

**A MEETING OF THE SHARE HOLDERS OF KHAITAN ELECTRICALS LIMITED
ANNUAL GENERAL MEETING HELD ON 16TH SEPTEMBER, 2013 AT 11.00 A.M. AT
THE FEDERATION OF A.P CHAMBERS OF COMMERCE AND INDUSTRY
(FAPCCI) PREMISES – SURANA UDYOG HALL, FEDERATION HOUSE, 11-6-841,
RED HILLS, HYDERABAD – 500 004**

PRESENT

Sri V.K. Rungta - Director
Sri Sajjan Dabriwal - Dy. Managing Director

Dr. V.K. Rungta, Director took the Chair, as proposed by Sri P.S. Prabhakar and seconded by Sri Sajjan Dabriwal

48 Nos of Shareholders attended the meeting as per the Attendance Register

7 Nos Proxies attended the meeting as per the Attendance Register

Sri V.K. Rungta, Director of the Company read out Chairman Speech.

With the consent of the Company's Shareholders present, the Notice convening the meeting and the Directors Report were taken as read. Thereafter at the direction of Chairman of the Meeting, Sri V.G. Taraknath, Auditors of the Company read out the Auditors' Report.

The Register of Directors Shareholdings were kept open and accessible to all persons having right to attend the meeting, during course of meeting.

The Chairman of the Meeting thereafter proposed

1. "RESOLVED that the audited Balance Sheet of the Company as at 31st March, 2013 and the Statement of Profit and Loss Account, Cash Flow Statement for the year ended on that date together with Directors' Report, Corporate Governance and the Auditors' Report thereon be and are hereby received, approved and adopted".

Mr. Krishna Gopal Gupta Seconded the Proposal



Before the resolution was put to vote for adoption of the Directors' and Auditors' Report and Accounts, the Chairman invited questions from the Shareholders. Queries of Shareholders were clarified to their satisfaction.

The Chairman of the Meeting, then put the resolution for adoption of the Report of Directors, Corporate Governance, Auditors and Accounts to vote and the same was carried on show of hands, unanimously..

Thereafter the following Resolutions were proposed and passed unanimously, one after the other on show of hands, as 2 to 6 Ordinary Resolutions and 7 and 8 as Special Resolutions.

- 2.. "RESOLVED that Shri Sunil K.Khaitan who retires by rotation and is eligible for re-election be and is hereby re-elected a Director of the Company."

Moved by : Sri V.K. Rungta
Proposed by : Sri V.K. Rungta
Seconded by : Sri T. Ramana Rao
Carried Unanimously.

3. "RESOLVED that Shri Sajjan Dabriwal who retires by rotation and is eligible for re-election be and is hereby re-elected a Director of the Company."

Moved by : Sri V.K.Rungta
Proposed by : Sri G.B. Achari
Seconded by : Sri K. Vijaya Kumar
Carried Unanimously.

4. "RESOLVED that Shri Biswajit Choudhuri who retires by rotation and is eligible for re-election be and is hereby re-elected a Director of the Company."

Moved by : Sri V.K. Rungta
Proposed by : Sri P. Prabhakar
Seconded by : Sri Ramesh Shanker Golla
Carried Unanimously.

5. "RESOLVED that Shri V.K. Rungta who retires by rotation and is eligible for re-election be and is hereby re-elected a Director of the Company."

Moved by : Sri Sajjan Dabriwal
Proposed by : Sri Sajjan Dabriwal
Seconded by : Sri Rajesh M. Paryani
Carried Unanimously.



- 6 "RESOLVED that M/s. V.S.Rao & Co. Chartered Accountants, Hyderabad and M/s. G.P.Agrawal & Co., Chartered Accountants, Kolkata be and are hereby re-appointed as a Joint Auditors of the Company to hold office from the conclusion of this Annual General meeting and till the conclusion of the next Annual General Meeting of the Company and that the Board of Directors be and are hereby authorized to fix the remuneration and other terms and conditions of the said appointment."

Moved by : Sri V.K.Rungta
Proposed by : Sri S. Bhanu Kumar Raju
Seconded by : Sri T.G. Maheswara Rao
Carried Unanimously.

