

PROCEEDINGS OF THE 19th ANNUAL GENERAL MEETING OF KEVAL KIRAN CLOTHING LIMITED HELD ON THURSDAY, AUGUST 5, 2010 AT C.K. NAIDU HALL, THE CRICKET CLUB OF INDIA LTD., BRABOURNE STADIUM, DINSHAW VACHHA ROAD, MUMBAI: 400 020 AT 4.30 P.M.

DIRECTORS PRESENT:

Mr. Kewalchand P. Jain	:	Chairman/Member
Mr. Hemant P. Jain	:	Director/Member
Mr. Dinesh P. Jain	:	Director/Member
Mr. Vikas P. Jain	:	Director/Member
Mr. Mrudul D. Inamdar	:	Director & Chairman of the Audit Committee
Mr. Nimish G. Pandya	:	Director

and 46 members were present in person.

Mr. Kewalchand P. Jain took the chair.

1. ADOPTION OF AUDITED ACCOUNTS, AUDITOR'S REPORT AND DIRECTORS' REPORT FOR THE YEAR ENDED MARCH 31, 2010.

The Chairman welcomed the members present at the meeting. After ascertaining the quorum, the Chairman called the meeting to order and thereafter introduced the Board members seated on the dais to the shareholders. The notice of the meeting was read and the Chairman informed the members that the necessary Statutory Registers as required to be kept open for inspection were available for inspection of the members. The Chairman thereafter read his speech to the members highlighting the performance of the Company for the financial year ended March 31, 2010.

Thereafter the Chairman directed the Mr. Abhijit Warange, Company Secretary to read the Auditor's Report for the financial year ended March 31, 2010, which was read accordingly.

Before putting the resolution to vote, the Chairman invited queries from members in respect of the Audited Accounts of the Company for the year ended March 31, 2010. A few members raised queries which were satisfactorily replied. Thereafter the first resolution pertaining to adoption of audited accounts of the company, Auditors' report and Directors' Report for the year ended March 31, 2010, was put to vote by show of hands. The Chairman proposed the said resolution which was seconded by Mr. Maniyar, a member of the Company.

“RESOLVED THAT the Audited Balance Sheet as on March 31, 2010 and the Profit & Loss Account for the year ended on that date together with the report of the Directors and the Auditors thereon be and are hereby approved and adopted.”

All the shareholders approved resolution. The Chairman thereafter declared the resolution as passed unanimously.

2. DECLARATION OF DIVIDEND.

The Chairman informed the members that the Board of Directors in their meeting held on May 13, 2010 have recommended dividend @ Rs. 6/- per share for the financial year ended March 31, 2010 on 1,23,25,037 equity shares of the company.

The Chairman thereafter put the following resolution to vote as an Ordinary resolution by show of hands, which was proposed by Mr. Mascarenus and seconded by Mr. Negandhi, members of the Company.

“RESOLVED THAT the Dividend for the year ended March 31, 2010 be and is hereby declared and be paid to those members whose names appear:

a) as beneficial owners as per list to be furnished by the Depositories in respect of the shares held in demat form as at close of business hours on July 22, 2010, and

b) As members on the Register of Members of the Company as on August 5, 2010, after giving effect to all valid share transfers in physical form which would be received by the company upto end of business hours on July 22, 2010

on 1,23,25,037 Equity shares at Rs. 6/- per share.”

All the shareholders approved the above resolution. The Chairman thereafter declared the resolution as passed unanimously.

3. APPOINTMENT OF MR. POPATLAL F. SUNDESHA AS AN ORDINARY DIRECTOR OF THE COMPANY.

The Chairman informed the members that Mr. Popatlal Sundesha retires by rotation at this Annual General Meeting and being eligible has offered himself for reappointment as a Director.

The Chairman thereafter put the following resolution to vote as an Ordinary resolution by show of hands, which was proposed by Mr. Parekh and seconded by Mr. Tamane, members of the Company.

“RESOLVED THAT Mr. Popatlal Sundesha, who retires by rotation and being eligible, offers himself for reappointment, be and is hereby re-appointed as a Director of the company.”

