WABAG

An ISO 9001 Company

Date : July 15, 2011

Ref : Sec / Jul-11/009

To
Bombay Stock Exchange Ltd.,
P.J.Towers, Dalal Street,
Mumbai – 400001

The National Stock Exchange of India Ltd.,
Exchange Plaza, Plot No.C/1, G Block,
Bandra-Kurla Complex, Bandara (E),
Mumbai – 400051.

Dear Sirs,

Sub: 16th Annual General Meeting of VA Tech Wabag Limited - Proceedings.

In compliance with the provisions of clause 31 of the listing agreement, please find enclosed herewith certified true copies of resolutions passed by the shareholders of VA Tech Wabag Limited at their 16th Annual General Meeting of the Company held today.

Kindly take on record the same.

Thanking you,

Yours faithfully,
For VA Tech Wabag Limited

VA TECH WABAG LIMITED

Rajiv Balakrishnan
Company Secretary

WABAG

VA TECH WABAG LIMITED
11, Murray's Gate Road,
Alwarpet
Chennai - 600 018. India

Tel : 91-44-42232323
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Email : wabag@wabag.in
Web : www.wabag.com

Certified True Copy of the Resolutions passed by the shareholders of VA TECH WABAG LIMITED at its 16th Annual General Meeting held on Friday,the 15th July, 2011 at Rani Seethai Hall, 603, Anna Salai,Chennai- 600 006.

1. **Ordinary Resolution:**

"**RESOLVED THAT**, the balance Sheet as at 31st March, 2011 and the Profit and Loss Account for the year ended 31st March, 2011, together with the reports of Director's and Auditors' as laid before the meeting be received and adopted."

2. **Ordinary Resolution:**

"**RESOLVED THAT**, a dividend @ Rs.10.00 per share on 1,05,76,434 fully paid-up equity shares of Rs.5/- each for the year ended 31st March, 2011 subject to Companies (Transfer of Profits to Reserves) Rules, 1975 and all other applicable provisions of the Companies Act, 1956 aggregating to Rs.12,33,30,475/- (Rupees Twelve Crores Thirty Three Lakhs Thirty Thousand Four Hundred and Seventy Five only) out of profits for the current year be and is hereby declared for distribution (subject to tax) to those members whose names appeared on the Register of members of the Company as on 1st july, 2011 and in respect of those members who hold shares in the electronic form as per the statement of beneficial ownership furnished by the National Securities Depository Limited (NSDL) and Central Depository services(India) Limited (CDSL) or to their mandates as of the close of business hours of 1st July, 2011 ."

3. **Ordinary Resolution:**

"**RESOLVED THAT** Mr.Bhagwan Dass Narang be and is hereby re-appointed as a Director of the Company liable to retire by rotation."

4. **Ordinary Resolution:**

"**RESOLVED THAT** Mr.Jaithirth Rao be and is hereby re-appointed as a Director of the Company liable to retire by rotation."

5. **Ordinary Resolution:**

"**RESOLVED THAT** that pursuant to section 224 of the Companies Act, 1956, Messrs. Walker Chandiok & Co., Chartered Accountants, Chennai, bearing ICAI Registration Number 001076N, the retiring Auditors of the Company, be re-appointed as Auditors of the Company to hold office from the conclusion this Annual General

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Meeting, until the conclusion of the next Annual General Meeting of the Company on a remuneration to be determined by the Board in addition to reimbursement of out of pocket expenses as may be incurred by them during the course of the Audit."

6. **Ordinary Resolution:**

"**RESOLVED THAT** Mr. Sumit Chandwani who was appointed by the Board of Directors as an Additional Director of the company with effect from 1st June, 2011 and who holds office up to the date of this Annual General Meeting of the company in terms of Section 260 of the Companies Act, 1956 ("Act") 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, liable to retire by rotation".

7. **Special Resolution:**

"**RESOLVED THAT** pursuant to the provisions of sections 198, 309 and other applicable provisions of the Companies Act, 1956, and Article 104 of the Articles of Association of the Company, such sum by way of commission, not exceeding in the aggregate 1% (one percent) per annum or such other percentage as may be specified by the Companies Act, 1956, from time to time in this regard, of Net Profits of the Company computed in the manner referred to in Section 309(5) of the Companies Act, 1956 be paid for each of the five financial years of the Company commencing from 1st April , 2011, to those Directors of the Company, other than the Managing Director, Executive Director and Whole-Time Directors, and distributed amongst themselves in such proportions as they may from time to time decide between themselves."

