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Minutes of the Sixty-seventh Annual General Meeting of the Members of Hindusthan National Glass & Industries Ltd. held at CII - Suresh Neotia Centre of Excellence for Leadership, DC-36, Sector-1, Salt Lake City, Kolkata 700 064, on Friday, the 27<sup>th</sup> September, 2013 at 10.00 a.m.

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**Members present :** 84 Members in person, holding 146,42,134 shares.  
15 Members through proxies deposited with the Company holding 611,23,840 shares.

**Directors Present :** Shri Chandra Kumar Somany  
Shri Sanjay Somany  
Shri Ratna Kumar Daga  
Shri Sujit Bhattacharya  
Shri Kishore Bhimani

1. **Chairman**

Shri Chandra Kumar Somany took the Chair.

2. **Quorum**

Requisite Quorum being present, the Chairman declared the meeting open.

3. **Notice**

Notice convening the meeting was taken as read, with the consent of the members present.

4. **Statutory Records**

The Chairman informed the members present that the Register of Directors' Shareholdings and other statutory register/records along with the Auditors' Report dated 30<sup>th</sup> May, 2013 was available at the meeting venue and the same would remain open and accessible during the continuance of the meeting to eligible persons.

5. **Auditors' Report**

At the request of the Chairman and with the consent of the Shareholders, Shri Ajay Kumar Rai, Company Secretary, read out the first and last paragraph of the Auditors' Report dated 30<sup>th</sup> May 2013.

6. **Chairman's Speech**

Before taking up formal agenda of the meeting for consideration of the members, the Chairman shared the performance of the Company for the financial year 2012-13 with the



members. In his speech, the Chairman summarized the overall performance of the Company and also drew a profile of the future outlook of the Company.

Before concluding his speech, the Chairman thanked the Company's Bankers, Shareholders, his fellow Board members, the employees and other stakeholders for their valuable support, co-operation and suggestions.

**7. Adoption of Audited Accounts for the financial year 2012-13**

Shri T. K. Dutta proposed and Shri Goutam Nandi seconded the following Resolution as an Ordinary Resolution:-

"RESOLVED THAT the Audited Accounts of the Company for the year ended 31<sup>st</sup> March 2013, together with the Directors' Report and the Auditors' Report thereon as circulated to all the shareholders and now laid before this meeting, be and each one of the same is hereby considered and adopted."

Before putting the aforesaid resolution to vote, the Chairman invited comments and suggestions from members on the audited accounts of the Company for the financial year 2012-13 and the Auditors' Report thereon.

Thereupon, some of the members present raised their queries in the meeting and commented on financial performance of the Company, its future plans and prospects.

Shri Chandra Kumar Somany, Chairman and Shri Sanjay Somany, Vice Chairman & Managing Director replied to the queries raised by the shareholders.

The aforesaid resolution, thereafter, was put to vote and was passed unanimously.

**8. Declaration of Dividend**

Shri Dilip S. Damle, holding 146,41,600 equity shares as a Trustee of HNG Trust & Ace Trust renounced his right to dividend immediately before the resolution was proposed.

Thereafter, Shri Amit Kumar Das proposed and Shri R. S. Sharma seconded the following Resolution as an Ordinary Resolution:-

"RESOLVED THAT the dividend @ 5% i.e. Re.0.10. (Ten paise) per equity share of Rs.2/- each for the financial year ended 2012-2013 be and is hereby declared."

When put to vote, the resolution was passed unanimously.

**9. Re-appointment of Shri Ratna Kumar Daga, as Director of the Company liable to retire by rotation**

Shri Goutam Nandi proposed and Shri B. Das seconded the following Resolution as an Ordinary Resolution:-

"RESOLVED THAT Shri Ratna Kumar Daga, a Director who retires by rotation at this Annual General Meeting and who being eligible, offers himself for re-appointment, be and is hereby appointed as a Director of the Company liable to retire by rotation."

When put to vote, the resolution was passed unanimously.



**10. Re-appointment of Statutory Auditors of the Company**

Shri S. S. Singhania proposed and Shri Arup Das seconded the following Resolution as an Ordinary Resolution:-

“RESOLVED THAT Messrs Lodha & Co., Chartered Accountants, Registration No. 301051E be and are hereby re-appointed as the Statutory Auditors of the Company under Section 224 and other applicable provisions, if any, of the Companies Act, 1956 to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company and the Board of Directors of the Company be and are hereby authorised to fix their remuneration & to reimburse out of pocket expenses.”

