



EMCO LIMITED

PROCEEDINGS OF THE EXTRA-ORDINARY GENERAL MEETING OF THE MEMBERS OF EMCO LIMITED HELD ON THURSDAY, THE 22ND DAY OF JANUARY, 2015 AT 11.30 A.M. AT THE REGISTERED OFFICE OF THE COMPANY AT N-104, M.I.D.C. AREA, JALGAON – 425 003

Present:

Mr. Shailesh S. Jain	=>	Vice Chairman
	=>	Authorised Representative of Nomination & Remuneration Committee
	=>	Authorised Representative of Stakeholders Relationship Committee

In Attendance:

Mr. Ganesh Tawari	=>	Compliance Officer and General Manager (Accounts & Commercial)
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The presence of the members at the meeting was as under:

33 members includes 2 members as representative of Body Corporate (in person)
5 members (by proxy)

In the absence of Mr. Rajesh S. Jain, Chairman of the Board of Directors, the Members present unanimously elected Mr. Shailesh S. Jain, Vice-Chairman of the Company, as the Chairman of the Meeting. Accordingly, Mr. Shailesh S. Jain took the Chair.

The Chairman declared that the requisite quorum was present and called the Meeting in order.

The Chairman informed the Members that the Company had received 5 (Five) valid proxies for 1,61,28,775 Equity Shares constituting 24.77% of the total shareholding and 2 (Two) corporate representative u/s 113 of the Companies Act, 2013 representing



59,17,833 Equity Shares constituting 9.09% of the total shareholding of the Company. The Chairman informed that the Proxy Forms and Proxy Register were kept open for inspection to the Members.

The Chairman further informed that all Statutory Registers maintained under the Companies Act, 1956 and/or Companies Act, 2013 and also draft Articles of Association, Employee Stock Option Scheme 2015 were kept open for inspection to the Members.

The Chairman then informed that M/s. P. Raj & Co. and M/s. Chaturvedi & Shah, the Statutory Auditors of the Company had intimated about their inability to attend the Meeting and that they did not have any one else eligible to remain present as required by Section 146 of the Companies Act, 2013. In view thereof, they sought an exemption from attending this Extra-ordinary General Meeting which was then granted by the Company.

The Chairman further informed that the Ms. Kumudini Paranjape (Membership No.F6667 and C.P.6690), Partner of M/s Makarand M Joshi & Co., Practicing Company Secretaries who was appointed as Scrutinizer by the Board, had already submitted her report on e-voting and the Scrutinizer was further authorized to conduct and witness the poll and to submit report thereof.

With the consent of the Members present, the Notice convening the Extra-ordinary General Meeting was taken as read.

The Chairman then proceeded with the business to be transacted at the Meeting:

SPECIAL BUSINESS:

1. Alteration of the Articles of Association of the Company :

The following resolution was placed by the Chairman as Special Resolution -

“RESOLVED THAT pursuant to the provisions of Section 14 and other applicable provisions, if any, of the Companies Act, 2013 including any statutory modification or re-enactment thereof for the time being in force, and the Rules made thereunder, a new set of Articles of Association of the Company be and is hereby adopted in substitution of the existing Articles of Association of the Company, duly placed before the members initialed by the Chairman for the purpose of identification.



RESOLVED FURTHER THAT the Board of Directors or any of its duly constituted committee be and is hereby authorised to do all such acts, deeds and things which are necessary for giving effect to this resolution.”

Thereafter, the Chairman invited queries from the members with regard to the adoption of new set of Articles of Association. No query raised by the Members present.

