MINUTES OF THE 24th ANNUAL GENERAL MEETING OF THE COMPANY HELD ON MONDAY THE 27th DAY OF SEPTEMBER 2010, AT 11.00 A.M. AT THE REGISTERED OFFICE OF THE COMPANY, AT A-589, INDUSTRIAL COMPLEX, BHIWADI, ALWAR, RAJATHAN - 301019.

ATTENDANCE.

Present:

Mr. Pranav Kapuria	:	Managing Director and Member
Mr. Anuj Kapuria	:	Sr. Executive Director & Member
Mr. Vijay Mathur	:	Authorised Representative of Olympus Electrical Industries Pvt Ltd, Member
Mr. Mani Mathew	:	Authorised Representative of Hi-Tech Portfolio Investments Ltd, Member
Ms. Meenakshi Garg	:	Authorised Representative of Vulcan Electro Controls Ltd, Member
Mr. Janak Merchant	:	Member

Also Present:

Mr. Sandeep Dinodia	:	Director & Audit Committee Chairman
Mr. Anil Khanna	:	Director & Investor Grievance Committee Chairman

IN ATTENDANCE:

Mr. Praveen Jain	:	Head Legal & Company Secretary

Chairman of the meeting:

Since Mr. Deep Kapuria, Chairman was absent, Mr. Pranav Kapuria Managing Director took the Chair with the consent of all the members present.

Quorum:

The requisite quorum being present, the Chairman called the meeting to order.

Notice, Directors Report and Auditors Report

With the unanimous consent of the members present the notice convening the 24th Annual General Meeting and the Directors' Report were taken as read. The Chairman then asked Mr. Praveen Jain, Company Secretary, to read out the Auditors' report.

Mr. Praveen Jain, Company Secretary Read out the Auditors' report, then the Chairman invited the members to ask questions on the Balance Sheet, Profit & Loss Account, Auditors' Report and also the Directors' report. The Chairman and Mr. Sandeep Dinodia, Chairman, Audit Committee, answered the queries raised by members to their satisfaction.

Item No. 1
Adoption of audited Balance Sheet as at March 31, 2010 and Profit and Loss Account for the year ended on that date.

The Chairman took up the 1st item of agenda relating to adoption of audited Balance Sheet as at March 31, 2010 and Profit and Loss Account for the year ended on that date together with the reports of the Auditors' and Directors' thereon.

Pranav Kapuria

CHAIRMAN'S INITIALS

The members raised a few queries concerning the working and the financial results of the Company. The Chairman replied the queries up to the satisfaction of the members. Thereafter, Mr. Pranav Kapuria proposed and Mr. Anuj Kapuria seconded the following resolution was passed as an ordinary resolution:

"**RESOLVED THAT** the Balance Sheet as at March 31, 2010, and the Profit and Loss Account for the year ended on that date, together with the Reports of Directors' and Auditors' thereon, as laid before this meeting, be and are hereby received, considered and adopted."

The resolution was put to vote by show of hands and it was carried unanimously as an ordinary resolution.

Item No. 2
Declaration of dividend

The Chairman took the next item of agenda regarding declaration of dividend.

Mr. Mani Mathew proposed and Ms. Meenakshi Garg seconded the following resolution was passed as an ordinary resolution:

"**RESOLVED THAT** pursuant to Section 205 of the Companies Act, 1956, and other applicable provisions, if any, final dividend @ 45% i.e. Rs. 4.50 (Rupees Four and Paisa fifty only) per equity share of Rs. 10/- each, on the paid up share capital of the Company, amounting to Rs.4,22,28,000/- (Rupees Four crore twenty two lacs twenty eight thousand only) as recommended by the Board of Directors be and is hereby approved and declared.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do all such things, deeds, sign papers, documents, agreements and to take all such steps as they may think necessary for giving effect to the above resolution."

On being put to vote by a show of hands, the resolution was unanimously carried as an ordinary resolution.

Item No. 3
Re-appointment of Mr. Sandeep Dinodia, as a Director of the Company

The Chairman took up the next item of agenda regarding re-appointment of Mr. Sandeep Dinodia, as Director of the Company. Mr. Vijay Mathur proposed and Mr. Mani Mathew seconded the following resolution was passed as an ordinary resolution:

"**RESOLVED THAT** Mr. Sandeep Dinodia, Director, who retires by rotation and being eligible, offers himself for re-appointment, be and is hereby reappointed as Director of the Company, liable to retire by rotation."

