance together with re-imbursement of expenses; leave travel concession for self and family including dependents; utility allowance, quarterly allowance, club fees, medical insurance and other perquisites and/or allowances as per the policy/rules of the Company in force and/or as may be approved by the Board from time to time. The said perquisites and allowances shall be evaluated, wherever applicable, as per the provisions of Income Tax Act, 1961 or any other rules there under or any statutory modification(s) or re-enactment thereof; in the absence of any such rules, perquisites and allowances shall be evaluated at actual cost to the Company.

In addition to the above, he will also be entitled to the following benefits as per policy/rules of the Company in force or as may be approved by the Board from time to time:

(i) Company's contribution to Provident Fund, Superannuation or Annuity funds;
(ii) Payment of gratuity and other retirement benefits;
(iii) Encashment of leave

Commission

As may be decided from time to time by the Board of Directors/ Committee thereof, subject to the overall ceiling of 1% of the net profits of the Company, computed in the manner laid down under Section 197 of the Companies Act, 2013 (Pursuant to Section 309(5) of the Companies Act, 1956.)

Reimbursement of Expenses

Reimbursement of expenses incurred for travelling, boarding and lodging; provisions of car(s) for use on Company's business and telephone expense at residence shall be reimbursed and not considered as perquisites.

The Board of Directors of the Company (hereinafter referred to as "the Board" which term shall also be deemed to include the Nomination and Remuneration Committee and/or any other Sub-Committee thereof constituted by the Board) are authorized to

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re-fix his salary from time to time within the aforesaid period, keeping into view his performance and the ceilings, if any fixed by the statute.

The above remuneration payable to Shri Brij Raj Punj, Managing Director is subject to the condition that the total remuneration including commission and all the perquisites as mentioned above shall not exceed 5% of the net profits for such director, and if there is more than one such director, 10% for all of them together in accordance with Section 197 of the Companies Act, 2013 including any amendment thereto or any other provisions as may be applicable (corresponding to Section 198 and 309 of the Companies Act, 1956).

Provided further that, in the event of absence or inadequacy of profits, no reduction from salary or perquisites shall be made and entire remuneration by way of salary and perquisites mentioned above shall be paid as minimum remuneration subject to the provisions of Schedule V of the Companies Act, 2013 (corresponding to Schedule XIII to the Companies Act, 1956).

The votes cast in favour of the resolution are more than three times the votes cast against the said resolution by the members so entitled and voting. Therefore, the said resolution was carried out with requisite majority.

7. **RE-APPOINTMENT OF MR. ACHIN KUMAR ROY AS WHOLE TIME DIRECTOR OF THE COMPANY**

Total 2,18,88,160 no. of votes (99.86% of the total votes cast) were cast in favour of the said resolution (through e-voting and ballot paper) and 31,750 no. of votes (0.14%) were cast against the resolution.

Resolution No. 7: Ordinary Resolution

"**RESOLVED THAT** pursuant to the provisions of sections 196, 197 and 203 read with schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and other Rules made thereunder including any amendment(s) or re-enactment(s) from time to time (corresponding to Section 197A, 198, 201, 267, 269, 309, 310, 316, 317, 386, 387 and all other applicable provisions of the Companies Act, 1956 read with Schedule XIII of the Act) and subject to approval of the Central Government, if necessary, and such other approvals, permissions and sanctions, as may be required, and subject to such conditions and modifications, as may be prescribed or imposed by any of the authorities in granting such approvals, permissions and sanctions, approval of the Company be and is hereby accorded to the re-appointment of Mr. Achin Kumar Roy (DIN: 01475456) as Whole Time Director of the Company for a period of 2 years w.e.f. April 28, 2014 at a revised remuneration of Rs. 8,60,000 per month in the scale of Rs. 8,60,000-Rs. 9,60,000 per month (with an annual increment up to 10% per year subject to the approval of the Board of Directors/ Committee thereof from time to time) and benefits, amenities and perquisites which are presently paid/payable/ enjoyed to/by Mr. A.K. Roy, the Whole Time Director of the Company as stated in the Explanatory Statement annexed to the notice convening this meeting. All other terms and conditions of his appointment shall remain the same.

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RESOLVED FURTHER THAT the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall also be deemed to include the Nomination and Remuneration Committee or any other sub committee constituted by the Board) be and is hereby authorized to revise and/ or re-fix the said remuneration and/ or other perquisites, benefits and amenities provided that so revised/ re-fixed remuneration and/or other perquisites etc. does not exceed the limits prescribed from time to time under Schedule V of the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof, (corresponding to Schedule XIII or any other provisions of Companies Act, 1956) and provided further that such enhanced remuneration, allowances and perquisites (except for the annual increment within the limits approved by this meeting) are subsequently placed before the shareholders in their General Meeting held after such enhancement/ revision/ fixation by the Board/ Committee.

The Principal terms and conditions of Mr. A. K. Roy's re-appointment are as under:

a) **Term of Office:** 2 years w.e.f. 28th April'14

b) **Gross Remuneration:** Gross monthly remuneration of Rs. 8,60,000 /- in the Scale of Rs. 8,60,000-Rs. 9,60,000 per month (with an annual increment up to 10% per year subject to the approval of the Board of Directors/ Committee thereof from time to time) whether paid as salary, allowance(s), perquisites or a combination thereof.