The Chairman then put the resolution to vote through the Poll which was proposed by the Chairman and seconded by Mr. Ravindra Patil

2. Approval of Employee Stock Option Scheme 2015 for the eligible employees of the Company :

The following resolution was placed by the Chairman as Special Resolution -

“RESOLVED THAT in accordance with the provisions of Section 62(1)(b) and all other applicable provisions, if any, of the Companies Act, 2013 (“the Act”), the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (“the SEBI ESOP Regulations”), Foreign Exchange Management Act, 1999, relevant guidelines, rules, regulations, notifications, circulars and other requirements as specified by the Securities and Exchange Board of India, the Reserve Bank of India and other appropriate authorities, listing agreement with Stock Exchanges where the shares of the Company are listed (including any statutory modification(s) or re-enactment of any of them for the time being in force) and subject to such approvals, consents, permissions and/or sanctions as may be necessary and also subject to such conditions, stipulations and modifications as may be prescribed or imposed by the appropriate authorities while granting such approvals, consents, permissions and/or 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 the ESOP Committee or any other committee of Directors duly authorized in the matter), consent of the Members of the Company be and is hereby accorded to the Board to create, offer, issue and grant up to 30,00,000 (Thirty Lakhs) Equity Stock Options to the eligible present and future employees and Directors (whether whole time Directors or not) of the Company and other eligible persons as defined in the Guidelines, through Employee Stock Option Scheme-2015 (“ESOS” or “the Scheme”) of the Company, which entitles the option holders to subscribe one equity share of the Company of Rs.2/- (Rupees Two Only) each against each option granted to them, i.e. in total 30,00,000 (Thirty Lakhs) equity shares aggregating to face value of Rs.60,00,000/- (Rupees Sixty Lakhs only), which is equivalent to 4.61% of the issued and paid-up equity share capital of the Company as on the date of this notice; on the terms and conditions and in the manner as set out in the Explanatory Statement to this item



and in the draft ESOS now placed before this meeting and initialed by the Chairman for the purpose of identification, and on such other terms and conditions and in such tranches as may be decided by the Board in its absolute discretion.

RESOLVED FURTHER THAT the draft ESOS placed before this meeting and initialed by the Chairman for the purpose of identification, be and is hereby approved AND THAT the Board be and is hereby authorised to modify, amend, change, vary, alter or revise from time to time, any of the terms and conditions of the Scheme, or to implement (in one or more tranches), suspend, withdraw or revive the Scheme from time to time, as it may deem fit in its sole discretion, while conforming to the provisions of the Companies Act, 2013, the SEBI ESOP Regulations, Listing Agreement with the Stock Exchanges, the Memorandum and Articles of Association of the Company and other applicable statutory provisions, rules, regulations and guidelines, or directions of any appropriate authority.

RESOLVED FURTHER THAT the Board be and is hereby authorised to issue and allot such number of Equity Shares as may be required upon exercise of option from time to time in pursuance of the Scheme and get the shares listed on the Bombay Stock Exchange (BSE) and National Stock Exchange (NSE); AND THAT the equity shares to be so issued and allotted shall be subject to the provisions of the Memorandum and Articles of Association of the Company and shall rank pari passu in all respects with the existing fully paid up Equity Shares of the Company, unless otherwise decided by the Board and permitted by the appropriate authorities.

RESOLVED FURTHER THAT the maximum number of options that can be granted under the Scheme to an individual eligible employee in each grant shall not exceed 5% of the total number of options under the Scheme i.e. 1,50,000; and in aggregate the same shall not exceed 10% of the total number of options under the Scheme i.e. 3,00,000 options, or 1% of the issued equity share capital of the Company (excluding outstanding warrants and conversion) at the time of grant of options, whichever is less. Subject to this limits, the Board shall have power to determine number of options to be granted to each eligible employee in each grant and in aggregate.

RESOLVED FURTHER THAT the maximum number of stock options that can be granted under the Scheme to non-executive Directors in any financial year shall not exceed 3,00,000 options and in aggregate shall not exceed 6,00,000 options.