All the shareholders approved the above resolution. The Chairman thereafter declared the resolution as passed unanimously.

4. APPOINTMENT OF MR. MRUDUL D. INAMDAR AS AN ORDINARY DIRECTOR OF THE COMPANY.

The Chairman informed the members that Mr. Mrudul Inambar retires by rotation at this Annual General Meeting and being eligible has offered himself for reappointment as a Director.

The Chairman thereafter put the following resolution to vote as an Ordinary resolution by show of hands, which was proposed by Mr. Besania and seconded by Mr. Kachalia, members of the Company.

“RESOLVED THAT Mr. Mrudul Inambar, who retires by rotation and being eligible, offers himself for reappointment, be and is hereby re-appointed as a Director of the company.”

All the shareholders approved the above resolution. The Chairman thereafter declared the resolution as passed unanimously.

5. APPOINTMENT OF MR. NIMISH G. PANDYA AS AN ORDINARY DIRECTOR OF THE COMPANY.

The Chairman informed the members that Mr. Nimish Pandya retires by rotation at this Annual General Meeting and being eligible has offered himself for reappointment as a Director.

The Chairman thereafter put the following resolution to vote as an Ordinary resolution by show of hands, which was proposed by Ms. Pouredahi and seconded by Mr. Mascarenhas, members of the Company.

“RESOLVED THAT Mr. Nimish Pandya, who retires by rotation and being eligible, offers himself for reappointment, be and is hereby re-appointed as a Director of the company.”

All the shareholders approved the above resolution. The Chairman thereafter declared the resolution as passed unanimously.

6. APPOINTMENT OF M/S. JAIN & TRIVEDI, CHARTERED ACCOUNTANTS, AS STATUTORY AUDITORS.

The Chairman informed the members that M/s. Jain & Trivedi, Chartered Accountants, Mumbai were appointed as the Statutory Auditors of the company in the Annual General Meeting held on August 3, 2009 to hold office from the conclusion of the said general meeting till the conclusion of this Annual General meeting. He further informed the members that M/s. Jain & Trivedi have issued a certificate pursuant to Section 224 (1B) of the Companies Act, 1956 to the effect that their appointment if made will be within the statutory limits prescribed under the Companies Act, 1956.

The Chairman thereafter put the following resolution to vote as an Ordinary resolution by show of hands, which was proposed by Mr. Manyar and seconded by Mr. Dharia, members of the Company.

“RESOLVED THAT M/s. Jain & Trivedi, Chartered Accountants, Mumbai be and are hereby appointed as Statutory Auditors of the company to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of

the company at a remuneration to be mutually decided by the Board of Directors of the company and the Auditors”.

All the shareholders approved the above resolution. The Chairman thereafter declared the resolution as passed unanimously.

7. APPOINTMENT OF M/S. N.A. SHAH ASSOCIATES, CHARTERED ACCOUNTANTS, AS JOINT STATUTORY AUDITORS.

The Chairman informed the members that M/s. N.A. Shah Associates, Chartered Accountants, Mumbai were appointed as the joint Statutory Auditors of the company in the Annual General meeting held on August 3, 2009 to hold office from the conclusion of the said general meeting till the conclusion of this Annual General meeting. He further informed the members that M/s. N.A. Shah Associates have issued a certificate pursuant to Section 224 (1B) of the Companies Act, 1956 to the effect that their appointment if made will be within the statutory limits prescribed under the Companies Act, 1956.

The Chairman thereafter put the following resolution to vote as an Ordinary resolution by show of hands, which was proposed by Mr. Berruz and seconded by Mr. Bhatia, members of the Company.

“RESOLVED THAT M/s. N.A. Shah Associates, Chartered Accountants, Mumbai be and are hereby appointed as joint Statutory Auditors of the company to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the company at a remuneration to be mutually decided by the Board of Directors of the company and the Auditors”.

All the shareholders approved the above resolution. The Chairman thereafter declared the resolution as passed unanimously.

