

**THE SUPREME INDUSTRIES LIMITED
MUMBAI**

**THE 71ST ANNUAL GENERAL MEETING
MINUTES**

The 71st Annual General Meeting of the Shareholders of The Supreme Industries Limited, was held at Walchand Hirachand Hall, Indian Merchant's Chamber, Near Churchgate Station, 76, Veer Nariman Road, Mumbai – 400020, on Tuesday the 17th September, 2013 at 4.00 p. m.

The following members were present :-

- | | | |
|-----|-------|-----------------------------|
| 01) | Shri | B. L. Taparia |
| 02) | Shri | M. P. Taparia |
| 03) | Shri | H. S. Parikh |
| 04) | Shri | S. R. Taparia |
| 05) | Shri | S. J. Taparia |
| 06) | Shri | V. K. Taparia |
| 07) | Shri | N. N. Khandwala |
| 08) | Shri | B. V. Bhargava |
| 09) | Shri | Lalchand Karwa |
| 10) | Shri | R. J. Saboo |
| 11) | Shri | O.P. Roongta |
| 12) | Shri | Rajiv Choksey |
| 13) | Shri | Vinit Kumar Parikh |
| 14) | Shri | Rajesh Nanavaty |
| 15) | Shri | Kamal Kishore Daga |
| 16) | Shri | Jitendra Prakash Maheshwari |
| 17) | Smt. | Ashalata Maheshwari |
| 18) | Shri | Babulal I. Parekh |
| 19) | Shri | Hiren Vyas |
| 20) | Shri. | Beruz Feramroz |
| 21) | Shri | Homa Pouredehi |
| 22) | Shri | Makhija |
| 23) | Smt. | Shobhana Mehta |
| 24) | Shri | Dinesh G. Bhatia |
| 25) | Shri | Yusuf Rangwalla |
| 26) | Shri | Hasmukh Vora |
| 27) | Shri | Prakash Tamakhe |

and 83 others as per Attendance Register.

1. The Chairman of the Board of Directors, Shri B.L. Taparia, presided.
2. The Chairman informed the members that 121 proxies were received from the members holding 7,60,47,871 Equity Shares and further informed that Register of Proxy, Register of Directors' Shareholdings and Register of Contracts were kept on the table and were open for inspection of the members during the meeting.
3. With the consent of the Shareholders present, the Notice convening the meeting was taken as read.

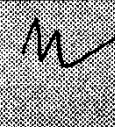
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For The Supreme Industries Ltd.

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 R. J. Saboo
 Sr. General Manager (Corporate Affairs)
 The Supreme Industries Ltd.

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4. Thereafter, at the direction of the Chairman, Shri R.J. Saboo, Sr. General Manager (Corporate Affairs) & Company Secretary of the Company, read out the Auditors' Report.
5. The Chairman of the Company, then made the following statement :-

"Ladies and Gentlemen,

I extend to each and every one of you a warm welcome to the 71st Annual General Meeting of the Company. The Annual Report together with the Audited Accounts and the Director's Report for the year ended 30th June, 2013 have been with you for quite some time and with your permission, I take them as read. I hope it gives you a clear idea of the working of the Company during the year under review.

The Company achieved Net Revenues for the year 2012-13 at Rs. 3406.97 Crores (including Rs 113.80 crores by way of trading in other related products and Rs. 16.00 crores from sale of premises) as against Rs.2938.47 crores (including Rs. 88.03 Crores by way of trading in other related products and Rs. 69.16 crores from sales of premises) in the previous year, a growth of about 16%.

The Profits before interest, Depreciation and Taxes have gone up by 11.72% from Rs 482.82 crores in 2012-13 to Rs 539.40 crores in the year under review. Net Profit, after setting aside Tax provisions of Rs.132.99 crores (previous year Rs. 115.04 crores) grew over 13% from Rs. 240.52 crores in 2011-12 to Rs.272.35 crores in 2012-13.