When put to vote, the resolution was passed unanimously.

**11. Re-appointment of Branch Auditors of the Company**

Shri B. Das proposed and Shri R. S. Sharma seconded the following Resolution as an Ordinary Resolution:-

“RESOLVED THAT Messrs. Singhi & Co., Chartered Accountants, be and are hereby re-appointed as the Branch Auditors of the Company's Units located at Puducherry, Rishikesh & Nashik under section 228 and other applicable provisions, if any, of the Companies Act, 1956 to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company and the Board of Directors of the Company be and are hereby authorised to fix their remuneration and to reimburse out of pocket expenses.”

When put to vote, the resolution was passed unanimously.

**12. Re-appointment of Shri Rakesh Kumar Sharma as an Executive Director for a period of 2 years w.e.f. March 1, 2013**

Shri A. Parekh proposed and Shri R. S. Sharma seconded the following Resolution as a Special Resolution:-

“RESOLVED THAT pursuant to Section 198, 269, 309 and 310 and all other applicable provisions, rules and regulations, if any, of the Companies Act, 1956 (including any amendments, statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule XIII to the said Act and subject to such approval, consents, permissions, as may be required in this regard, consent of the Company be and is hereby accorded to the re-appointment of Shri Rakesh Kumar Sharma as an Executive Director of the Company for a further period of two years, with effect from March 1, 2013 on the terms and conditions as embedded in the Agreement dated April 1, 2013, extract of which is more explicitly set out in the Explanatory Statement annexed to the Notice, as entered between the Company and Shri Rakesh Kumar Sharma (including the remuneration to be paid as minimum remuneration in the event of loss or inadequacy of profits in any financial year during the tenure of his appointment as specified in Para C of Section II of Schedule XIII to the said Act), as per details given herein below;



#### Remuneration

- i. Basic Salary: Rs. 2,75,000/- (Rupees two lacs seventy five thousand only) per month subject to annual increment as the Board may deem fit.
- ii. Perquisites and Allowances:

#### Category A

- a) HRA will be Rs. 1,65,000/- p.m. i.e. 60% of basic salary.
- b) Directors Commission computed in accordance with the provisions of the Companies Act, 1956 restricted to a sum of not exceeding Rs. 13,20,000/- (Rupees thirteen lacs twenty thousand only) per annum.
- c) Medical reimbursement / allowance restricted to one month's basic salary per year i.e. Rs.2,75,000/- (Rupees two lacs seventy five thousand only).
- d) Leave travel allowance restricted to one month's basic Salary per year i.e. Rs 2,75,000/- (Rupees two lacs seventy five thousand only).
- e) Premium towards Mediclaim Insurance Policy for him and his family for a sum not exceeding Rs.10,00,000/- (Rupees ten lacs only).
- f) Payment of subscription charges for one club plus normal charges but not admission charges.

#### Category B

- a) Benefit of Provident Fund as per Company's Provident Fund Rules.
- b) Benefit of Gratuity as per Company's Gratuity scheme.

#### Category C

- a) Use of a motor car with the service of a driver, the expenses whereof will be borne and paid by the Company. The Company shall, however, be entitled to recover a reasonable amount towards personal use of the car, if any.
- b) One free telephone with internet facility at his residence, laptop with data card and a mobile handset. The Company shall, however, be entitled to recover the expenditure on personal calls.
- c) Reimbursement of actual travelling and guest entertainment expenses reasonably incurred by him relating to the business of the Company.

#### Minimum Remuneration:

In the event of absence or inadequacy of profit in any year during his tenure as Executive Director, Shri Rakesh Kumar Sharma shall be entitled to receive the remuneration as provided in Section II of Part II of Schedule XIII of the Companies Act, 1956 or any other applicable provisions as may be in force at that time.



RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to alter, vary and modify the terms of the said remuneration including but not limited to salary, commission, allowances and perquisites subject to compliance of the Companies Act, 1956 or any other regulations/rules, to obtain necessary approvals, consents, permissions, if required, to furnish such information /clarifications / declaration, certificate and other papers as may be required in this regard and to do all such acts, deeds and things incidental thereto."