8. **Special Resolution:**

"**RESOLVED THAT** pursuant to the provisions of sections 198, 269, 309, 310, 311 and all other applicable provisions of the Companies Act, 1956 ("the Act") (including any statutory modification or re-enactment thereof for time being in force) 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 accorded to the re-appointment of Mr. Rajiv Mittal as the Managing Director of the Company with effect from 1st October 2010 and revision in remuneration payable to him with effect from 1st April, 2011 for the remainder of his term of office i.e upto 30th September, 2015 as follows:

VA TECH WABAG LIMITED

Managing Director
Mr. Rajiv Mittal
Basic Salary of Rs. 6,25,000 per month.

FURTHER RESOLVED THAT the perquisites (including allowances) payables or allowable and other benefits to Mr.Rajiv Mittal, Managing Director be as follows:

Perquisites:

i) Additional Allowance :
Rs.1,25,000 per month.

ii) HRA /Company Leased Accommodation :
Rs.3,12,500 per month.

iii) Medical Expenses Reimbursement :
Expenses incurred for the Managing Director and his family as per the Company's Rules .

iv) Life Insurance/ Personal Accident Insurance :
Premium as per the Company's Rules .

v) Leave Travel Concession :
For the Managing Director and his family in accordance with the Company's Rules.

vi) Performance Pay :
Not exceeding Rs. 50,00,000 per annum as per the Company's Rules.

vii) Encashment of leave, Contribution to various statutory Funds, Provision of car and telephone at Managing Director's residence for his use, other amenities and benefits :
As per the Company's Rules.

"**FURTHER RESOLVED THAT** the remuneration payable to the Managing Director by way of salary, perquisites and other allowances and benefits does not exceed the limits laid down in sections 198 and 309 of the Act, including any statutory modifications or re-enactments thereof."

"**FURTHER RESOLVED THAT** where in any financial year during the currency of the tenure of the Managing Director of the Company has no profits or its profits are inadequate, the Company may pay to the Managing Director for a period of three

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years from the effective date of revision of his remuneration, the above remuneration as the minimum remuneration by way of salary, perquisites and other allowances and benefits as specified above subject to receipt of the requisite approvals, if any."

"**FURTHER RESOLVED THAT** for the purpose of giving effect to this Resolution, the Board of Directors of the Company(herein after referred as 'Board ' which term shall be deemed to include any duly authorised Committee thereof, for the time being exercising the powers conferred on the Board by this Resolution) be authorised to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, proper desirable and to settle any question of difficulties or doubts that may arise in this regard and further to execute all necessary documents, applications, returns and writings as may be necessary, proper, desirable or expedient."

9. <u>Special Resolution:</u>

"**RESOLVED THAT** in furtherance of and supplemental to the Special Resolution under Item No. 1 passed by the Shareholders at the Extra Ordinary General Meeting of the Company held on 19th July, 2010 and in accordance with the provisions of the Articles of Association of the Company, Sections 79A, 81 and all other applicable provisions of the Companies Act, 1956 ("the Act") including any amendments thereto or statutory modification(s) or re-enactment of the Act for the time being in force and the provisions of the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 including any modifications thereof or supplements thereto ("the Guidelines") and subject to such approvals, consents, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, consents, permissions and sanctions 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 constituted or to be constituted by the Board as the (Remuneration/ Compensation Committee), the Employees' Stock Option Scheme 2010 ("ESOP 2010") the formulated prior to the Initial Public Offering (IPO) of the Company by the Board of Directors/ Remuneration/ Compensation Committee ("the Committee") pursuant to the authority of the Shareholders granted vide Resolutions passed at its Extra Ordinary General Meeting held on 19th July, 2010 be and is hereby ratified."

"**FURTHER RESOLVED THAT** the maximum number of stock options that can be granted under the scheme, to non-executive directors, including independent directors, in any financial year and in aggregate shall collectively not exceed such

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number of Options as would entitle such Directors to subscribe to shares not more than 1% of the total Paid-up Equity Share Capital as on 31st March 2010.

"FURTHER RESOLVED THAT the Board be and is hereby authorized to issue and allot Equity shares to the employees upon exercise of options from time to time in accordance with the employee stock option scheme and such Equity shares shall rank pari passu in all respects with the then existing Equity Shares of the Company.

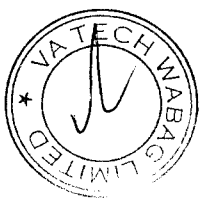
"FURTHER RESOLVED THAT for the purpose of creating, offering, issuing, allotting and listing of the Securities, and/or for the purpose of complying with any Guidelines or Regulations that may be issued from time to time, by any appropriate authority, the Board be authorised on behalf of the Company to make any modifications, changes, variations, alterations or revisions in the Scheme from time to time or to suspend, withdraw or revive the Scheme from time to time provided such variation, modification or alteration is not detrimental to the interests of the Employees/Directors.

