

MINUTE BOOK

MINUTES OF THE EXTRAORDINARY GENERAL MEETING OF THE MEMBERS OF THE COMPANY HELD ON MONDAY THE 26TH, MARCH, 2012 AT 04:00 P.M. AT ITS CORPORATE OFFICE AT 77B, 3RD FLOOR, IFFCO ROAD, SECTOR-18, GURGAON-122015.

DIRECTORS PRESENT:

1. Mr. Chhattar Kumar Goushal
2. Mr. Suresh Bohra
3. Mr. Pulkit Vimal Mehta

CHAIRMAN OF THE MEETING

Mr. Suresh Bohra, Director proposed the name of Mr. Chhattar Kumar Goushal for appointment of Chairman of the Meeting which was seconded by Mr. Pulkit Vimal Mehta Director of the Company.

MEMBERS PRESENT

13 Members in person, 4 Members through their duly appointed proxies and 5 Corporate Member through authorized representative holding 193, 3678000 & 59574798 Equity Shares respectively.

1. PROCEEDINGS

At the outset, the Company Secretary made the announcement regarding the details of the number of Members present in person, proxies and through corporate authorization. Since the requisite quorum was present, the Chairman called the meeting to order

2. NOTICE OF THE EXTRAORDINARY GENERAL MEETING (EGM)

With the consent of Members, the Notice of Extra Ordinary General Meeting (EGM) was taken as read.

The Chairman extended a warm welcome to the members present at the meeting. He briefly stated the purpose for which the EGM was convened.

3. INCREASE IN AUTHORISED CAPITAL

The Chairman informed the members that first item of the notice needs the approval of members for increasing present Authorised Share Capital of the Company from Rs. 8,50,00,000/- (Rupees Eight Crore Fifty Lacs only) comprising of 8,50,00,000 (Eight Crore Fifty Lacs) Equity Shares of Re.1/- (Rupee One Only) each to 150,00,00,000 (Rupees One Hundred Fifty Crore Only) comprising of 150,00,00,000 (One Hundred Fifty Crore) Equity Shares of Re.1/- (Rupee One Only) each.

The Chairman took up the resolution for discussion. Thereafter Mr. Ajay Jain proposed the following resolution as Ordinary resolution, which was seconded by Mr. Puneet Anurag, authorised representative of M/s Digivision Holdings Private Limited. The Chairman put the following Resolution to vote and the same was passed unanimously by show of hands as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 16, 94 and 97 and other applicable provisions, if any, of the Companies Act, 1956, the existing Authorized Share Capital of Rs. 8.50 Crore (Rupees Eight Crore Fifty Lakh only) consisting of

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8,50,00,000 equity shares of Re. 1/- each be and is hereby increased by creation of additional 141,50,00,000 equity shares of Re. 1/- each aggregating to Rs. 141.50 Crore (Rupees One Hundred Forty One Crore Fifty Lakh only) so as to make the authorized equity share capital to Rs. 150 Crore (Rupees One Hundred Fifty Crore) consisting of 150,00,00,000 equity shares of Re.1/- each and consequently the existing clause V of the Memorandum of Association of the Company relating to the Share Capital be substituted by the following new clause:

- V The Authorized Share Capital of the Company is Rs. 150,00,00,000/- (Rupees One Hundred Fifty Crore only) divided into 150,00,00,000 (One Hundred Fifty Crore) Equity Shares of Re.1/- (Rupee One) each with power to increase or reduce its capital and to divide the shares in the capital for the time being into other classes and to attach thereto respectively such preferential, qualified or other special rights, privileges, conditions or restrictions as may be determined by, or in accordance with, the Articles of Association of the Company and to vary, modify or abrogate any such rights, privileges, conditions or restrictions in such manner as may from time to time be permitted by the Articles of Association of the Company or the Legislative provisions for the time being in force in that behalf. The rights of the holders of any class of shares for the time being forming part of the capital of the Company may be modified, affected, varied, extended or surrendered with the sanction of a special resolution passed at a separate meeting of the holders of the issued shares of that class."

4. ALTERATION OF ARTICLES OF ASSOCIATION OF COMPANY

The Chairman took up the next item of agenda regarding alteration of Articles of Association of Company which was proposed by Mr. Mohan Lal Garg as an Ordinary Resolution and seconded by Mr. Rajesh Jain. The Chairman put the following Resolution to vote and the same was passed unanimously by show of hands as a Special Resolution.

"RESOLVED THAT pursuant to provisions of Section 31 and all other applicable provisions, if any, of the Companies Act 1956, the existing article No "3" of the Articles of Association of the Company be and is hereby deleted and substituted by the following Article:

3. The Authorised Share Capital of the Company is as mentioned at Clause V of the Memorandum of Association of the Company with power to increase or reduce the share capital or to subdivide or consolidate the shares with power from time to time, to issue any shares of the original capital with and subject to any preferential, qualified or special rights, privileges or conditions as may be thought fit and to vary, modify, abrogate any such rights, privileges or conditions in such manner as may for the time being be provided in the Articles of Association of the Company".