8. APPOINTMENT OF MS. ARPITA JAIN AS EXECUTIVE - HR

The Chairman informed the members that he is interested in agenda item no. 8 to agenda item no. 12 and requested Mr. Nimish Pandya, Director to chair agenda item no. 8 to agenda item no. 12.

Mr. Pandya informed the members that Ms. Arpita Jain is a relative of the Executive Directors of the company. Ms. Jain has graduated in B.A – Psychology and thereafter completed M.B.A – M.M.S in Human Resource Development from M.E.T Institute of Management, Mumbai.

He further informed the members that the Board of Director in their meeting held on March 4, 2010 have subject to the approval of the members approved the appointment of Ms. Jain as Executive – HR. Since Ms. Jain is related to the Directors her appointment would be governed by the provisions of Section 314 of the Companies Act, 1956.

He apprised the members that pursuant to the provisions of Section 314(1) of the Companies Act, 1956 the appointment of Ms. Jain would be subject to the approval of the company at the General Meeting of the members.

Mr. Pandya thereafter put the following resolution to vote as a special resolution by show of hands, which was proposed by Ms. Pouredahi and seconded by Mr. Berruj, members of the Company:

“RESOLVED THAT pursuant to Section 314(1) and other applicable provision, if any of the Companies Act, 1956 consent of the members be and is hereby accorded to the appointment of Ms. Arpita Jain, a relative of Mr. Kewalchand P. Jain, Mr. Hemant P. Jain, Mr. Dinesh P. Jain and Mr. Vikas P. Jain, Directors of the company to hold an office of profit under the company as ‘Executive – HR’ with effect from 5th March, 2010 on a salary (CTC) of Rs. 3,00,000/- per annum as per the terms and conditions mentioned herein below:

- I. Salary
 - a. Basic and DA – Rs. 10,004/- per month
 - b. Other allowances including House Rent Allowance, Education Allowance, Conveyance Allowance, Medical Allowance etc. not exceeding Rs. 10,004/- per month.

II. Perquisites:

In addition to the salary and allowances payable as above, Ms. Arpita Jain will also be entitled to the following perquisites:

- a. Medical reimbursement from time to time upto a limit of Rs.15,000/- per annum, for herself and her family members.
- b. Attire Allowance from time to time upto a limit of Rs.12,500/- per annum.
- c. Meal Vouchers for an amount of Rs. 18,000/- per annum.
- d. Company's contribution to Provident Fund as per rules of the company.

FURTHER RESOLVED THAT Ms. Arpita Jain would be responsible for assisting the Human Resource Department in Recruitment, Payroll, Training & Development, MIS and such other functions as may be assigned to Ms. Jain from time to time;

LASTLY RESOLVED THAT Mr. Abhijit Warange, General Manager – Compliance and Company Secretary be and is hereby authorized to file the necessary forms, if any and make the necessary applications, if any and do all such acts deeds matters and things as are necessary to give effect to this resolution.”

All the shareholders approved the above resolution. The Chairman thereafter declared the resolution as passed unanimously.

9. REAPPOINT OF MR. KEWALCHAND P. JAIN AS THE ‘MANAGING DIRECTOR’ OF THE COMPANY AND TO APPROVE THE REMUNERATION PAYABLE TO MR. JAIN.

The Chairman informed the members that in the Board Meeting held on March 4, 2010 the Board of Directors had subject to the approval of the members approved the re-appointment and remuneration as recommended by the Remuneration Committee payable to Mr. Kewalchand P. Jain, Chairman & Managing Director of the company.

He informed that the members of the company had in the Extra Ordinary General Meeting held on December 9, 2005 accorded their consent to the appointment of Mr. Kewalchand P. Jain as the Managing Director of the company for a period of five years w.e.f. April 1, 2005 which was due for renewal on April 1, 2010.

He further informed that the members of the company in the Annual General Meeting

held on August 4, 2008 accorded their consent for remuneration payable to Managing Director for the period November 3, 2008 upto March 31, 2010.