The Directors have recommended Final dividend of 275% i.e. Rs.5.50 per share which together with the interim dividend of 100% i.e Rs.2/- per share (already paid) aggregates to 375% i.e. Rs.7.50 per share on Face Value of Share of Rs. 2/- each as against 300% i.e. Rs. 6/- per share on Face Value of Share of Rs. 2/- each in the previous year. Total Dividend payout including Corporate Dividend Tax would be Rs.111.27 crores, as compared to Rs. 88.58 crores of the previous year. After making necessary provisions, a sum of Rs 161.08 Crores has been transferred to General Reserve.

In the first two months of the current year, the Company processed 40981 tons of Polymers as compared to 38,727 tons of Polymers in the corresponding period of previous year showing a growth of 6% in raw material processing. The Company has sold 32,488 MT of Plastics products during the same period as compared to 33,966 MT in corresponding period of previous year showing sales volume de-growth of about 4.35%.

The net sales and other income during first two months of the current year are Rs. 449.64 crores (including Rs. 17.99 crores by way of trading in other related products as against Rs. 409.40 Crores (including Rs. 9.35 Crores by way of trading in other related products) in the corresponding period of previous year achieving a growth of about 10%.

Business Outlook

Since the beginning of the Company's Financial Year, Re against US Dollar have depreciated steeply. The Rupee still hovers around Rs. 63/-. Raw material cost of the Company consequently have gone up steeply during the current Financial year.

The Company had adequate stocks of raw material at a historical low cost. As the price increase was steep, the Company has decided to transfer the increased cost over a longer time horizon on most of its products. The Company has now transferred the entire cost increase in all its products.

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Internationally, the Polymer prices are increasing. Import duty on Polymers was increased from 5% to 7.5% in April. With the fall in Rupee value against Dollar, the overall cost of material has gone up steeply. Company does not envisage any de-growth in requirements of its products during the year in spite of their increased cost. However, the overall demand growth which was expected at 14% by volume in the current year may go down to some extent. It is too early to predict how much lower growth the same would be. Company remains optimistic in business growth among all its verticals.

Company has made investments of around Rs. 375 crores in the previous year. Several investments have not fructified to their optimum production level during the previous year. In the current year, most of the investments except investments in Composites shall be available for production, for the full year.

Company has launched Silent Pipe system, Bath Room Fittings and several varieties of fittings in the first quarter of this year in Plastics Pipe System. Several new products of fittings are planned to be launched by the Company month after month during next six months. Plastics pipe business continue to enjoy good demand growth in the current year.

Newly established Cross Laminated film plant is fully stabilized. Newly launched products have been well received by the market. Company expects substantial growth in business when Company launches its off-season scheme which may be from Last week of October 2013 upto 3rd week of February 2014. Company has drawn plans that sale of this product may increase from 17725 tons in the previous year to 23,000 tons in the current year.

Company's Industrial Products Division is showing better signs of revival in the current year compared to previous year. This is principally due to Company increasing its customer base and by developing components for certain appliances and automobile models which are well received in the market. Company expects the business to be better in current year compared to last year.

Company is working to increase strength of its trade network for its Material Handling Division from the existing 119 to 174 Nos in the current year. It intends to deepen the network over a period. The increased network of distributors for the system augurs well for steady growth in this segment.

Company's Protective Packaging Division's new unit at Hosur is fully established. The demand for this product is normal in spite of high cost of raw material. Company expects that it will be able to utilize its capacity in the current year better than last year due to increased power availability at Hosur where Company operates two plants to make this product.

Moulded furniture business of the Company continue to remain sluggish. Company has launched several new premium products in this year. The Company expects to receive the feel of the market within next 3 - 4 months about the response on newly launched products. Commodity part of Furniture business is going through a tough time.

Company has no plans to increase the capacity of Performance Packaging Film. It is trying to increase the export of this product to newer destinations.

Company has plans to launch six varieties of Composite Cylinders. The Cylinder produced at it's plant is under testing. It expects to receive necessary approvals from the concerned department in 4 to 6 weeks time. Company hopes that it may take up it's export order in hand for execution in November/December 2013 after getting necessary approval.