5. ISSUE OF OPTIONALLY FULLY CONVERTIBLE DEBENTURES.

The Chairman took up the next item of agenda regarding Issue of Optionally Fully Convertible Debentures. The Chairman informed the Members that the pursuant to the recent amendments made in Clause 71 of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, where the Relevant Date falls on a weekend/holiday the day preceding the weekend/holiday will be reckoned to be the Relevant Date. The Chairman further informed that since 25th February, 2012 being Relevant Date mentioned in the Resolutions falls on weekend, 24th February, 2012 should be Relevant Date. The Chairman therefore requested to amend the Resolution and Explanatory

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Statement wherever required. Thereafter Mr. AK Jain representative of M/s Battle Vyapaar Private Limited moved the following amendment to Resolution No. 3 which was seconded by Mr. Manoj Baid authorised representative of M/s Himachal Futuristic Communications Limited

" RESOLVED THAT Resolution No 3 and its Explanatory Statement of the Extra Ordinary General Meeting Notice dated 24.02.2012 be amended by substituting the word 24th February, 2012 in place of the word 25th February, 2012 wherever appearing in the Resolution No 3 and its Explanatory Statement.

Thereafter the following amended Special Resolution was proposed by Mr. Pravcen Kumar Goyal as a Special Resolution which was seconded by Ms Monika Jain. The Chairman put the following Resolution to vote and the same was passed unanimously by show of hands:-

RESOLVED FURTHER THAT pursuant to the provisions of section 81(1A) and other applicable provisions, if any, of the Companies Act, 1956, as also the provisions of any other applicable Statutes, Laws, Rules and Regulations (including any statutory modification(s) or re-enactments thereof, for the time being in force) and provisions in the Memorandum and Articles of Association of the Company, the Listing Agreement entered into by the Company with the Bombay Stock Exchange Limited (BSE) where the shares of the Company are listed and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (the "ICDR Regulations") and subject to the approvals of all other concerned authorities, if any, and to the extent necessary and subject to such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed by any of them while granting such approvals, 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 of the Board), the consent of the Company be and is hereby accorded to the Board to create, issue, offer and allot, in one or more tranches, up to 14,40,92,219 Optionally Fully Convertible Debentures ("OFCDs") on a preferential basis to M/s V&A Ventures LLP (Non-promoter) at a price of Rs.3.47 (Rupees Three and Paise Forty Seven Only) (issue price being not less than the price as arrived at in accordance with the terms of Chapter VII of ICDR Regulations), per OFCD aggregating to Rs.50.00 Crore (Rupees Fifty Crore only) on the following terms and conditions:

- Amount: Up to 14,40,92,219 OFCDs of Rs.3.47 each aggregating to Rs.50.00 Crore.
- Conversion Price: Each OFCD will be converted into one Equity Share at a price of Rs.3.47 per equity share.
- Conversion period: After 4 months from the date of allotment of OFCDs and within 18 months from the date of allotment of OFCDs at the option of the OFCD Holder. If the conversion option is not exercised by the OFCD holder within 18 months, the OFCDs would be redeemable by the Company at redemption premium of 15% of face value i.e. Rs.3.47 per OFCD.
- Coupon: 0% p.a. payable annually.
- Tenure of the OFCDs: 18 months from the date of allotment.

RESOLVED FURTHER THAT the Relevant Date for the purpose of determining the price of the equity shares to be allotted on conversion of the said OFCDs shall be 25th February, 2012, being the date thirty days prior to the date of the meeting of shareholders as per the provisions of ICDR Regulations.

RESOLVED FURTHER THAT for the purpose of giving effect to the offer, issue or

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allotment of the OFCDs, the Board be and is hereby authorised to do all such acts, deeds, matters and things as may be required, necessary or advisable including to appoint various agencies for the proposed offer, issue and allotment of OFCDs, to fix their remuneration and to settle various questions, difficulties, doubts or problems that may arise in that regard without being required to seek any further consent or approval of the members or otherwise with the intent that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER THAT to give effect to the aforesaid Resolution, the Board be and is hereby authorised to delegate all or any of the powers herein conferred to any committee of Directors or any Director or Directors or other Officer(s) of the Company, or to any intermediary or agent of the Company, or to such other person(s) as the Board may think fit and necessary at its absolute discretion."

6. ISSUE OF FURTHER SHARES ON RIGHT BASIS.

The Chairman took up the next item of agenda regarding Issue of Further Shares on Rights Basis.