7. "RESOLVED that in terms of provisions of Section 198, 269, 309, 310, read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, Sri Sunil K. Khaitan be re-appointed as Chairman and Managing Director of the Company and consent be and is hereby accorded to him for holding and continue to hold an office or place of profit in the Company for a period of Three years, commencing from 01.11.2013 to 31.10.2016 on the terms set out in the explanatory statement annexed hereto"

"RESOLVED FURTHER that the Board of Directors of the Company (including remuneration Committee) be and are hereby authorized to do all such acts and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its power here in conferred to any Director/Officer of the Company to give effect to the aforesaid resolution."

EXPLANATORY STATEMENT PURSUANT TO SECTION 173 OF THE COMPANIES ACT, 1956

The following Explanatory Statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice dated 29th May, 2013

The Board of Directors of the Company, at its meeting held on 29th May, 2013 had re-appointed Mr. Sunil K. Khaitan as Chairman & Managing Director on the terms and conditions and remuneration as set out here under.



The relevant details as required under para (c) of Section II of Part II of Sechedule XIII to the Companies Act 1956 furnished in the Notice.

Remuneration proposed : Remuneration as approved by the Board of Directors on 29th May, 2013 (for the period from 1st November, 2013 To 31st October, 2016) .

I. Salary : Rs 4,00,000/- per month

II. Commission:

Such remuneration by way of commission in addition to the salary, perquisites and allowances payable, calculated with reference to the net profits of the Company in a particular year, as may be determined by the Board of Directors of the Company at the end of each financial year subject to the overall ceiling stipulated in Sections 198 and 309 of the Act. The specific amount payable to Chairman and Managing Director will be based on certain performance criteria to be laid down by the Board and will be payable annually after the Annual Accounts have been approved by the Board of Directors.

III. Perquisites:

In addition to the salary, he will be entitled to the following Perquisites which shall be restricted to an amount equal to his individual salary.

CATEGORY I

- i Rent-free residential accommodation, failing which House Rent Allowance @ 60% of the salary.
- ii The expenditure allowance incurred by the Company on Gas, Electricity, Water and Furnishings shall be valued as per Income Tax Rules, 1962 and shall not exceed 10% of the salary.
- iii. City Compensatory Allowance @ 10% of the Salary
- iv. The reimbursement of medical expenses actually incurred for self and family, in accordance with the Rules of the Company
- v Leave Travel Assistance for self and family once in a year, incurred in accordance with the Rules of the Company.
- vi. Fee of Club subject to a maximum of two Clubs. This will not include the Admission and/or Life Membership Fee



CATEGORY II

- i. The Company's contribution to Provident, Superannuation and other funds as per the rules. Such contribution will not be included in computation of the ceiling on perquisites to the extent, not taxable under the Income Tax Act, 1961.
- ii. Gratuity at the rate of half month's salary for every completed year of service as per rules of the Company, subject to the limits prescribed by the Central Government, which will not be included in the computation of ceiling on perquisites.
- iii. Earned Leave as per Rules of the Company. Encashment of leave at the end of the tenure will not be included in the computation of ceiling on perquisites.

CATEGORY III (Not to be considered as Perquisites)

Provision of car with driver for use on Company's business, alternatively car/conveyance expenses incurred on Company's business will be reimbursed at actuals.

Free telephone facility at residence, provided that charges for all personal long distance calls shall not be borne by the Company.

Group Personal Accident Insurance, premium of which not to exceed Rs.10,000/- p.a.

He will not be entitled to receive any fee for attending any meeting of the Board or a Committee thereof.

This appointment can be terminated by either party by giving three months' notice in writing to the other.

The remuneration, designation, terms and conditions of their appointment can be altered and varied from time to time by the Board as it may, in its discretion, deem fit within the provisions of Schedule XIII of the Companies Act, 1956.

In the event of loss or inadequacy of Profit, he will be entitled to the above salary and perquisites not exceeding Rs.48,00,000 per annum as minimum remuneration for the period from 1st November 2013 to 31st October, 2016

Moved by	:	Sri V.K.Rungta
Proposed by	:	Sri S. Bhanu Kumar Raju
Seconded by	:	Sri K. Srinivasu
Carried Unanimously.		