On being put to vote by a show of hands, the resolution was unanimously carried as an ordinary resolution

Item No. 4
Re-appointment of Mr. Anuj Kapuria, as a Director of the Company

The Chairman took up the next item of agenda regarding re-appointment of Mr. Anuj Kapuria, as Director of the Company. Ms. Meenakshi Garg proposed and Mr. Vijay Mathur, seconded the following resolution was passed as an ordinary resolution:

Pranav Kapuria
CHAIRMAN

"**RESOLVED THAT** Mr. Anuj Kapuria, Director, who retires by rotation and being eligible, offers himself for re-appointment, be and is hereby reappointed as Director of the Company, liable to retire by rotation."

On being put to vote by a show of hands, the resolution was unanimously carried as an ordinary resolution

Item No. 5
Appointment of Auditors of the Company and Fixation of their remuneration.

The Chairman took up the next item of agenda regarding appointment of auditors of the Company and fixation of their remuneration for the financial year 2010-11. Mr. Anuj Kapuria proposed and Mr. Pranav Kapuria seconded the following resolution was passed as an ordinary resolution:

"**RESOLVED THAT** M/s. Gupta Vigg & Company, Chartered Accountants, Statutory Auditors' of the Company who retire at this Annual General Meeting and being eligible and willing to act as Auditors, be and are hereby re-appointed as Auditors' of the Company to hold the office till the conclusion of the next Annual General Meeting.

RESOLVED FURTHER THAT the remuneration of the Statutory Auditors, M/s Gupta Vigg & Company, Chartered Accountants, New Delhi, be and is hereby fixed at Rs. 5,00,000 (Rupees Five Lacs only) for auditing the accounts of the Company for the financial year 2010-11 plus any other taxes, if applicable from time to time.

RESOLVED FURTHER THAT the auditors be reimbursed for any out of pocket expenses, as may be incurred by them in the course of audit, on production of bills and such reimbursement shall be in addition to their remuneration as determined above."

On being put to vote by a show of hands, the resolution was unanimously carried as an ordinary resolution.

Item No. 6
Change in the designation of Mr. Deep Kapuria, Chairman & Managing Director to Chairman & Whole time Director of the Company designated as Executive Chairman.

The chairman took up the next item of the agenda regarding the change in designation of Mr. Deep Kapuria, Chairman & Managing Director to Chairman & Whole time Director designated as Executive Chairman of the Company.

Mr. Vijay Mathur proposed and Mr. Mani Mathew seconded the following resolution was passed as a Special resolution:

"**RESOLVED THAT** pursuant to section 198, 269,309,310 and 311 read with Schedule XIII and all other applicable provisions of the Companies Act, 1956, approval be and is hereby accorded for the change in designation of Mr. Deep Kapuria Chairman & Managing Director to Chairman & Whole Time Director of the Company, designated as Executive Chairman w.e.f. 5th August, 2010 to 31 December, 2011, his other terms & conditions and remuneration of his appointment shall remain the same.

On being put to vote by a show of hands, the resolution was unanimously carried as a Special Resolution.

Pranav Kapuria

CHAIRMA
INITIAL

Item No. 7
Appointment of Mr. Pranav Kapuria as Managing Director of the Company and to fix his remuneration.

As the next item related to the Chairman, he vacated the chair and invited Mr. Anuj Kapuria to chair the meeting for the concerned matter. The Chairman took up the next item of agenda regarding appointment of Mr. Pranav Kapuria as Managing Director of the Company and fixation of his Remuneration.

(A) Ms. Meenakshi Garg proposed and Mr. Mani Mathew seconded the following resolution was passed as a Special resolution:

"**RESOLVED THAT** pursuant to section 198, 269,309,310 and 311 read with Schedule XIII and all other applicable provisions of the Companies Act, 1956, approval be and is hereby accorded to the reappointment of Mr. Pranav Kapuria as Deputy Managing Director of the Company for a period of Five years w.e.f. 1st August, 2010 to 31st July, 2015, with payment of remuneration at the terms and conditions set out below:-

1. **Salary**: Rs. 1, 40,000/- in the scale of Rs. 1, 40,000-10,000-1,60,000-15000-1,90,000 per month.