The perquisites and allowances as aforesaid shall include accommodation (furnished or otherwise) or House rent allowance in lieu thereof; house maintenance allowance together with re-imbursement of expenses; leave travel concession for self and family including dependents; utility allowance, quarterly allowance, club fees, medical insurance and other perquisites and/or allowances as per the policy/rules of the Company in force and/or as may be approved by the Board of Directors from time to time. The said perquisites and allowances shall be evaluated, wherever applicable, as per the provisions of Income Tax Act, 1961 or any other rules there under or any statutory modification(s) or re-enactment thereof; in the absence of any such rules, perquisites and allowances shall be evaluated at actual cost to the Company.

In addition to the above, he will also be entitled to the following benefits as per policy/rules of the Company in force or as may be approved by the Board of Directors from time to time:

(i) Company's contribution to Provident Fund, Superannuation or Annuity funds;
(ii) Payment of gratuity and other retirement benefits;
(iii) Encashment of leave

Commission

As may be decided from time to time by the Board of Directors/ Committee thereof, subject to the overall ceiling of 1% of the net profits of the Company, computed in the manner laid down under Section 197 of the Companies Act, 2013 (Pursuant to Section 309(5) of the Companies Act, 1956.)

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Reimbursement of Expenses

Reimbursement of expenses incurred for travelling, boarding and lodging; provisions of car(s) for use on Company's business and telephone expense at residence shall be reimbursed and not considered as perquisites.

The Board of Directors of the Company (hereinafter referred to as "the Board" which term shall also be deemed to include the Nomination and Remuneration Committee and/or any other Sub-Committee thereof constituted by the Board) are authorized to re-fix his salary from time to time within the aforesaid period, keeping into view his performance and the ceilings, if any fixed by the statute.

The above remuneration payable to Mr. A. K. Roy, Whole Time Director is subject to the condition that the total remuneration including commission and all the perquisites as mentioned above shall not exceed 5% of the net profits for such director, and if there is more than one such director, 10% for all of them together in accordance with Section 197 of the Companies Act, 2013 including any amendment thereto or any other provisions as may be applicable (corresponding to Section 198 and 309 of the Companies Act, 1956).

Provided further that, in the event of absence or inadequacy of profits, no reduction from salary or perquisites shall be made and entire remuneration by way of salary and perquisites mentioned above shall be paid as minimum remuneration subject to the provisions of Schedule V of the Companies Act, 2013 (corresponding to Schedule XIII to the Companies Act, 1956).

The votes cast in favour of the resolution exceed the votes cast against the said resolution by the members so entitled and voting. Therefore, the said resolution was carried out with requisite majority.

8. **REVISION IN REMUNERATION OF MR. BHARAT RAJ PUNJ, EXECUTIVE DIRECTOR OF THE COMPANY**

Total 2,17,75,952 no. of votes (99.38% of the total votes cast) were cast in favour of the said resolution (through e-voting and ballot paper) and 1,36,574 no. of votes (0.62%) were cast against the resolution.

Resolution No. 8: Ordinary Resolution

"**RESOLVED THAT** pursuant to and in accordance with the provisions of sections 197, 198 and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and other Rules made thereunder including any amendment(s) or re-enactment(s) from time to time (corresponding to Sections 198, 201, 309, 310, 349 and 387 and all other applicable provisions of the Companies Act, 1956 read with Schedule XIII of the Act) and subject to such consents and permissions if any, as may be necessary, the approval of the Company be and is hereby accorded to the revision in remuneration, benefits and amenities paid/ payable/ enjoyed to/ by Mr. Bharat Raj Punj (DIN: 01432035), Executive Director of the Company from Rs. 3,50,000/- per month to Rs. 4,50,000/- per month in the scale of Rs. 4,50,000/ - Rs. 5,50,000/- per month with effect April 1, 2014 whether paid as salary, allowance(s), perquisites or a combination thereof (with an annual increment of up to 10% per year subject to the approval of the Board of

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Directors/Committee thereof from time to time) in the manner as detailed in the Explanatory Statement annexed to the notice convening this meeting.

RESOLVED FURTHER THAT the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall also be deemed to include the Nomination and Remuneration Committee or any other sub committee constituted by the Board) be and is hereby authorized to revise and/ or re-fix the said remuneration and/ or other perquisites, benefits and amenities provided that so revised/ re-fixed remuneration and/or other perquisites etc. does not exceed the limits prescribed from time to time under Schedule V of the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof, (corresponding to Schedule XIII or any other provisions of Companies Act, 1956) and provided further that such enhanced remuneration, allowances and perquisites (except for the annual increment within the limits approved by this meeting) are subsequently placed before the shareholders in their General Meeting held after such enhancement/ revision/ fixation by the Board/ Committee."

The votes cast in favour of the resolution exceed the votes cast against the said resolution by the members so entitled and voting. Therefore, the said resolution was carried out with requisite majority.

For Lloyd Electric & Engineering Ltd.

Chairman & Managing Director

PLACE: NEW DELHI
Date: AUGUST 14, 2014

BRIJ RAJ PUNJ
(CHAIRMAN)

For LLOYD ELECTRIC & ENGINEERING LTD.

Company Secretary

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