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The Composite pipe plant has still not gone into production. The negotiations are on with its Japanese collaborator. There are still unresolved open issues with them.

Its Composite Pallet Plant is scheduled to go in production in April/June 2014.

Company's exports are about 2½% of the total turnover for the last year. It aims to export 7-8% of the total turnover in the next 3 - 4 years. It has taken various initiatives to achieve this goal by participating in several international exhibitions, entering new markets and taking steps to include additional products in export portfolio.

Company's principal exports were of Plastics Pipe System, Cross Laminated Film products and Performance Packaging Film. It now expects that its composite products will contribute handsomely in export turnover.

During the current year, the Company envisages total Capex of Rs. 230 Crores including existing commitments, mainly on the followings:

- a) To put up a Plastic Piping System plant at Kharagpur in West Bengal which will be commissioned by 2014-15.
- b) To put up Protective Packaging System unit at Kharagpur Complex.
- c) To replace some capacity of Moulding Machines with energy efficient machines including additional new products in furniture business.
- d) To increase Pipe production capacity at Gadegaon and introducing several new varieties of fittings at Jalgaon & Malanpur.
- e) Investment in Automation in several of its existing units
- f) To buy office premises at Delhi. This will consolidate the office activities at one location wherein mix of ownership & rented premises subsist today.
- g) Investment in equipments for Composite Pallets.

All Investment plans envisaged for the current year are progressing well.

The Company has entered into an agreement to purchase 52 acres of land at Kharagpur in West Bengal to start the activities to put up a Plastics Product complex to cater the requirements of East India market.

Company's focus remains to increase the share of value added products in its turnover. Company increased its share of value added products from 30.55% to 31.71% in the previous year. The company aims to increase the same to 35% level as soon as possible.

The Company has planned its capital investment plans foreseeing the growth opportunities in most of product segments it operates. Resultantly and coupled with requirement of increased working capital, the Company's borrowings have gone up from Rs. 351.10 crores as on 30/6/2012 to Rs.469.85 Crores as on 30/6/2013. As the demand for commercial real estate is slow, which is delaying monetization of "Supreme Chambers" unsold area, the Company's borrowing may increase by around Rs. 75 crores during the current year.

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The company's normal investment plans and increased working capital requirement may be met from its business revenue, supplier's credit and increasing borrowings to the extent of Rs. 75 crores.

Real Estate market continues to remain sluggish for commercial properties in Mumbai. Company is getting quiet a few enquiries regularly. Company is optimistic to realize better value in due course of time for its excellent signature commercial premises built with all statutory clearances in place. Out of the total saleable area of about 2.79 lac sq.ft, an area of about 0.93 Lac sq.ft has already been sold and further area of 0.26 lac sq ft has been negotiated and likely to be completed during the quarter Oct-Dec 2013.

SUPREME PETROCHEM LTD (SPL)

SUPREME PETROCHEM LTD jointly promoted by your Company and Rajan Raheja Group continues to be a major player in the Polystyrene business in India. It has since diversified into other styrenic products viz. Expandable Polystyrene, Extruded Polystyrene Insulation Board and Specialty Polymers & Compounds and hopes to be a dominant player in all its businesses. Its Board of Directors have recommended a dividend of Rs. 2.50 per equity share of Rs. 10/- each for the year 2012-13.

Due to high prices of Styrene Monomer, principal raw material of the Company, aggravated with fall in Rupee value, the cost of Polystyrene has gone up substantially. The Company has a degrowth in Polystyrene business to the extent of 2.10% in 2012-13 against 2011-12 by volume. It is doubtful whether Polystyrene demand will move on growth phase even in current year, considering high price of Styrene Monomer.

Company's other product Expanded Polystyrene (EPS) demand is growing reasonably. Company expects its EPS business to contribute positive cash flow in the current year.

Company's XPS business is shaping up alongwith its Food grade EPS business. The Company expects these newly established verticals will contribute adequately to Company's working from second half of the current year.

