



JAI BALAJI INDUSTRIES LIMITED

Minutes of the Proceedings of the Thirteenth Annual General Meeting of the Shareholders of **Jai Balaji Industries Limited** held on Tuesday, 18th December, 2012 at 11.00 A.M. at "Rotary Sadan", (Shripati Singhania Hall), 94/2 Chowringhee Road, Kolkata – 700 020.

PRESENT:

Shri Aditya Jajodia	Chairman & Managing Director
Shri Sanjiv Jajodia	Whole-time-Director
Shri Satish Chander Gupta	Director
Shri Ashim Kumar Mukherjee	Director
Shri Shyam Bahadur Singh	Director
Shri Amit Kumar Majumdar	Director

In Attendance:

- i. Shri Ajay Kumar Tantia Company Secretary
- ii. Shri R.R. Modi Representative (M/s. U. Narain & Co.), Joint Statutory Auditors
- iii. Shri S. Agarwal Representative (M/s. Rashmi & Co.), Joint Statutory Auditors

262 members were present in person including 10 authorised representatives and 43 members were present through proxy.

Shri Aditya Jajodia, Chairman of the Board of Directors of the Company, chaired the meeting.

Having ascertained that the requisite quorum was present, the Chairman called the meeting to order. The Register of Directors' Shareholdings was kept open for inspection during the meeting.

The Chairman welcomed the members at the Annual General Meeting, introduced the Directors present and read out his speech.

One minute of silence was observed in remembrance of Late Shri Angshuman Ghatak, who served the Company as an independent director.

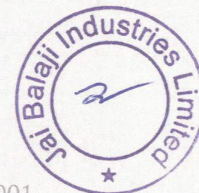
With the consent of the members present, the Notice dated 9th November, 2012 convening the meeting, Annual Accounts for the fifteen months period ended 30th June, 2012, the Directors' Report and the Corporate Governance Report was taken as read.

On the request of the Chairman, Shri R.R. Modi, Statutory Auditor of the Company, read out the Auditor's Report of the Company.

1. Adoption of Audited Accounts along with Directors' Report and Auditors' Report:

The Chairman moved the following resolution as an Ordinary Resolution:

"RESOLVED that the Balance Sheet of the Company as at 30th June, 2012 and Statement of Profit and Loss for the fifteen months period ended on that date, as audited and certified by the Company's Joint Statutory Auditors together with the Directors' Report and Auditors' Report thereon, be and are hereby, considered approved and adopted."



Regd. Office : 5, Bentinck Street, 1st Floor, Kolkata - 700 001.

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Shri S. N. Pal, a shareholder, proposed the resolution and Shri K. L. Mallik a shareholder, seconded the resolution.

Before the resolution was put to vote, the Chairman invited the shareholders to offer their comments on the working of the Company under review. The question raised by the members was replied by the Chairman with the help of other Board Members.

Thereafter, the resolution was put to vote and the same was carried unanimously by show of hands.

2. Re-appointment of Shri Rajiv Jajodia as a Director of the Company

The Chairman then moved the following resolution as an Ordinary Resolution:

“RESOLVED that Shri Rajiv Jajodia who retires by rotation and being eligible, offers himself for re-appointment, be and is hereby re-appointed as the Director of the Company.”

Shri P. M. Bothra, a shareholder, proposed and Shri S. Talukdar, a shareholder, seconded the resolution.

The Chairman put the resolution to vote and the same was carried unanimously by show of hands.

3. Re-appointment of Shri Amit Kumar Majumdar as a Director of the Company

The Chairman then moved the following resolution as an Ordinary Resolution:

“RESOLVED that Shri Amit kumar Majumdar who retires by rotation and being eligible, offers himself for re-appointment, be and is hereby re-appointed as the Director of the Company.”

Shri S. K. Modak, a shareholder, proposed and Shri A. K. Pathak, a shareholder, seconded the resolution.

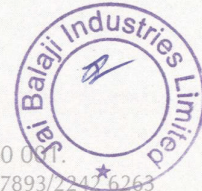
The Chairman put the resolution to vote and the same was carried unanimously by show of hands.