Thereafter the following Resolution was proposed by Mr. Ajay Khurana as a Special Resolution, which was seconded by Mr. Rajesh Jain. The Chairman put the following Resolution to vote and the same was passed unanimously by show of hands:-

"RESOLVED THAT pursuant to the provisions of section 81/81(1A) and other applicable provisions, if any, of the Companies Act, 1956 as also the provisions of any other applicable Statutes, Laws, Rules and Regulations (including any amendments thereto or re-enactments thereof for the time being in force), and in accordance with the provisions of the Memorandum and Articles of Association and of the Listing Agreement entered into by the Company with the Bombay Stock Exchange Ltd (BSE) where the equity shares of the Company are listed and subject to the approval of all other concerned authorities, if any, required to the extent necessary, and such other approvals, permissions, and sanctions as may be necessary, and subject to such conditions and modifications as may be prescribed in granting such approvals, permissions and sanctions which may be agreed to the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include any committee of the Board) at its sole discretion, the consent of the Company be and is hereby accorded to the Board to create, offer, issue and allot, on rights basis, equity shares of Re.1/- each at par or at such premium and in such proportion as the Board of Directors may determine to the equity shareholders of the Company whose name appear as on the Record Date as may be fixed by Board of Directors of the Company for the purpose and that such equity shares shall rank in all respect pari-passu with existing equity shares of the Company.

RESOLVED FURTHER THAT the Board be and is hereby authorized and empowered to dispose of and allot any of the aforesaid further equity shares not taken up by the holders of the existing equity shares entitled thereto or remaining un-disposed to such person or persons, whether shareholders of the Company or not.

RESOLVED FURTHER THAT the offer aforesaid may be made with option to the existing shareholders to apply for additional shares provided that a shareholder who has renounced his right in whole or in part shall not be entitled to an allotment of additional shares. The allotment of additional shares to the applicants will be made on equitable basis.

RESOLVED FURTHER THAT the allotment to non-resident shareholders, if any, will be subject to approval of the Reserve Bank of India.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is

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hereby authorized to take such actions as it may deem most beneficial to the Company in disposing of any equity right shares arising out of the fractions, if any, involved in the offer of the said equity right shares in the proportion aforesaid including the right to allot them to such person(s) who may be applying for any additional equity right shares.

RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution, the Board be and is hereby authorized to prescribe letter of offer, form of application and renunciation and other documents in respect of such further equity shares, to give such other directions as they may think fit and proper including directions for settling any question or difficulty that may arise in regard to the issue and allotment of further equity shares without being required to seek any further consent or approval of the Members or otherwise with the intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this Resolution and to do all acts, deeds, matters and things as the Board in its absolute discretion consider necessary, expedient and proper."

7. AUTHORITY TO BORROW FUNDS

The Chairman thereafter took the next item of agenda regarding Authority to borrow funds.

Thereafter the following Resolution was proposed by Mr. Pramod Kumar Jain as an Ordinary Resolution, which was seconded by Mr. Inder Kumar Jain.

"RESOLVED THAT in supersession to the earlier resolution passed by the shareholders at their General Meeting and pursuant to the provisions of Section 293(1)(d) and other applicable provisions, if any, of the Companies Act, 1956, the consent of Company be and is hereby accorded to the Board of Directors to borrow any sum or sums of money from time to time from any one or more of the Financial Institutions / Banks / Bodies Corporate / Firms / persons, whether by way of loans or advances or deposits or otherwise (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) and whether unsecured or secured by charge of any kind whatsoever including mortgage (excluding usufructuary mortgages), hypothecation or lien or pledge of the Company's assets and properties whether immovable or movable or stock in trade (including raw materials, stores, spare parts and components in stock or in transit) and work in progress and all or any of the undertakings of the Company notwithstanding that the money to be borrowed together with the monies already borrowed by the Company will or may exceed the aggregate of the paid up capital of the Company and its free reserves that is to say, reserves not set apart for any specific purposes, so that the total amount up to which the money may be so borrowed by the Board of Directors and outstanding at any time shall not exceed Rs.500.00 Crores at the relevant time.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to execute such mortgages, charges, hypothecations, lien, promissory notes, deposit receipts and such other agreements deeds and instruments or writings containing such conditions and covenants as the Directors may think fit'.

The Chairman put the above Resolution to vote which was passed unanimously by show of hands as an Ordinary Resolution

8. AUTHORITY FOR CREATION OF MORTGAGE / CHARGES

The Chairman took the next item of agenda regarding authority for creation of mortgage/charges

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The following Resolution was proposed by Ms. Sheetal Khurana as an Ordinary Resolution, which was seconded by Mr. Pradeep Sood.