I am extremely grateful to my fellow members of the Board for their valuable guidance.

I convey my appreciation to Executives, Staff and Workmen for the unstinted support extended by them.

I, on behalf of the Board of Directors, sincerely appreciate the encouragement and co-operation received by the Company from customers, Bankers, Shareholders and suppliers during the entire period.

Ladies and Gentlemen, now I move the following Resolution :

RESOLUTION NO. 1

"RESOLVED THAT the Directors' Report together with the Audited Statement of Accounts for the Financial Year ended 30th June, 2013 be and are hereby approved and adopted."

Shri Rajesh Nanavaty seconded the resolution.

- 6. Before putting the Resolution to vote, the Chairman invited comments on the Annual Report, from the Shareholders.



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Thereafter, 12 shareholders had spoken on the subject, made certain comments and raised certain queries.

At the instance of the Chairman, Shri M. P. Taparia, Managing Director replied to all the comments made and queries raised by the shareholders, to their satisfaction.

The Chairman, then, put the Resolution for adoption of the Director's Report and the Audited Statement of Accounts for the year 2012-2013 to vote, on a show of hands, when all the members present except one shareholder voted in favour of the Resolution and accordingly the Resolution was passed with majority.

Thereafter, the following Resolutions were proposed and seconded and passed on show of hands, one after the other :-

7. **RESOLUTION NO. 2**

"RESOLVED that the Dividend be paid as follows :-

	Rs.	Rs.
(i) Dividend on 12,70,26,870 Equity Shares of Rs. 2/- each @ 375% i.e. Rs.7.50 per share (Previous year on 12,70,26,870 Equity Shares of Rs. 2/- each @ 300% i.e. Rs. 6.00 per share)		95,27,01,525
(a) Interim Dividend @ 100% i.e. Rs. 2.00 per share (already paid in February 2013),	25,40,53,740	
(b) Final Dividend recommended @275% i.e. Rs.5.50 per share	69,86,47,785	
(ii) Corporate Dividend Tax as applicable (including Rs. 3,09,10,401/- paid on Interim Dividend)		15,99,49,059
		<u>1,11,26,50,584</u>

Proposed by Smt. Ashalata Maheshwari
Seconded by Shri Vinit Kumar Parikh

The Resolution was put to vote on a show of hands, when all the members present except one shareholder voted in favour of the Resolution and accordingly the Resolution was passed with majority.

8. **RESOLUTION NO. 3**

"RESOLVED that Shri H.S. Parikh, be and is hereby re-elected as a Director of the Company."

Proposed by Shri. Hiren Vyas
Seconded by Shri Yusuf Rangwalla.

The Resolution was put to vote on a show of hands, when all the members present except one shareholder voted in favour of the Resolution and accordingly the Resolution was passed with majority.

9. **RESOLUTION NO. 4**

"RESOLVED that Shri Y.P. Trivedi, be and is hereby re-elected as a Director of the Company."

Proposed by Shri Hasmukh Vora
Seconded by Shri Jitendra Prakash Maheshwari.

The Resolution was put to vote on a show of hands, when all the members present voted in favour of the Resolution and accordingly the Resolution was carried nem con.

10. **RESOLUTION NO. 5**

"RESOLVED THAT M/s. Chhogmal & Company, Chartered Accountants, Mumbai [Firm Registration No. (FRN 101826W)], the retiring Auditors of the Company, be and are hereby re-appointed as the Auditors of the Company to hold office from conclusion of this meeting until the conclusion of the next Annual General Meeting on a remuneration to be decided by the Board of Directors.

FURTHER RESOLVED THAT pursuant to Section 228 of the Companies Act, 1956, the appointment of the Branch Auditors for the financial year 2013-2014 for any of the Branch(es) of the Company, be made at such remuneration as the Board of Directors may decide in consultation with the Statutory Auditors of the Company and the respective Branch Auditor(s) who may be so appointed."

Proposed by Shri Babulal I. Parekh
Seconded by Shri Yusuf Rangwalla.