8. "RESOLVED that in terms of provisions of Section 198, 269, 309, 310, read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 , Sri Sajjan Dabriwal be re-appointed as Deputy Managing Director of the Company and consent be and is hereby accorded to him for holding and continue to hold an office or place of profit in the Company for a period of Three years, commencing from 20.09.2013 to 19.09.2016 on the terms set out in the explanatory statement annexed hereto"

"RESOLVED FURTHER that the Board of Directors of the Company (including remuneration Committee) be and are hereby authorized to do all such acts and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its power here in conferred to any Director/Officer of the Company to give effect to the aforesaid resolution."

EXPLANATORY STATEMENT PURSUANT TO SECTION 173 OF THE COMPANIES ACT, 1956

The Board of Directors of the Company, at its meeting held on 29th May, 2013 had re-appointed Mr. Sajjan Dabriwal, Dy. Managing Director on the terms and conditions and remuneration as set out here under.

The relevant details as required under Para (c) of Section II of Schedule XIII to the Companies Act 1956 are furnished in the NOTICE.

Remuneration proposed : Remuneration as approved by the Board of Directors on 29th May,2013 (for the period from 20th September,2013 To 19th September, 2016)

I.Salary: Rs. 1,50,000/- per month

II.Commission:

Such remuneration by way of commission in addition to the salary, perquisites and allowances payable, calculated with reference to the net profits of the Company in a particular year, as may be determined by the Board of Directors of the Company at the end of each financial year subject to the overall ceiling stipulated in Sections 198 and 309 of the Act. The specific amount payable to Deputy Managing Director will be based on certain performance criteria to be laid down by the Board and will be payable annually after the Annual Accounts have been approved by the Board of Directors.



III.Perquisites :

In addition to the salary, he will be entitled to the following Perquisites which shall be restricted to an amount equal to their individual salary.

CATEGORY I

- i Rent-free residential accommodation, failing which House Rent Allowance @ 60% of the salary.
- ii The expenditure allowance incurred by the Company on Gas, Electricity, Water and Furnishings shall be valued as per Income Tax Rules, 1962 and shall not exceed 10% of the salary.
- iii. City Compensatory Allowance @ 10% of the Salary
- iv. The reimbursement of medical expenses actually incurred for self and family, in accordance with the Rules of the Company
- v. Leave Travel Assistance for self and family once in a year, incurred in accordance with the Rules of the Company.
- vi. Fee of Club subject to a maximum of two Clubs. This will not include the Admission and /or Life Membership Fee

CATEGORY II

- i.. The Company's contribution to Provident, Superannuation and other funds as per the rules. Such contribution will not be included in computation of the ceiling on perquisites to the extent, not taxable under the Income Tax Act, 1961.
- ii. Gratuity at the rate of half month's salary for every completed year of service as per rules of the Company, subject to the limits prescribed by the Central Government, which will not be included in the computation of ceiling on perquisites.
- iii. Earned Leave as per Rules of the Company. Encashment of leave at the end of the tenure will not be included in the computation of ceiling on perquisites.



CATEGORY III (Not to be considered as Perquisites)

Provision of car with driver for use on Company's business, alternatively car/conveyance expenses incurred on Company's business will be reimbursed at actuals.

Free telephone facility at residence, provided that charges for all personal long distance calls shall not be borne by the Company.

Group Personal Accident Insurance, premium of which not to exceed Rs.10,000/- p.a.

He will not be entitled to receive any fee for attending any meeting of the Board or a Committee thereof.

This appointment can be terminated by either party by giving three months' notice in writing to the other.

The remuneration, designation, terms and conditions of their appointment can be altered and varied from time to time by the Board as it may, in its discretion, deem fit within the provisions of Schedule XIII of the Companies Act, 1956.

In the event of loss or inadequacy of Profit, he will be entitled to the above salary and perquisites not exceeding Rs.48,00,000 per annum as minimum remuneration for the period from 20th September, 2013 to 19th September, 2016.

Moved by : Sri V.K.Rungta
Proposed by : Sri I. Venkatewara Rao
Seconded by : Sri G. Reddeppa
Carried Unanimously.

There after the meeting was terminated with a vote of thanks to the Chair.

Hyderabad
16th September, 2013

V.K.RUNGTA
Director
Chairman of the Meeting

//CERTIFIED TRUE COPY//

For KHAITAN ELECTRICALS LTD.

Saujan Babriwal
SAUJAN BABRIWAL
By, Managing Director