4. Re-appointment of M/s. U. Narain & Co. and M/s. Rashmi & Co. as the Joint Statutory Auditors of the Company

The Chairman moved the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provision of Sections 224 and other applicable provisions, if any, of the Companies Act, 1956, M/s U. Narain & Co, Chartered Accountants of Room No. 503, 5th Floor, Narayani Building, 27, Brabourne Road, Kolkata – 700 001 and M/s. Rashmi & Co., Chartered Accountants of 213, Todi Chamber, 2, Lal Bazar, Kolkata – 700 001, be and are hereby re-appointed as Joint Statutory Auditors of the Company to hold the office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company on such remuneration as may be fixed by the Board /Audit Committee apart from reimbursement of out-of-pocket expenses and applicable taxes.”

Shri S. Banerjee, a shareholder, proposed and Shri P.K. Dutta, a shareholder, seconded the resolution.



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The Chairman put the resolution to vote and the same was carried unanimously by show of hands.

Special Business:

5. Issue of Warrants Convertible into equity shares on Preferential Basis to promoter group companies as per the requirement of the scheme of Corporate Debt Restructuring approved by the CDR cell

The Chairman moved the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 81 (1A) and all other applicable provisions, if any, of the Companies Act, 1956 (including any amendment thereto or re-enactment thereof) (hereinafter referred to as "the Act") and pursuant to the scheme of Corporate Debt Restructuring approved by the CDR cell, vide their Letter of Approval of Corporate Debt Restructuring (LOA-CDR) dated 20th September, 2012 and subject to the relevant provisions of the Memorandum and Articles of Association of the Company, the Listing Agreements entered into by the Company with the Stock Exchanges where the equity shares of the Company are listed, regulation for preferential issue pursuant to Chapter VII – "Preferential issue" of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirement) Regulations, 2009, [hereinafter referred to as "SEBI (ICDR) Regulations"] including any modification and re-enactment thereof from time to time and in accordance with all other applicable regulations, guidelines and clarifications thereon issued by The Securities and Exchanges Board of India ("SEBI"), Reserve Bank of India ("RBI"), Government of India ("GOI") or any other statutory / regulatory authorities and subject to all such approvals, permissions, consents and sanctions of any authorities, 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, consents or sanctions, which may be agreed to by the Board of Directors of the Company or any Committee thereof (hereinafter referred to as the "Board"), the consent of the members of the Company be and is hereby accorded to the Board to create, offer, issue and allot, on preferential allotment basis, to one or more of the promoter(s)/ promoter group company(s), upto 1,00,00,000 (one crore) Warrants, from time to time and in one or more tranches, each Warrant entitling/ giving an option to the holder thereof to apply and be allotted one fully paid up equity share of Rs.10/- each at any time, not exceeding 18 (Eighteen) months from the date of allotment of the said Warrants, such that the equity shares to be issued on exercise of said warrants, give rise in aggregate upto 1,00,00,000 (one crore) equity shares of Rs.10/- (Rupees ten only) each fully paid up, at an exercise price of Rs. 50/- (Rupees fifty only) per equity share including a premium of Rs.40/- (Rupees forty only) per share, which is a price greater than the price determined in accordance with Clause 76(1) of Chapter VII of the SEBI (ICDR) Regulations as amended from time to time, ranking pari-passu in all respects, including as to dividend, with the existing equity shares of the Company, to the promoter(s)/ Promoter Group Company(s), on preferential basis, more particularly mentioned in the table below, in one or more tranche(s), on such terms as the Board may in its absolute discretion think fit and decide:

Sl. No.	Name of the Proposed Promoter Allottee	No. of Promoter Warrants
1	Enfield Suppliers Limited	19,00,000
2	Hari Management Limited	81,00,000
	Total	1,00,00,000

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"RESOLVED FURTHER THAT the offer, issue and allotment of the aforesaid Warrants to Promoter(s)/ Promoter Group Company(s) and the equity shares resulting from the exercise of the entitlement of the said Warrant, shall be in terms of scheme of Corporate Debt Restructuring approved by the CDR cell and subject to applicable guidelines, notifications, rules and regulations and on the terms and conditions given herein below:

- a) The "Relevant Date" in relation to the above mentioned Preferential Issue of Warrants for the purpose of determining the price of the equity shares to be allotted and issued under the SEBI (ICDR) Regulations and any amendment(s) up to date, shall be 20th September, 2012.
- b) The issue price of the said Warrants is Rs.50/- (Rupees fifty only) each, which is a price greater than the price determined in accordance with Clause 76(1) of Chapter VII of the SEBI (ICDR) Regulations.
- c) The proposed allottees of Warrants shall be entitled to apply for and obtain, in one or more tranches allotment of one equity share of face value of Rs.10/- each of the Company against each Warrant at a price of Rs. 50/-, including a premium of Rs. 40/- per equity share, within a period of 18 (eighteen) months from the date of allotment of such warrants.
- d) An amount equivalent to at least 25% of Rs.50/- per warrant being Rs. 12,50,00,000/- (Rupees twelve crore fifty lac only) shall be paid against each warrant on or before the date of such allotment as per the LOA-CDR dated 20th September, 2012.
- e) The Warrant holder(s) shall have the option of applying for and being allotted equity shares of the Company of face value of Rs. 10/- each by paying the balance 75% of Rs. 50/- per warrant, or such amount being Rs. 37,50,00,000/- (Rupees thirty seven crore fifty lac only) after adjusting the upfront payment made.
- f) In case the Warrant(s) holder do not apply for the conversion of the outstanding Warrants into equity shares of the Company within 18 (eighteen) months from the date of allotment of the said Warrants, then the amount paid upon each of the said outstanding Warrants shall be forfeited and all the rights attached to the said Warrants shall lapse automatically.
- g) The equity shares to be offered, issued and allotted on conversion of the Warrants shall be subject to the provisions of the Memorandum and Articles of Association of the Company in all respects, and the shares issued and allotted on conversion thereof shall be subject to lock-in for such period that as prescribed under the SEBI (ICDR) Regulations for preferential Issues, as amended from time to time.
- h) The said Warrants by itself do not give to the Warrant holder any rights of the shareholders or debenture holders of the Company.
- i) The Board be and is hereby authorised to delegate all or any of the powers herein conferred by this resolution to any Director(s) or to any Committee of Directors or employee or officer of the Company, as it may consider appropriate, to give effect to the aforesaid resolution.

"RESOLVED FURTHER that the Board be and is hereby authorised to issue and allot such equity shares as may be required to be issued and allotted upon conversion of the said Warrants and that equity shares shall be subject to the provisions of the Memorandum and

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Article of Association of the Company and shall rank pari passu in all respects, including entitlement for dividend, with the existing equity shares of the Company.”

“RESOLVED FURTHER THAT the Board be and is hereby authorised to decide and approve other terms and conditions of the issue of the Warrants and/or equity shares and shall also be entitled to vary, modify or alter any of the terms and conditions, as it may deem fit, subject however to the compliance with the applicable guidelines, notifications, rules and regulations and shall be as per the Scheme of Corporate Debt Restructuring approved by the CDR cell”.

“RESOLVED FURTHER THAT the Board be and is hereby authorised to accept the terms, conditions, modifications and stipulations as the GOI, RBI, SEBI or Stock Exchanges or any other regulatory authority may stipulate while granting approval to the Company for issue of the Warrants and/or equity shares as aforesaid.”

“RESOLVED FURTHER THAT the Board is hereby authorised to take necessary steps for listing of the equity shares allotted upon conversion of Warrants, on Stock Exchanges, where the Company’s shares are listed, as per the terms and conditions of the Listing Agreement, and in accordance with such other guidelines, rules and regulations as may be applicable with regard to such listing.”

“RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorised to take such steps and to do all such acts, deeds, matters and things as the Board may, in its absolute discretion, deem necessary, expedient, usual, proper, incidental or desirable and to settle any question, difficulties or doubts that may arise in this regard and in regard to the issue, allotment of the Warrants and/or equity shares and utilisation of the issue proceeds, to prescribe the forms of applications, enter and execute all such deeds, documents, agreements or other instruments, and to take such actions/directions as they may consider as being necessary or desirable and to obtain any approval, permissions, sanctions which may be necessary or desirable as they may deem fit.”