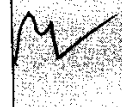
The Resolution was put to vote on a show of hands, when all the members present except one shareholder voted in favour of the Resolution and accordingly the Resolution was passed with majority.

11. **RESOLUTION NO. 6**

To consider and if thought fit, to pass the following Resolution as a Special Resolution

"RESOLVED that in accordance with the provisions of Sections 198, 269, 309, 311, Schedule XIII, and other applicable provisions, if any, of the Companies Act, 1956 (the Act), and all guidelines for managerial remuneration issued by the Central Government from time to time and subject to such approvals, if necessary, the Company does hereby approve of the re-appointment of Shri M. P. Taparia, as Managing Director, for a further period of five years with effect from 7th January, 2014 to 6th January, 2019 and payment of remuneration and perquisites to him on the following revised terms and conditions with liberty to the Board (which term shall be deemed to include any committee constituted by the Board) from time to time to revise upwards the salary and perquisites as herein

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mentioned in such manner as may be decided by the Board in the best interest of the Company and as may be permissible at law viz.

(1) Salary

Monthly salary of R 7,50,000/- (Rupees Seven Lacs Fifty Thousands only) in the Grade of R 7,50,000/- R 75,000/- R 15,00,000 per month, during his tenure of office (first increment falling due on July 1, 2014).

(2) Allowances / Benefits / Perquisites

A. Housing - Rent free furnished residential accommodation. In case, no accommodation is provided by the Company, the Managing Director shall be paid House Rent Allowance equivalent to 50% of salary.

B. Other Perquisites / Allowances

- i. Reimbursement of actual medical expenses incurred in India and / or abroad including hospitalization for self and family
- ii. Leave Travel Concession for self and family once in a year incurred in accordance with the Rules of the Company applicable to Senior Management Staff / Personnel of the Company.
- iii. Medical and Personal Accident Insurance.
- iv. Reimbursement of membership fees / subscription, subject to a maximum of two clubs in India.
- v. Conveyance : The Company shall provide suitable conveyance facilities as may be required by the Managing Director.
- vi. Communication : The Company shall provide telephone, telefax and other communication facilities at the Managing Director's residence.

Perquisites shall be evaluated as per Income Tax Rules where applicable. "Family" shall mean spouse and dependent children of the Managing Director.

C. (i) Contribution to Provident fund, superannuation fund or annuity fund as per the Rules of the Company to the extent these either singly or put together do not exceed the limit laid down under the Income Tax Act, 1961 or under any statutory modification or re-enactment thereof;

(ii) Gratuity payable at a rate not exceeding half a month's salary for each completed year of service,

For the purposes of Gratuity, Provident Fund, Superannuation and other like benefits, the service of the Managing Director will be considered continuous service with the Company and change of designation or renewal of appointment will not be considered as any break in service.

(3) Leave on full pay and allowances but not exceeding one month's leave for 11 month's service, encashment of unavailed earned leave as per Rules of the Company and / or at the end of the tenure being permitted.

(4) Reimbursement of entertainment and other business promotion expenses actually incurred by the Managing Director in the course of business of the Company.

(5) Commission

In addition to the above, the Managing Director shall also be entitled upto 1% of the Net Profits per year as commission, as may be determined by the Board, provided that, the aggregate of salary, perquisites and commission for any financial year shall not exceed 5% of the net profits of the Company and when there are more than one whole-time Director ten per cent for all of them together for that year computed in the manner laid down in Sections 349 and 350 of the Act.

In the event of loss or inadequacy of profits of the Company in any year, the Managing Director shall be entitled to payment by way of salary and perquisites as specified above subject to the restrictions specified in Schedule XIII to the Act.

The Company shall pay to the Managing Director compensation for loss of office, or as consideration for loss of office or retirement from office or in connection with such loss or retirement, in accordance with the provisions of Section 318 of the Act.

Either party shall be entitled to terminate the appointment by giving 180 days notice in writing to the other.