He apprised the members that the appointment of the Managing Directors would be governed by the provisions of Section 269 and 317 of the Companies Act, 1956 read with Part I of Schedule XIII to the Companies Act, 1956 and the payment of remuneration to Managing Director of a company is governed by the provisions of Section 198, 309, 310 and 311 of the Companies Act, 1956 read with Schedule XIII to the Companies Act, 1956. The said provisions provide that a company having profits in a financial year may pay any remuneration by way of salary, dearness allowance, perquisites, commission and other allowances which shall not exceed five (5) percent of its net profits for one such managerial person and if there is more than one such managerial person ten (10) percent for all of them together.

He further informed the members that the remuneration payable to the Managing Director has been approved by the Remuneration Committee of the Directors.

The Chairman thereafter put the following resolution to vote as a special resolution by show of hands, which was proposed by Mr. Manjrekar and seconded by Mr. Tamane, members of the Company:

“RESOLVED THAT pursuant to the provision of Sections 198, 269, 309, 311, 317 read with Schedule XIII and other applicable provisions if any, of the Companies Act, 1956 or any statutory modification(s) or re-enactment(s) thereof the consent of the members be and is hereby accorded to the re-appointment of Mr. Kewalchand P. Jain as the Managing Director of the Company for a period of 5 (five) years w.e.f 1st April, 2010 on the terms and conditions including remuneration as detailed below with a liberty to the Board of Directors which term shall be deemed to include any Committee of the Board constituted to exercise its powers, (including the powers conferred by this resolution) to alter and vary the terms and conditions of appointment and/or remuneration as may be agreed to by the Board of Director and Mr. Jain, subject to the same not exceeding the limits specified under Schedule XIII to the Companies Act, 1956 or any statutory modification(s) or re-enactment(s) thereof:

- I. Total monthly remuneration of Rs. 3,00,000/- (Basic Rs. 90,000/- & Allowance Rs. 2,10,000/-)

The Company's contribution to provident fund as per the rules of the company and to the extent not taxable under the income tax law shall not be included for the purpose of computation of the overall ceiling of remuneration

II. Perquisites:

- a. Gratuity at a rate not exceeding half month's salary for each completed year of services, payable at the end of the tenure or retirement or resignation;
- b. Encashment of leave, bonus and allowances as per the Company policy rules;
- c. Medical reimbursement in India or abroad as per Company policy and/or rules and/or medical insurance premium;
- d. Use of Company's car along with driver for official & personal purposes, two telephones at residence and two mobile phones;
- e. Any other allowances, perquisites, benefits and facilities as may be approved by the Board of Directors from time to time;

The valuation of perquisite shall be as per the Income Tax Rules and wherever no method of valuation is prescribed therein, the same shall be valued at the cost to the Company.

III. Reimbursement of expenses incurred in respect of his official duties including traveling and entertainment expenses.

Responsibilities:

Mr. Jain will be responsible for the day to day management of the affairs of the Company under the supervision and control of the Board of Directors of the Company.

He shall report all matters to the Board and shall function under the superintendence and control of the Board.

FURTHER RESOLVED THAT the remuneration payable to Mr. Jain during Mr. Jain's term of office as Managing Director together with the remuneration payable to the other

Whole time Directors of the Company viz. Mr. Hemant Jain, Mr. Dinesh Jain and Mr. Vikas Jain shall not in any financial year exceed 10% of the net profits of the Company for that respective financial year calculated in the manner stated in Section 198 of the Companies Act, 1956 or any statutory modification(s) or re-enactment(s) thereof;

FURTHER RESOLVED THAT in the event of absence or inadequacy of profits in any financial year during Mr. Jain's term of office as Managing Director the above remuneration and perquisites be paid as minimum remuneration, subject to the overall limits specified in Schedule XIII of the Companies Act, 1956;

LASTLY RESOLVED THAT Mr. Hemant Jain, Director and Mr. Abhijit Warange, General Manager – Compliance and Company Secretary be and are hereby independently authorized to give necessary intimations to all statutory authorities concerned and to do all such acts, deeds and things as may be necessary to give effect to this resolution.”