“RESOLVED FURTHER THAT the Board is hereby authorised to take necessary precautions to comply with the applicable provisions of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 at the time of allotment of equity shares issued upon conversion of Warrants.”

Shri B.K. Sarkar, a shareholder, proposed and Shri S.L. Rathi, a shareholder, seconded the resolution.

The Chairman put the resolution to vote and the same was carried unanimously by show of hands.

6. Fixation of Remuneration of Shri Shyam Bahadur Singh, Executive Director of the Company

The Chairman then moved the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 198, 309, 310 read with Schedule XIII of the Companies Act, 1956 and such other applicable provisions, if any, of the Companies Act, 1956 and subject to the approval of such authorities as may be required consent of the Company be and is hereby accorded for payment of remuneration to Shri Shyam Bahadur Singh, Director of the Company, not exceeding ₹ 75,000/- per month with effect from 1st October, 2012, and that such remuneration shall not exceed the limit

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prescribed in Part B of Section II of Schedule XIII of the Companies Act, 1956 for providing such services as may be required and be beneficial for the working of the Company, including any advisory services to the Company.”

“RESOLVED FURTHER THAT the Board be and is hereby authorised to file necessary forms with the Registrar of Companies and to take further steps to give effect to this resolution and to do all such act, deeds and things as may be necessary and incidental thereto for the said purpose.”

Shri S. S. Bhattacharyya, a shareholder, proposed and Shri A.K. Pathak, a shareholder, seconded the resolution.

The Chairman put the resolution to vote and the same was carried unanimously by show of hands.

7. Re-appointment of Shri Aditya Jajodia as Managing Director of the Company

The Chairman being interested in the instant resolution, requested Shri Sanjiv Jajodia, to preside over the meeting. Shri Sanjiv Jajodia took the Chair and moved the following resolution as a Special Resolution:

“RESOLVED THAT in accordance with the provisions of Sections 198, 269, 309, 310 of the Companies Act, 1956 and other applicable provisions, if any, of the Companies Act, 1956 and subject to the approval of such authorities as may be required, the Company hereby approves re-appointment of Shri Aditya Jajodia as Managing Director of the Company for a further period of 5 (five) years w.e.f. 23rd July, 2012 on the terms, conditions and remuneration as mentioned in the agreement dated 20th July, 2012, entered between the Company and Shri Aditya Jajodia, Managing Director.”

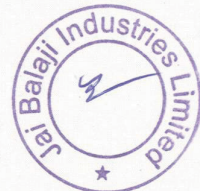
“RESOLVED FURTHER THAT the terms & conditions of the said re-appointment and/or agreement may be altered and varied from time to time by the Board as it may be mutually agreed to between the Company and Shri Aditya Jajodia subject to the limits contained in the Companies Act, 1956.”

“RESOLVED FURTHER THAT in case of losses or inadequate profits or for any other reasons as stated in Schedule XIII of the Companies Act, 1956, no remuneration shall be paid to Shri Aditya Jajodia, Managing Director or if payable shall be governed by the prevailing statutes in any financial year, during his tenure of office and that at present no remuneration is payable to Shri Aditya Jajodia till such time as may be decided by the Board.”

“RESOLVED FURTHER THAT the Board be and is hereby authorised to file necessary forms with the Registrar of Companies and to take further steps to give effect to this resolution and to do all such act, deeds and things as may be necessary and incidental thereto for the said purpose.”

Shri M.L Dey, a shareholder, proposed and Shri K. Bose, a shareholder, seconded the resolution.

The Chairman put the resolution to vote and the same was carried unanimously by show of hands.



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8. Vote of Thanks

There being no other business, the meeting concluded with a vote of thanks to the Chair proposed by Shri Ashok Kumar Choudhary.

CHAIR MAN

CERTIFIED TO BE TRUE COPY

Jai Balaji Industries Ltd.

A handwritten signature in blue ink, appearing to be 'Ashok'.

Company Secretary

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