When put to vote, the resolution was passed unanimously.

The Chairman requested Shri Ratna Kumar Daga to chair the meeting for agenda item nos. 4, 8 and 9 of the notice as he was interested in the aforesaid three items.

**13. Re-appointment of Shri Chandra Kumar Somany, as Director of the Company liable to retire by rotation**

Shri M. S. Dey proposed and Shri Arup Das seconded the following Resolution as an Ordinary Resolution:-

"RESOLVED THAT Shri Chandra Kumar Somany, a Director who retires by rotation at this Annual General Meeting and who being eligible, offers himself for re-appointment, be and is hereby appointed as a Director of the Company liable to retire by rotation."

When put to vote, the resolution was passed unanimously.

(Since Shri Chandra Kumar Somany & Shri Sanjay Somany was interested in the resolution they did not participate in the said resolution.)

**14. Re-appointment of Shri Sanjay Somany, Vice Chairman & Managing Director for a period of 3 years w.e.f. April 1, 2013**

Shri Amit Kumar Banerjee proposed and Shri R. S. Sharma seconded the following Resolution as a Special Resolution:-

"RESOLVED THAT in supersession of all earlier resolutions passed in this regard and the earlier agreement dated September 24, 2010, as entered into between the Company and Shri Sanjay Somany and in accordance with and subject to the provisions of sections 198, 269, 309, 310, 314, 317, Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 (including any amendments, statutory modification(s) or re-enactment thereof for the time being in force) and further subject to approval of Central Government and such other approvals, consents, permissions, the consent of the Company be and is hereby accorded to the re-appointment and remuneration of Shri Sanjay Somany as Vice Chairman and Managing Director of the Company for a further period of 3 years w.e.f. April 1, 2013 as per details given herein below (including the remuneration to be paid as minimum remuneration in the event of loss or inadequacy of profits in any financial year during the aforesaid period as specified in Para C of Section II of Schedule XIII to the said Act).

**1. Tenure**

For a period of three years with effect from April 1, 2013 to March 31, 2016.



## 2. Salary

- i. Salary of Rs.16,67,500/- (Rupees sixteen lacs sixty seven thousand five hundred only) per month with annual increment within the limit of 15% of the salary last drawn subject to the condition that such increase be in compliance with the provisions of section 198, 268, 269, 302, 309, 310, schedule XIII and the applicable provisions of the Companies Act, 1956.
- ii. Commission of 1.5% (One and half percent) of the "net profit" computed in accordance with the provisions of the Companies Act, 1956 restricted to annual basic salary drawn in that particular year.

## 3. Perquisites and Allowances:

### Category A :

- a) House Rent Allowance @ 40% of basic salary.
- b) Medical benefit restricted to one month's basic salary per year.
- c) Leave Travel Allowance restricted to one month's basic Salary per year.
- d) Benefit of Company's Group Insurance Scheme.
- e) Premia paid for insurance covered towards Personal Accident Insurance.
- f) Reimbursement of annual membership fee for two clubs.

### Category B

- a) Benefit of Provident Fund as per Company's Provident Fund Rules.
- b) Benefit of Superannuation Fund as per Company's Superannuation Scheme.
- c) Benefit of Gratuity as per Company' Gratuity Scheme.

### Category C

- a) Use of a motor car with the service of a driver, the expenses whereof will be borne and paid by the Company. The Company shall, however, be entitled to recover a reasonable amount towards personal use of the car, if any.
- b) Free telephone & fax facilities at his residence. The Company shall, however, be entitled to recover the expenditure on personal calls.
- c) Reimbursement of actual travelling and guest entertainment expenses reasonably incurred by him relating to the business of the Company.

## 4. Minimum remuneration:

In the event of absence or inadequacy of profit in any year during his tenure Shri Sanjay Somany shall be entitled to receive the remuneration as provided in Section II of Part II of Schedule XIII of the Companies Act, 1956 or any other applicable provisions as may be in force at that time.

## 5. Sitting Fee:

He shall not be paid any sitting fee for attending the meetings of the Board of Directors or a committee thereof.