All the shareholders approved the above resolution. The Chairman thereafter declared the resolution as passed unanimously.

10. REAPPOINTMENT OF MR. HEMANT P. JAIN AS THE ‘WHOLETIME DIRECTOR’ OF THE COMPANY AND TO APPROVE THE REMUNERATION PAYABLE TO MR. JAIN.

The Chairman informed the members that in the Board Meeting held on March 4, 2010 the Board of Directors had subject to the approval of the members approved the re-appointment and remuneration as recommended by the Remuneration Committee payable to Mr. Hemant P. Jain, Wholetime Director of the company.

He further informed that the members of the company had in the Extra Ordinary General Meeting held on December 9, 2005 accorded their consent to the appointment of Mr. Hemant P. Jain as the Wholetime Director of the company for a period of five years w.e.f. April 1, 2005 which was due for renewal on April 1, 2010.

He further informed that the members of the company in the Annual General Meeting held on August 4, 2008 accorded their consent for remuneration payable to Wholetime Director for the period November 3, 2008 upto March 31, 2010.

He apprised the members that the appointment of the Wholetime Directors would be governed by the provisions of Section 269 of the Companies Act, 1956 read with Part I of Schedule XIII to the Companies Act, 1956 and the payment of remuneration to Wholetime Director of a company is governed by the provisions of Section 198, 309, 310 and 311 of the Companies Act, 1956 read with Schedule XIII to the Companies Act, 1956. The said provisions provide that a company having profits in a financial year may pay any remuneration by way of salary, dearness allowance, perquisites, commission and other allowances which shall not exceed five (5) percent of its net profits for one such managerial person and if there is more than one such managerial person ten (10) percent for all of them together.

He informed the members that the remuneration payable to the Wholetime Director has been approved by the Remuneration Committee of the Directors.

The Chairman thereafter put the following resolution to vote as a special resolution by show of hands, which was proposed by Mr. Dharia and seconded by Mr. Besania, members of the Company:

“RESOLVED THAT pursuant to the provision of Sections 198, 269, 309, 311 read with Schedule XIII and other applicable provisions if any, of the Companies Act, 1956 or any statutory modification(s) or re-enactment(s) thereof consent of the members be and is hereby accorded to the re-appointment of Mr. Hemant P. Jain as the Wholetime Director of the Company on the terms and conditions including remuneration as detailed below till such time he continues to be a Director liable to retire by rotation with a liberty to the Board of Directors which term shall be deemed to include any Committee of the Board constituted to exercise its powers, (including the powers conferred by this resolution) to alter and vary the terms and conditions of appointment and/or remuneration as may be agreed to by the Board of Director and Mr. Jain, subject to the same not exceeding the limits specified under Schedule XIII to the Companies Act, 1956 or any statutory modification(s) or re-enactment(s) thereof.

I. Total monthly remuneration of Rs. 3,00,000/- (Basic Rs. 90,000/- & Allowance Rs. 2,10,000/-)

The Company's contribution to provident fund as per the rules of the company and to the extent not taxable under the income tax law shall not be included for the purpose of computation of the overall ceiling of remuneration

II. Perquisites:

- a. Gratuity at a rate not exceeding half month's salary for each completed year of services, payable at the end of the tenure or retirement or resignation;
- b. Encashment of leave, bonus and allowances as per the Company policy rules;
- c. Medical reimbursement in India or abroad as per Company policy and/or rules and/or medical insurance premium;
- d. Use of Company's car along with driver for official & personal purposes, two telephones at residence and two mobile phones;
- e. Any other allowances, perquisites, benefits and facilities as may be approved by the Board of Directors from time to time;

The valuation of perquisite shall be as per the Income Tax Rules and wherever no method of valuation is prescribed therein, the same shall be valued at the cost to the Company.

III. Reimbursement of expenses incurred in respect of his official duties including traveling and entertainment expenses.