The Managing Director shall not be entitled to Sitting Fees for attending meetings of the Board of Directors of the Company or any Committee or Committees thereof.

RESOLVED FURTHER that the Board of Directors be and are hereby authorised to increase and / or vary the terms and conditions aforesaid within the limitations specified in that behalf in Schedule XIII to the Act or any statutory modification or re-enactment thereof for the time being in force or otherwise as may be permissible at law.

RESOLVED FURTHER THAT the Managing Director shall not as long as he continues to be Managing Director of the Company be liable to retire by rotation.

AND RESOLVED LASTLY THAT the Board of Directors be and are hereby authorised to take all such steps as may be necessary, desirable or expedient to give effect to this Resolution."

Proposed by Smt. Ashalat Maheshwari
Seconded by Shri Babulal I. Parikh.

The Resolution was put to vote on a show of hands, when all the members present except one shareholder voted in favour of the Resolution and accordingly the Resolution was passed with majority.

12. RESOLUTION NO.. 7 :

To consider and if thought fit, to pass the following Resolution as a Special Resolution

"RESOLVED THAT in supersession of the resolution passed by the members at the Annual General Meeting held on 10th September 2009 and pursuant to sections 198, 269, 309 and 311 read with Schedule XIII and

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other applicable provisions, if any, of the Companies Act, 1956 (the said Act) and all guidelines for managerial remuneration issued by the Central Government from time to time and subject to such approvals, if necessary, the Company does hereby approve of the re-appointment of Shri S. J. Taparia, as Executive Director, for a period of five years with effect from 7th January, 2014 to 6th January, 2019 and payment of remuneration and perquisites to him on the following revised terms and conditions with liberty to the Board (which term shall be deemed to include any committee constituted by the Board) from time to time to revise upwards the salary and perquisites as herein mentioned in such manner as may be decided by the Board in the best interest of the Company and as may be permissible at law viz:-

(1) Salary

Monthly salary of R 7,25,000/- (Rupees Seven Lacs Twenty Five Thousands only) in the Grade of R 7,25,000- R 75,000- R 14,75,000 per month, during his tenure of office (first increment falling due on July 1, 2014).

(2) Allowances / Benefits / Perquisites

A. Housing - Rent free furnished residential accommodation. In case, no accommodation is provided by the Company, the Executive Director shall be paid House Rent Allowance equivalent to 50% of salary.

B. Other Perquisites / Allowances

- i. Reimbursement of actual medical expenses incurred in India and / or abroad including hospitalization for self and family
- ii. Leave Travel Concession for self and family once in a year incurred in accordance with the Rules of the Company applicable to Senior Management Staff / Personnel of the Company.
- iii. Medical and Personal Accident Insurance.
- iv. Reimbursement of membership fees / subscription, subject to a maximum of two clubs in India.
- v. Conveyance : The Company shall provide suitable conveyance facilities as may be required by the Executive Director.
- vi. Communication : The Company shall provide telephone, telefax and other communication facilities at the Executive Director's residence

Perquisites shall be evaluated as per Income Tax Rules where applicable. "Family" shall mean spouse and dependent children of the Executive Director.

- C. (i) Contribution to Provident fund, superannuation fund or annuity fund as per the Rules of the Company to the extent these either singly or put together do not exceed the limit laid down under the Income Tax Act, 1961 or under any statutory modification or re-enactment thereof;
- (ii) Gratuity payable at a rate not exceeding half a month's salary for each completed year of service,

For the purposes of Gratuity, Provident Fund, Superannuation and other like benefits, the service of the Executive Director will be considered continuous service with the Company and change of designation or renewal of appointment will not be considered as any break in service.

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(3) Leave on full pay and allowances but not exceeding one month's leave for 11 month's service, encashment of un availed earned leave as per Rules of the Company and / or at the end of the tenure being permitted.

(4) Reimbursement of entertainment and other business promotion expenses actually incurred by the Executive Director in the course of business of the Company.