"FURTHER RESOLVED THAT for the purpose of giving effect to this Resolution the Board be and is hereby authorised to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary for such purpose and with power on behalf of the Company to settle any questions, difficulties or doubts that may arise in this regard without requiring to secure any further consent or approval of the Shareholders of the Company."

10. <u>Ordinary Resolution:</u>

"RESOLVED THAT pursuant to the provisions of Section 94 and other applicable provisions, if any of the Companies Act, 1956, and the provisions of the Memorandum and Articles of Association of the Company and subject to the approval(s), consent(s), permission(s) and sanction(s) as may be necessary from the concerned Statutory Authority(ies), each Ordinary (Equity) Share of the Company having a face value of Rs. 5/- each fully paid-up be sub-divided into Ordinary (Equity) Shares of the face value of Rs. 2/- each fully paid-up.

"FURTHER RESOLVED THAT fractional entitlements, if any, arising out of the sub-division of equity shares, as resolved above, be vested in a special account held by Mr. Bhagwan Dass Narang, Chairman and Independent Director of the Company, who be and is hereby authorized to act as "Trustee" for this purpose, and these entitlements be dealt by the Trustee in the best interest of the Members.



"FURTHER RESOLVED THAT the Board of Directors if need be, to give effect to the above sub division of shares be and is hereby authorized to carry out such adjustments as may be necessary and permitted by law and to settle any practical difficulties arising out of of the above and that the Board's decision shall be final and binding and other interested persons.

"FURTHER RESOLVED THAT upon sub-division of Equity Shares as aforesaid , the existing Share Certificate(s) in relation to the existing Equity Shares of the face value of Rs.5 each held in physical form shall be deemed to have been automatically cancelled and be of no effect on and from the Record Date to be determined by the Board (which expression shall include a Committee thereof) and the Company may, without requiring the surrender of the existing share Certificate(s) directly issue and dispatch the new Share Certificate(s) of the Company, in lieu of such existing Share Certificate(s) subject to the provisions of the Companies (Issue of Share Certificate) Rules, 1960 and in case of Shares held in the dematerialised form, the number of sub-divided Equity Shares be credited to the respective beneficiary accounts of the Shareholders with the Depository Participants, in lieu of the existing credits representing the Equity Shares of the Company before sub-division as on record date.

"FURTHER RESOLVED THAT in partial modifications of the Special Resolutions passed at the Extraordinary General Meetings held on 3rd August, 2006 and 19th July 2010 in connection with the Employees Stock Option Schemes, the ESOP Scheme 2006 and the ESOP Scheme 2010 respectively, consent and approval of the shareholders be and is hereby accorded to the Board for carrying out such adjustments as may be necessary to give effect of the sub-division, in the number and/or price of the options to the eligible employees under and pursuant to the ESOP Scheme 2006 and the ESOP Scheme 2010.

"FURTHER RESOLVED THAT the Board of Directors of the Company (which expression shall also include a Committee thereof) be authorized to take such steps as may be necessary for obtaining approvals, statutory, contractual or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto, and to execute all deeds, applications, documents and writings that may be required, on behalf of the Company and generally to do all acts, deeds, matters and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to this Resolution."

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11. Ordinary Resolution:

"**RESOLVED THAT** pursuant to Section 16 and all other applicable provisions, if any, of the Companies Act, 1956, Clause V of the Memorandum of Association of the Company be altered by substituting in its place and stead the following:

V. The authorized share capital of the company is Rs.15,00,00,000/- (Rupees Fifteen Crores only) which shall consist of 5,08,75,000 Ordinary (Equity) Shares of Rs. 2/- (Rupees Two only) each and 48,25,000 Preference Shares of Rs. 10/- (Rupees Ten) each with such ordinary preferential or deferred rights, privileges and other conditions attaching thereto as may be provided by the regulations of the Company for the time being in force and operation with power to increase or reduce the capital of the Company and to divide the shares in the capital for the time being original or increased into different classes and to consolidate or sub-divide such Shares and to convert Shares into Stock and reconvert the Stock into Shares and to attach to such Shares or Stock such ordinary preferential or deferred rights, privileges and other conditions as may be provided by the regulations of the Company for the time being in force and operation."

For VA TECH WABAG LIMITED

RAJIV BALAKRISHNAN
Company Secretary