RESOLVED FURTHER THAT in case the Company's equity share capital or its valuation is affected due to any corporate action like issue of Bonus Shares, Rights Shares, any split or consolidation of face value of equity shares, or any event of merger, demerger, consolidation, capitalization or other reorganization of the



Company, tender offer for equity shares or Sale of Undertaking, or any other corporate action, or otherwise, at the discretion of the Board when it thinks fit and appropriate and in the interest of the Company and/or the beneficiary under the Scheme; the Board may make such adjustments with respect to stock options and take such other action as it deems necessary or appropriate to reflect such corporate actions, including but without limitation, the substitution of new stock options, or the adjustment of outstanding stock options, the acceleration of exercise period or the removal of any restrictions on outstanding stock options, which shall however be subject to necessary approvals.

RESOLVED FURTHER THAT the Company may through the administrative control of the Board, subject to the provisions of the Companies Act, 2013, other applicable statutes, rules, regulations, guidelines, listing agreement with the Stock Exchanges where the shares of the Company are listed, provisions of the Memorandum and Articles of Association of the Company and further subject to such approvals, consents, permissions and/or sanctions as may be necessary from the appropriate authorities, and also subject to such terms and conditions that may be prescribed or imposed by such authorities while granting the approvals, consents, permissions and/or sanctions; provide necessary financial assistance or arrange for the same (whether backed by corporate guarantee or otherwise), to or for the benefit of the stock option holders to enable them to subscribe to the equity shares offered under the Scheme.

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the Board be and is hereby authorised on behalf of the Company to appoint a Merchant Banker and/or any other expert, consultant or intermediary as may be required and to do or cause to be done all such acts, deeds, matters and things as it may in its absolute discretion deem fit or necessary or desirable for such purpose and with power on behalf of the Company to settle any issues, questions, difficulties or doubts that may arise in this regard.”

Thereafter, the Chairman invited queries from the Members with regard to the above resolution. Some Members present raised queries which were satisfactorily answered by the Chairman.

The Chairman then put the resolution to vote through the Poll which was proposed by the Chairman and seconded by Mr. Gajanan More.

3. Approval of Employee Stock Option Scheme 2015 for the eligible employees of Subsidiaries and/or Associates Companies of the Company:

The following resolution was placed by the Chairman as Special Resolution-

“RESOLVED THAT in accordance with the provisions of Section 62(1)(b) and all other applicable provisions, if any, of the Companies Act, 2013 (“the Act”), the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (“the SEBI ESOP Regulations”), the Foreign Exchange Management Act, 1999, relevant guidelines, rules, regulations, notifications, circulars and other requirements as specified by the Securities and Exchange Board of India, the Reserve Bank of India and other appropriate authorities, listing agreement with Stock Exchanges where the shares of the Company are listed (including any statutory modification(s) or re-enactment of any of them for the time being in force) and subject to such approvals, consents, permissions and/or sanctions as may be necessary and also subject to such conditions, stipulations and modifications as may be prescribed or imposed by the appropriate authorities while granting such approvals, consents, permissions and/or 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 the ESOP Committee or any other committee of Directors duly authorized in the matter), consent of the Members of the Company be and is hereby accorded to the Board to extend the benefits of the Employee Stock Option Scheme-2015 (“ESOS” or “the Scheme”) to all eligible present and future employees and Directors of existing and future Indian or Foreign subsidiary(ies) of the Company and also of Associate Company(ies) and/or to such other eligible persons, as may from time to time, be allowed under prevailing laws, rules, regulations and guidelines, on such terms and conditions as may be decided by the Board.

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the Board be and is hereby authorised on behalf of the Company to do all such acts, deeds, matters and things as it may in its absolute discretion deem fit or necessary or desirable for such purpose and with power on behalf of the Company to settle any issues, questions, difficulties, doubts or matter that may arise in this regard.”

Thereafter, the Chairman invited queries from the Members with regard to the above resolution. Some Members present raised queries which were satisfactorily answered by the Chairman.

The Chairman then put the resolution to vote through the Poll which was proposed by the Chairman and seconded by Mr. Rahul Birla.