"RESOLVED FURTHER THAT the draft of the agreement to be executed with Shri Sanjay Somany be and is hereby approved.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to alter, vary and modify the terms of the said remuneration including but not limited to salary, commission, allowances and perquisites subject to compliance of the Companies Act, 1956 or any other regulations/rules, to obtain necessary approvals, consents, permissions, if required, to furnish such information / clarifications / declaration, certificate and other papers as may be required in this regard and to do all such acts, deeds and things incidental thereto.

RESOLVED FURTHER THAT Shri Sujit Bhattacharya and Shri Kishore Bhimani be and are hereby, severally, authorized to enter into the agreement as aforesaid for and on behalf of the Company with Shri Sanjay Somany and to affix the common seal of the Company thereon."

When put to vote, the resolution was passed unanimously.

(Since Shri Sanjay Somany and Shri Chandra Kumar Somany were interested in the said item, they did not participate in the resolution.)

**15. Re-appointment of Shri Mukul Somany, Vice Chairman & Managing Director for a period of 3 years w.e.f. April 1, 2013**

Shri M. S. Dey proposed and Shri R. S. Sharma seconded the following Resolution as a Special Resolution:-

"RESOLVED THAT in supersession of all earlier resolutions passed in this regard and the earlier agreement dated September 24, 2010, as entered into between the Company and Shri Mukul Somany and in accordance with and subject to the provisions of sections 198, 269, 309, 310, 314, 317, Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 (including any amendments, statutory modification(s) or re-enactment thereof for the time being in force) and further subject to approval of Shareholders, Central Government and such other approvals, consents, permissions, the consent of the Company be and is hereby accorded to the re-appointment and remuneration of Shri Mukul Somany as Vice Chairman and Managing Director of the Company for a further period of 3 years w.e.f. April 1, 2013 as per details given herein below (including the remuneration to be paid as minimum remuneration in the event of loss or inadequacy of profits in any financial year during the aforesaid period as specified in Para C of Section II of Schedule XIII to the said Act).

**1. Tenure**

For a period of three years with effect from April 1, 2013 to March 31, 2016.

**2. Salary**

- i. Salary of Rs.16,67,500/- (Rupees sixteen lacs sixty seven thousand five hundred only) per month with annual increment within the limit of 15% of the salary last drawn subject to the condition that such increase be in compliance with the provisions of section 198, 268, 269, 302, 309, 310, schedule XIII and the applicable provisions of the Companies Act, 1956.



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- ii. Commission of 1.5% (One and half percent) of the "net profit" computed in accordance with the provisions of the Companies Act, 1956 restricted to annual basic salary drawn in that particular year.

**3. Perquisites and Allowances:**

**Category A :**

- a) House Rent Allowance @ 40% of basic salary.
- b) Medical benefit restricted to one month's basic salary per year.
- c) Leave Travel Allowance restricted to one month's basic Salary per year.
- d) Benefit of Company's Group Insurance Scheme.
- e) Premia paid for insurance covered towards Personal Accident Insurance.
- f) Reimbursement of annual membership fee for two clubs.

**Category B**

- a) Benefit of Provident Fund as per Company's Provident Fund Rules.
- b) Benefit of Superannuation Fund as per Company's Superannuation Scheme.
- c) Benefit of Gratuity as per Company' Gratuity Scheme.

**Category C**

- a) Use of a motor car with the service of a driver, the expenses whereof will be borne and paid by the Company. The Company shall, however, be entitled to recover a reasonable amount towards personal use of the car, if any.
- b) Free telephone & fax facilities at his residence. The Company shall, however, be entitled to recover the expenditure on personal calls.
- c) Reimbursement of actual travelling and guest entertainment expenses reasonably incurred by him relating to the business of the Company.

**4. Minimum remuneration:**

In the event of absence or inadequacy of profit in any year during the tenure, Shri Mukul Somany shall be entitled to receive the remuneration as provided in Section II of Part II of Schedule XIII of the Companies Act, 1956 or any other applicable provisions as may be in force at that time.

**5. Sitting Fee:**

He shall not be paid any sitting fee for attending the meetings of the Board of Directors or a committee thereof.