2. **Commission:** @ 1.5 % of the net profit of the Company computed in the manner specified in section 198 of the Companies Act, 1956, after the profits of the Company are ascertained.

3. **Perquisites** : as under :-

   i. Housing: The expenditure on hiring the furnished accommodation will be subject to a ceiling of 60% of the salary, over and above 10% payable by the appointee.

      In case, no residential accommodation is provided to the appointee by the Company, he shall be paid house rent allowance @ 60% of the basic salary per month.

   ii. Gas, Electricity, Water etc.: The expenditure on Gas, Electricity, water and furnishing shall be valued as per Income Tax Rules, 1962, subject, however, to the ceiling of 10% of the salary.

   iii. Medical Reimbursement: Expenses incurred for the appointee and his family subject to a ceiling of one month's salary in a year or three month's salary over a period of three years.

   iv. Leave Travel Concession: - For the appointee and his family, once in a year incurred in accordance with the Rules specified by the Company, subject to a ceiling of one month's salary.

   v. Club Fees: Fees of clubs subject to a maximum of two clubs. This will not include admission and life membership fee.

   vi. Personal Accident Insurance: Premium not exceeding Rs. 4000/- per annum.

   vii. Provident Fund: Company's contribution towards provident fund not exceeding 12% of the basic salary per month.

   viii. Gratuity: Not exceeding half month's salary for every completed year of service.

Pranav Kapuria

CHAIRMAN

ix. Earned/Privilege Leave: One month leave with full salary and perquisites for every eleven month.

x. Use of Car: Free use of Company's Car with driver for the business of the Company.

xi. Telephone: Free use of telephone at the residence of the Deputy Managing Director. However, long distance personal calls shall be billed to him by the Company.

RESOLVED FURTHER THAT the aggregate remuneration of the Deputy Managing Director shall not exceed 5% of the Net Profit in any financial Year, and total remuneration payable to all the working Directors put together shall not exceed 10% of the Net Profit in any Financial Year.

RESOLVED FURTHER THAT in the event of loss or inadequacy of Profit in any financial year, the appointee shall be paid remuneration at the rates specified above, subject to approval, if any, required from the Central Government under Schedule XIII of the Companies Act, 1956".

(B) Ms. Meenakshi Garg proposed and Mr. Mani Mathew seconded the following resolution was passed as a Special resolution:

"RESOLVED THAT pursuant to section 198, 269,309,310 and 311 read with Schedule XIII and all other applicable provisions of the Companies Act, 1956, approval be and is hereby accorded for the change in designation of Mr. Pranav Kapuria Deputy Managing Director to Managing Director of the Company w.e.f. 5th August, 2010 to 31 July, 2015, other terms & conditions and remuneration of his appointment shall remain the same.

On being put to vote by a show of hands, the resolution was unanimously carried as a Special resolution.

After passing the above resolution Mr. Pranav Kapuria took the chair.

Item No. 8
Appointment of Mr. Anuj Kapuria as whole time Director of the Company and to fix his remuneration.

The Chairman took up the next item of agenda regarding appointment of Mr. Anuj Kapuria as Whole Time Director of the Company and fixation of his Remuneration.

Mr. Mani Mathew proposed and Mr. Pranav Kapuria seconded the following resolution was passed as a Special resolution:

"RESOLVED THAT pursuant to section 198, 269,309,310 and 311 read with Schedule XIII and all other applicable provisions of the Companies Act, 1956, approval be and is hereby accorded to the appointment of Mr. Anuj Kapuria as a Whole Time Director Designated as Senior Executive Director of the Company w.e.f 15th May 2010 to 14th May, 2015, with payment of remuneration at the terms and conditions set out below:-

1. **Salary:** Rs. 1,00,000/- in the scale of Rs. 1,00,000-10,000-1,20,000-15,000-1,50,000 per month.

2. **Commission:** @ 1.5 % of the net profit of the Company computed in the manner specified in section 198 of the Companies Act, 1956, after the profits of the Company are ascertained.

Pranav Kapuria

CHAIRMAN'S INITIALS

3. **Perquisites :** as under :-

i. **Housing**: The expenditure on hiring the furnished accommodation will be subject to a ceiling of 60% of the salary, over and above 10% payable by the appointee.