4. ISSUE OF SHARES TO PROMOTER GROUP ON A PREFERENTIAL BASIS:

The following resolution was placed by the Chairman as Special Resolution -



“RESOLVED THAT in accordance with the provisions of Sections 42, 62(1)(c) and other applicable provisions, if any, of the Companies Act, 2013, (including any statutory modification or re-enactment thereof for the time being in force) and in accordance with the Securities and Exchange Board of India (Issue and Capital Disclosure Requirements) Regulations, 2009 as amended from time to time (“SEBI ICDR Regulations”) and subject to all necessary approvals, consents, permissions and/or sanctions of the Government of India, Reserve Bank of India, Foreign Investment Promotion Board, Secretariat of Industrial Approvals under the Foreign Exchange Management Act, 1999, (including any statutory modification or re-enactment thereof, for the time being in force) and other applicable laws, and enabling provisions in the Memorandum and Articles of Associations 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 subject to such terms and conditions as may be determined by the Board of Directors of the Company (hereinafter referred to as ‘the Board’ which expressions shall include any committee constituted for the time being thereof) on such conditions and modifications as may be prescribed or imposed by any of them while granting such approvals, consents, permissions and/or sanctions and agreed to by the Board, consent and approval of the Members of the Company be and is hereby accorded to the Board to offer, issue and allot on a preferential allotment basis 24,39,025 Equity Shares of Rs. 2/- each, for cash at a price of Rs.41/- each, including a premium of Rs.39/- per share or such additional price, if any, as may be arrived at by re-computation of the price as prescribed under Regulation 76(1) of the SEBI ICDR Regulations on such terms and conditions as may be decided and deemed appropriate by the Board of Directors of the Company (hereinafter referred to as the ‘Board’ which shall be deemed to include any duly authorized committee thereof) at time of issue or allotment to the following:-

Sr. No.	Name of Proposed Allottee	Category: Part of Promoter Group / others	Equity Shares to be Issued
1	EMCO Investments Private Limited	Promoter Group	24,39,025
	Total		24,39,025

RESOLVED FURTHER THAT the issue of equity shares in the manner aforesaid be governed by the respective provisions of the Companies Act, 2013, the Memorandum of Association and Articles of Association of the Company, SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 (hereinafter referred to as “SEBI ICDR Regulations”) or any other applicable laws as the case may be, or any modification thereof.

purpose of determining issue price under the SEBI ICDR Regulations is 23rd December 2014.

RESOLVED FURTHER THAT equity shares so allotted shall rank pari passu in all respects with the existing equity shares of the Company.

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the Board be and is hereby authorised on behalf of the Company to take all actions and do all such deeds, matters and things as it may, in its absolute discretion deem necessary, desirable or expedient to the issue or allotment of aforesaid shares or securities and listing thereof with the stock exchange(s) as appropriate and to resolve and settle all questions and difficulties that may arise in the proposed issue, offer and allotment of any of the said shares or securities, utilization of the issue proceeds and to do all acts, deeds and things in connection therewith and incidental thereto as the Board in its absolute discretion deem fit, without being required to seek any further consent or approval of the Members or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution and also to delegate all or any of the powers herein conferred, to any Committee of Directors or the Chairman or any other Director(s) or Officer(s) of the Company to give effect to the aforesaid resolution."

Thereafter, the Chairman invited queries from the Members with regard to the above resolution. Some Members present raised queries which were satisfactorily answered by the Chairman.

The Chairman then put the resolution to vote through the Poll which was proposed by the Chairman and seconded by Mr. Abhay Kulkarni.

The Chairman then requested the Members to put the ballot paper duly filled by them in the Ballot Box and requested the Scrutinizer to conduct the poll and provide the report thereon in the manner as prescribed under the Companies Act, 2013, within 48 hours of the conclusion of this EGM.



He also informed the Members that the Consolidated result of the voting (i.e e-voting and Poll) on the resolutions along with the Scrutinizer Report shall be published within 48 hours on the website of the Company and also to be filed with Stock Exchanges.

Vote of Thanks.

There being no other business, the Meeting concluded with a vote of thanks to the Chair.



CHAIRMAN

Place: Jalgaon
Date: 22/01/2015