RESOLVED FURTHER THAT the draft of the agreement to be executed with Shri Mukul Somany be and is hereby approved.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to alter, vary and modify the terms of the said remuneration including but not limited to salary, commission, allowances and perquisites subject to compliance of the Companies Act, 1956 or any other regulations/ rules, to obtain necessary approvals, consents, permissions, if required, to furnish such information/ clarifications/ declaration, certificate and other





papers as may be required in this regard and to do all such acts, deeds and things incidental thereto.

RESOLVED FURTHER THAT Shri Sujit Bhattacharya and Shri Kishore Bhimani be and are hereby, severally, authorized to enter into the agreement as aforesaid for and on behalf of the Company with Shri Mukul Somany and to affix the common seal of the Company thereon."

When put to vote, the resolution was passed unanimously.

(Since Shri Sanjay Somany and Shri Chandra Kumar Somany were interested in the said item, they did not participate in the resolution.)

Thereafter, Shri R. K. Daga handed over the Chair Shri Chandra Kumar Somany.

**16. Approval to borrow loan & to create charge up to Rs. 4000 crores**

The next two resolutions i.e. item no. 10 & 11 on the agenda were passed as ordinary resolutions by way of postal ballot. The Board of Directors in its meeting held on 30<sup>th</sup> May, 2013 appointed Mr. Mukesh Rathi as scrutinizer to conduct the postal ballot process. The Postal Ballot form along with the notice and explanatory statement were dispatched to the shareholders by 14.08.2013. The Postal Ballot forms containing the shareholders assent/dissent were scrutinized by Mr. Mukesh Rathi the Scrutinizer who submitted his report to the Chairman of the Company on 21<sup>st</sup> September, 2013.

On the basis of the report submitted by the Scrutinizer, the Chairman declared the result as follows:

**For Item no. 10**

"RESOLVED THAT pursuant to the provisions of section 293(1)(d) of the Companies Act, 1956 and all other enabling provisions, if any, the consent of the Company be and is hereby granted to the Board of Directors for borrowing, from time to time, any sum or sums of money which, together with the monies already borrowed by the Company (apart from the temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business), which may exceed the aggregate for the time being of the paid up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose, provided that the total amount of money/monies so borrowed by the Board of Directors shall not at any particular point of time exceed the limit of Rs.4000 crores (Rupees four thousand crores only)."

The Chairman announced that the total no. of votes received with respect to the above resolution were 757,65,862 out of which casted in favour were 757,65,7388 and the votes casted against were 124.

The number of votes casted in favour of the resolution exceeds the votes casted against the resolution and therefore, he declared the resolution in item no. 10 as duly passed by requisite majority.

**For Item no. 11**

"RESOLVED THAT the consent of the Company be and is hereby accorded in terms of section 293(1)(a) and other applicable provisions, if any, of the Companies Act, 1956 to the Board of Directors of the Company to mortgage, create charge(s) and /or hypothecate



in addition to the existing mortgage(s), charges(s), and hypothecation(s) on all or any of the immovable and / or movable properties of the Company, wheresoever situated, both present and future, in such form and manner with such ranking at such time on such terms and conditions as Board of Directors may deem fit, with or without the power to enter upon and take possession of the assets of the Company together with the power to take over the management of any business or concern of the Company, in event of default, in favour of the lender(s) for securing loan upto an aggregate amount of Rs.4000 crores (Rupees four thousand crores only).

RESOLVED FURTHER that the Board of Directors of the Company be and is hereby authorised to finalise the documents for creation of aforesaid mortgage(s) and /or charge(s) and /or debt instruments including any modification(s) therein and to do all such acts and things as may be necessary for giving effect and full force to the aforesaid resolution."

The Chairman announced that the total no. of votes received with respect to the above resolution were 757,65,862 out of which casted in favour were 757,65,738 and the votes casted against were 124.

The number of votes casted in favour of the resolutions exceeds the votes casted against the resolutions and therefore, he declared the resolution in item no. 11 as duly passed by requisite majority.

He further announced that the results of the postal ballot shall also be published on 28<sup>th</sup> September, 2013 in the newspapers.

**17. Vote of thanks**

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

Sd/-

**CHAIRMAN**

CERTIFIED TRUE COPY

**For Hindusthan National Glass & Industries Ltd.**

  
**Company Secretary**