In case, no residential accommodation is provided to the appointee by the Company, he shall be paid house rent allowance @ 60% of the basic salary per month.

ii. **Gas, Electricity, Water etc.**: The expenditure on Gas, Electricity, water and furnishing shall be valued as per Income Tax Rules, 1962, subject, however, to the ceiling of 10% of the salary.

iii. **Medical Reimbursement**: Expenses incurred for the appointee and his family subject to a ceiling of one month's salary in a year or three month's salary over a period of three years.

iv. **Leave Travel Concession**: - For the appointee and his family, once in a year incurred in accordance with the Rules specified by the Company, subject to a ceiling of one month's salary.

v. **Club Fees**: Fees of clubs subject to a maximum of two clubs. This will not include admission and life membership fee.

vi. **Personal Accident Insurance**: Premium not exceeding Rs. 4000/- per annum.

vii. **Provident Fund**: Company's contribution towards provident fund not exceeding 12% of the basic salary per month.

viii. **Gratuity**: Not exceeding half month's salary for every completed year of service.

ix. **Earned/Privilege Leave**: One month leave with full salary and perquisites for every eleven months'.

x. **Use of Car**: Free use of Company's Car with driver for the business of the Company.

xi. **Telephone:** Free use of telephone at the residence of the Whole - Time Director. However, long distance personal calls shall be billed to him by the Company.

RESOLVED FURTHER THAT the aggregate remuneration of the whole Time Director shall not exceed 5% of the Net Profit in any financial Year, and total remuneration payable to all the working directors put together shall not exceed 10% of the Net Profit in any Financial Year.

RESOLVED FURTHER THAT in the event of loss or inadequacy of Profit in any financial year, the appointee shall be paid remuneration at the rates specified above, subject to approval, if any, required from the Central Government under Schedule XIII of the Companies Act, 1956".

On being put to vote by a show of hands, the resolution was unanimously carried as a Special resolution

Praveen Kapoorla

Item No. 9
Increase in the Authorized share capital of the Company

The Chairman took up the next item of agenda regarding increase in the Authorised Share capital of the Company.

The Chairman informed the meeting that the Board of Directors proposed to make a further issue of 9384000 equity shares of Rs. 10 each of the Company. The present authorized share capital is insufficient to enable the Company to issue the above said equity shares. Therefore, it was necessary to increase the Authorized share capital of the Company from Rs. 10 crore to Rs. 20 crore. The new equity shares shall rank pari passu with the existing equity shares of the Company. Alteration in the Memorandum of Association and Articles of Association are also consequential to reflect the increase in the Authorized share capital. Mr. Pranav Kapuria proposed and Mr. Anuj Kapuria seconded the following resolution was passed as a Special resolution:

"**RESOLVED THAT** pursuant to Section 94 of the Companies Act, 1956, and all other applicable provisions of the Companies Act, 1956, the Authorized share capital of the Company be and is hereby increased from Rs. 10,00,00,000 (Rupees ten crores) divided into 100,00,000 (one crore) equity shares of Rs. 10/- each, to Rs. 20,00,00,000 (Rupees twenty crores) divided into 200,00,000 (two crore) equity shares of Rs. 10/- each, by creation of 1,00,00,000 (one crore) additional equity shares ranking pari passu with the existing equity shares of the Company.

RESOLVED FURTHER THAT the existing clause V of the Memorandum of Association of the Company be deleted and the following be substituted in its place:

V. The Authorized share capital of the Company is Rs. 20,00,00,000 (Rupees twenty crores only) divided into 2,00,00,000 (two crore), equity shares of Rs. 10/- each.

RESOLVED FURTHER THAT pursuant to Section 31 of the Companies Act, 1956, and all other applicable provisions of the Companies Act, 1956, the approval of shareholders of the Company is be and is hereby accorded that the existing Article no. 3 of the Articles of Association of the Company be deleted and be substituted with the following article:

3. The Authorized share capital of the Company is Rs. 20,00,00,000 (Rupees twenty crores only) divided into 2,00,00,000 (two crore), equity shares of Rs. 10/- each.

On being put to vote by a show of hands, the resolution was unanimously carried as a Special resolution

Vote of thanks

There being no other business to be transacted, the meeting concluded with a vote of thanks to the chair.

Date: September 26, 2010
Place: Bhiwadi

Pranav Kapuria
Managing Director

Pranav Kapuria

MINUTES BOOK

CHAIRMAN'S INITIALS