Responsibilities:

Mr. Jain will be responsible for the day to day management of the affairs of the Company under the supervision and control of the Board of Directors of the Company.

He shall report all matters to the Board and shall function under the superintendence and control of the Board.

FURTHER RESOLVED THAT the remuneration payable to Mr. Jain during Mr. Jain's term of office as Wholetime Director together with the remuneration payable to the Managing Director viz. Mr. Kewalchand Jain and other Whole time Directors of the Company viz. Mr. Dinesh Jain and Mr. Vikas Jain shall not in any financial year exceed 10% of the net profits of the Company for that respective financial year calculated in the

manner stated in Section 198 of the Companies Act, 1956 or any statutory modification(s) or re-enactment(s) thereof;

FURTHER RESOLVED THAT in the event of absence or inadequacy of profits in any financial year during Mr. Jain's term of office as Wholetime Director the above remuneration and perquisites be paid as minimum remuneration, subject to the overall limits specified in Schedule XIII of the Companies Act, 1956;

LASTLY RESOLVED THAT Mr. Kewalchand P. Jain, Director and Mr. Abhjit Warange, General Manager - Compliance and Company Secretary be and are hereby independently authorized to give necessary intimations to all statutory authorities concerned and to do all such acts, deeds and things as may be necessary to give effect to this resolution."

All the shareholders approved the above resolution. The Chairman thereafter declared the resolution as passed unanimously.

II. REAPPOINTMENT OF MR. DINESH P. JAIN AS THE 'WHOLETIME DIRECTOR' OF THE COMPANY AND TO APPROVE THE REMUNERATION PAYABLE TO MR. JAIN.

The Chairman informed the members that in the Board Meeting held on March 4, 2010 the Board of Directors had subject to the approval of the members approved the re-appointment and remuneration as recommended by the Remuneration Committee payable to Mr. Dinesh P. Jain, Wholetime Director of the company.

He further informed that the members of the company had in the Extra Ordinary General Meeting held on December 9, 2005 accorded their consent to the appointment of Mr. Dinesh P. Jain as the Wholetime Director of the company for a period of five years w.e.f. April 1, 2005 which was due for renewal on April 1, 2010.

He further informed that the members of the company in the Annual General Meeting held on August 4, 2008 accorded their consent for remuneration payable to Wholetime Director for the period November 3, 2008 upto March 31, 2010.

He apprised the members that the appointment of the Wholetime Directors would be governed by the provisions of Section 269 of the Companies Act, 1956 read with Part I of Schedule XIII to the Companies Act, 1956 and the payment of remuneration to Wholetime Director of a company is governed by the provisions of Section 198, 309, 310 and 311 of the Companies Act, 1956 read with Schedule XIII to the Companies Act, 1956. The said provisions provide that a company having profits in a financial year may pay any remuneration by way of salary, dearness allowance, perquisites, commission and other allowances which shall not exceed five (5) percent of its net profits for one such managerial person and if there is more than one such managerial person ten (10) percent for all of them together.

He informed the members that the remuneration payable to the Wholetime Director has been approved by the Remuneration Committee of the Directors.

The Chairman thereafter put the following resolution to vote as a special resolution by show of hands, which was proposed by Mr. Parekh and seconded by Mrs. Mascarenhas, members of the Company:

“RESOLVED THAT pursuant to the provision of Sections 198, 269, 309, 311 read with Schedule XIII and other applicable provisions if any, of the Companies Act, 1956 or any statutory modification(s) or re-enactment(s) thereof consent of the members be and is hereby accorded to the re-appointment of Mr. Dinesh P. Jain as the Wholetime Director of the Company on the terms and conditions including remuneration as detailed below till such time he continues to be a Director liable to retire by rotation with a liberty to the Board of Directors which term shall be deemed to include any Committee of the Board constituted to exercise its powers, (including the powers conferred by this resolution) to alter and vary the terms and conditions of appointment and/or remuneration as may be agreed to by the Board of Director and Mr. Jain, subject to the same not exceeding the limits specified under Schedule XIII to the Companies Act, 1956 or any statutory modification(s) or re-enactment(s) thereof:

1. Total monthly remuneration of Rs. 3,00,000/- (Basic Rs. 90,000/- & Allowance Rs. 2,10,000/-)

The Company's contribution to provident fund as per the rules of the company and to the extent not taxable under the income tax law shall not be included for the purpose of computation of the overall ceiling of remuneration

II. Perquisites:

- a. Gratuity at a rate not exceeding half month's salary for each completed year of services, payable at the end of the tenure or retirement or resignation;
- b. Encashment of leave, bonus and allowances as per the Company policy rules;
- c. Medical reimbursement in India or abroad as per Company policy and/or rules and/or medical insurance premium;
- d. Use of Company's car along with driver for official & personal purposes, two telephones at residence and two mobile phones;
- e. Any other allowances, perquisites, benefits and facilities as may be approved by the Board of Directors from time to time;

The valuation of perquisite shall be as per the Income Tax Rules and wherever no method of valuation is prescribed therein, the same shall be valued at the cost to the Company.

III. Reimbursement of expenses incurred in respect of his official duties including traveling and entertainment expenses.

Responsibilities:

Mr. Jain will be responsible for the day to day management of the affairs of the Company under the supervision and control of the Board of Directors of the Company.

He shall report all matters to the Board and shall function under the superintendence and control of the Board.

FURTHER RESOLVED THAT the remuneration payable to Mr. Jain during Mr. Jain's term of office as Wholetime Director together with the remuneration payable to the Managing Director viz. Mr. Kewalchand Jain and other Whole time Directors of the Company viz. Mr. Hemant Jain and Mr. Vikas Jain shall not in any financial year exceed

10% of the net profits of the Company for that respective financial year calculated in the manner stated in Section 198 of the Companies Act, 1956 or any statutory modification(s) or re-enactment(s) thereof;

FURTHER RESOLVED THAT in the event of absence or inadequacy of profits in any financial year during Mr. Jain's term of office as Wholetime Director the above remuneration and perquisites be paid as minimum remuneration, subject to the overall limits specified in Schedule XIII of the Companies Act, 1956;

LASTLY RESOLVED THAT Mr. Kewalchand P. Jain, Director and Mr. Abhijit Wange, General Manager - Compliance and Company Secretary be and are hereby independently authorized to give necessary intimations to all statutory authorities concerned and to do all such acts, deeds and things as may be necessary to give effect to this resolution."

All the shareholders approved the above resolution. The Chairman thereafter declared the resolution as passed unanimously.

12. REAPPOINTMENT OF MR. VIKAS P. JAIN AS THE 'WHOLETIME DIRECTOR' OF THE COMPANY AND TO APPROVE THE REMUNERATION PAYABLE TO MR. JAIN.

The Chairman informed the members that in the Board Meeting held on March 4, 2010 the Board of Directors had subject to the approval of the members approved the re-appointment and remuneration as recommended by the Remuneration Committee payable to Mr. Vikas P. Jain, Wholetime Director of the company.

He further informed that the members of the company had in the Extra Ordinary General Meeting held on December 9, 2005 accorded their consent to the appointment of Mr. Vikas P. Jain as the Wholetime Director of the company for a period of five years w.e.f. April 1, 2005 which was due for renewal on April 1, 2010.

He further informed that the members of the company in the Annual General Meeting held on August 4, 2008 accorded their consent for remuneration payable to Wholetime Director for the period November 3, 2008 upto March 31, 2010.

He apprised the members that the appointment of the Wholetime Directors would be governed by the provisions of Section 269 of the Companies Act, 1956 read with Part I of Schedule XIII to the Companies Act, 1956 and the payment of remuneration to Wholetime Director of a company is governed by the provisions of Section 198, 309, 310 and 311 of the Companies Act, 1956 read with Schedule XIII to the Companies Act, 1956. The said provisions provide that a company having profits in a financial year may pay any remuneration by way of salary, dearness allowance, perquisites, commission and other allowances which shall not exceed five (5) percent of its net profits for one such managerial person and if there is more than one such managerial person ten (10) percent for all of them together.