RESOLVED THAT in supersession to the earlier resolution passed by the shareholders at their General Meeting and pursuant to the provisions of Section 293(1)(a) and all other applicable provisions, if any, of the Companies Act, 1956, consent of the Company be and is hereby accorded to the Board of Directors of the Company for mortgaging (excluding usufructuary mortgages) and / or charging on such terms and conditions and at such time or times and in such form or manners as it may think fit, the whole or substantially the whole of the Company's any one or more of the undertaking, or all the undertakings, including the present and / or future properties, whether movable or immovable comprised in any existing or new undertaking / undertakings of the Company, as the case may be in favour of Financial Institutions / Banks / Bodies Corporate / Firms or any other person up to Rs. 500.00 Crores at the relevant point of time upon the terms and conditions to be decided upon by the Board of Directors of the Company in accordance with the relevant statutory provisions and the guidelines issued thereunder to secure the said amount of loans together with interest thereon, further interest, if any, commitment charges, liquidated damages, premium on redemption, costs, charges, expenses and other monies, as may be agreed to between the concerned parties and as may be thought expedient by the Board of Directors and such securities to rank pari-passu or such other ranking as may be deemed expedient in the interest of the Company with the mortgages and / or charges already created or to be created in future by the Company or in such other manner as may be agreed to between the concerned parties.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to finalise any agreements, deeds or documents in this connection with the Financial Institutions / Banks / Bodies Corporate / Firms any other person for any loans and borrowings up to an aggregate value not exceeding Rs.500.00 Crores at the relevant point of time upon the terms and conditions to be decided by the Board of Directors of the Company and any other documents, if any, necessary for creating the aforesaid mortgages and/or charges and to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient for giving effect to this Resolution and to resolve any question or doubt which may arise in relation thereto or otherwise considered by the Board of Directors of the Company to be in best interest of the Company"

The Chairman put the above Resolution to vote which was passed unanimously by show of hands as an Ordinary Resolution.

9. APPOINTMENT OF JOINT STATUTORY AUDITOR

The Chairman thereafter took up the next item of agenda regarding appointment of M/s Khandelwal Jain & Co. Chartered Accountants, Mumbai as joint statutory auditor of the Company along with existing statutory auditor, M/s N.S. Bhatt & Associates, Chartered Accountants, Mumbai.

The following Resolution was proposed by Mr. Mohan Lal Garg as an Ordinary Resolution, which was seconded by Mr. Ajay Jain. The Chairman put the following Resolution to vote and the same was passed unanimously by show of hands:-

RESOLVED THAT pursuant to provisions of Section 224 of the Companies Act, 1956 M/s Khandelwal Jain & Co., the Chartered Accountants, Mumbai (Firm Registration Number 105049W) be and are hereby appointed as the Joint Statutory Auditors of the Company along with the existing Statutory Auditors, M/s. N S Bhatt

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& Associates, the Chartered Accountants, Mumbai, (Firm Registration Number 130891W), to hold office up to the conclusion of the next Annual General Meeting of the Company at such remuneration as may be mutually agreed to between the Auditors and the Board of Directors of the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, matters and things as deemed necessary or desirable in relation thereto."

10. INVESTMENT IN nexG DEVICES PRIVATE LIMITED, DigiVive SERVICES PRIVATE LIMITED, DigiCall TELESERVICES PRIVATE LIMITED AND DigiVive HOLDINGS PRIVATE LIMITED.

The Chairman thereafter took up the last item of agenda related to the proposed investment to be made by the Company in few Companies.

The following Resolution was proposed by Mr. Praveen Kumar Goyal as an Special Resolution, which was seconded by Mr. Kishore Balani. The Chairman put the following Resolution to vote and the same was passed unanimously by show of hands:-

"RESOLVED THAT pursuant to the provisions of Section 372A of the Companies Act, 1956 and in accordance with the provisions of Memorandum and Articles of Association of the Company and subject to the approval of all other concerned authorities, if any required, the consent of the Company be and is hereby accorded to the Board of Directors of the Company to invest up to Rs.100 Crore in the Equity/Preference share capital of the following companies to the extent noted against each viz:

1.	nexG Devices Private Limited	up to Rs.25 Crore
2.	DigiVive Services Private Limited	up to Rs.25 Crore
3.	DigiCall Teleservices Private Limited	up to Rs.25 Crore
4.	DigiVive Holdings Private Limited	up to Rs.25 Crore
	Total	Rs.100.00 Crore

notwithstanding that the value of the aforesaid investments together with the value of investments already made, loans already given, guarantees/securities already provided, if any, by the Company shall be in excess of the limit prescribed under Section 372A of the Companies Act, 1956 and/or as may be prescribed hereafter under said Section and/or under any other provisions of the said Act.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds and things as are necessary to comply with the Resolution."

11. VOTE OF THANKS

There being no other business to transact, the meeting ended with a vote of thanks to the Chair.


(CHAIRMAN)