He informed the members that the remuneration payable to the Wholetime Director has been approved by the Remuneration Committee of the Directors.

The Chairman thereafter put the following resolution to vote as a special resolution by show of hands, which was proposed by Mr. Kachalia and seconded by Mr. Manjrekar, members of the Company:

“RESOLVED THAT pursuant to the provision of Sections 198, 269, 309, 311 read with Schedule XIII and other applicable provisions if any, of the Companies Act, 1956 or any statutory modification(s) or re-enactment(s) thereof consent of the members be and is hereby accorded to the re-appointment of Mr. Vikas P. Jain as the Wholetime Director of the Company on the terms and conditions including remuneration as detailed below till such time he continues to be a Director liable to retire by rotation with a liberty to the Board of Directors which term shall be deemed to include any Committee of the Board constituted to exercise its powers, (including the powers conferred by this resolution) to alter and vary the terms and conditions of appointment and/or remuneration as may be agreed to by the Board of Director and Mr. Jain, subject to the same not exceeding the limits specified under Schedule XIII to the Companies Act, 1956 or any statutory modification(s) or re-enactment(s) thereof:

1. Total monthly remuneration of Rs. 3,00,000/- (Basic Rs. 90,000/- & Allowance Rs. 2,10,000/-)

The Company's contribution to provident fund as per the rules of the company and to the extent not taxable under the income tax law shall not be included for the purpose of computation of the overall ceiling of remuneration

II. Perquisites:

- a. Gratuity at a rate not exceeding half month's salary for each completed year of services, payable at the end of the tenure or retirement or resignation;
- b. Encashment of leave, bonus and allowances as per the Company policy rules;
- c. Medical reimbursement in India or abroad as per Company policy and/or rules and/or medical insurance premium;
- d. Use of Company's car along with driver for official & personal purposes, two telephones at residence and two mobile phones;
- e. Any other allowances, perquisites, benefits and facilities as may be approved by the Board of Directors from time to time;

The valuation of perquisite shall be as per the Income Tax Rules and wherever no method of valuation is prescribed therein, the same shall be valued at the cost to the Company.

III. Reimbursement of expenses incurred in respect of his official duties including traveling and entertainment expenses.

Responsibilities:

Mr. Jain will be responsible for the day to day management of the affairs of the Company under the supervision and control of the Board of Directors of the Company.

He shall report all matters to the Board and shall function under the superintendence and control of the Board.

FURTHER RESOLVED THAT the remuneration payable to Mr. Jain during Mr. Jain's term of office as Wholetime Director together with the remuneration payable to the Managing Director viz. Mr. Kewalchand Jain and other Whole time Directors of the Company viz. Mr. Hemant Jain and Mr. Dinesh Jain shall not in any financial year exceed 10% of the net profits of the Company for that respective financial year calculated in the

manner stated in Section 198 of the Companies Act, 1956 or any statutory modification(s) or re-enactment(s) thereof;

FURTHER RESOLVED THAT in the event of absence or inadequacy of profits in any financial year during Mr. Jain's term of office as Wholetime Director the above remuneration and perquisites be paid as minimum remuneration, subject to the overall limits specified in Schedule XIII of the Companies Act, 1956;

LASTLY RESOLVED THAT Mr. Kewalchand P. Jain, Director and Mr. Abhijit Warange, General Manager - Compliance and Company Secretary be and are hereby independently authorized to give necessary intimations to all statutory authorities concerned and to do all such acts, deeds and things as may be necessary to give effect to this resolution."

All the shareholders approved the above resolution. The Chairman thereafter declared the resolution as passed unanimously.

Mr. Kewalchand Jain thanked Mr. Nimish Pandya for chairing agenda item nos. 8 to 12.

Mr. Nimish Pandya proposed a vote of thanks to the chair. Mr. Kewalchand P. Jain thereafter declared the meeting as concluded.

Place: Mumbai

CHAIRMAN

Date: 05/08/2010