(5) Commission

In addition to the above, the Executive Director shall also be entitled upto 1% of the Net Profits per year as commission, as may be determined by the Board, provided that, the aggregate of salary, perquisites and commission for any financial year shall not exceed 5% of the net profits of the Company and when there are more than one whole-time Director ten per cent for all of them together for that year computed in the manner laid down in Sections 349 and 350 of the Act.

In the event of loss or inadequacy of profits of the Company in any year, the Executive Director shall be entitled to payment by way of salary and perquisites as specified above subject to the restrictions specified in Schedule XIII to the Act.

The Company shall pay to the Executive Director compensation for loss of office, or as consideration for loss of office or retirement from office or in connection with such loss or retirement, in accordance with the provisions of Section 318 of the Act.

Either party shall be entitled to terminate the appointment by giving 180 days notice in writing to the other.

The Executive Director shall not be entitled to Sitting Fees for attending meetings of the Board of Directors of the Company or any Committee or Committees thereof.

RESOLVED FURTHER that the Board of Directors be and are hereby authorised to increase and / or vary the terms and conditions aforesaid within the limitations specified in that behalf in Schedule XIII to the Act or any statutory modification or re-enactment thereof for the time being in force or otherwise as may be permissible at law.

RESOLVED FURTHER THAT the Executive Director shall not as long as he continues to be Executive Director of the Company be liable to retire by rotation.

AND RESOLVED LASTLY THAT the Board of Directors be and are hereby authorised to take all such steps as may be necessary, desirable or expedient to give effect to this Resolution."

Proposed by Shri Hasmukh Vora
Seconded by Shri Vinit Kumar Parikh.

The Resolution was put to vote on a show of hands, when all the members present except one shareholder voted in favour of the Resolution and accordingly the Resolution was passed with majority.

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13. **RESOLUTION NO. 8 :**

To consider and if thought fit, to pass the following Resolution as a Special Resolution

"RESOLVED THAT in supersession of the resolution passed by the members at the Annual General Meeting held on 17th September 2012 and pursuant to sections 198, 269, 309 and 311 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 (the said Act) and all guidelines for managerial remuneration issued by the Central Government from time to time and subject to such approvals, if necessary, the Company does hereby approve of the re-appointment of Shri V.K. Taparia, as Executive Director, for a period of five years with effect from 7th January, 2014 to 6th January, 2019 and payment of remuneration and perquisites to him on the following revised terms and conditions with liberty to the Board (which term shall be deemed to include any committee constituted by the Board) from time to time to revise upwards the salary and perquisites as herein mentioned in such manner as may be decided by the Board in the best interest of the Company and as may be permissible at law viz:-

(1) Salary

Monthly salary of R 7,00,000/- (Rupees Seven Lacs only) in the Grade of R 7,00,000- R 75,000- R 14,50,000 per month, during his tenure of office (first increment falling due on July 1, 2014).

(2) Allowances / Benefits / Perquisites

A. Housing - Rent free furnished residential accommodation. In case, no accommodation is provided by the Company, the Executive Director shall be paid House Rent Allowance equivalent to 50% of salary.

B. Other Perquisites / Allowances

- i. Reimbursement of actual medical expenses incurred in India and / or abroad including hospitalization for self and family
- ii. Leave Travel Concession for self and family once in a year incurred in accordance with the Rules of the Company applicable to Senior Management Staff / Personnel of the Company.
- iii. Medical and Personal Accident Insurance.
- iv. Reimbursement of membership fees / subscription, subject to a maximum of two clubs in India.
- v. Conveyance : The Company shall provide suitable conveyance facilities as may be required by the Executive Director.
- vi. Communication : The Company shall provide telephone, telefax and other communication facilities at the Executive Director's residence

Perquisites shall be evaluated as per Income Tax Rules where applicable."Family" shall mean spouse and dependent children of the Executive Director.

- C. (i) Contribution to Provident fund, superannuation fund or annuity fund as per the Rules of the Company to the extent these either singly or put together do not exceed the limit laid down under the Income Tax Act, 1961 or under any statutory modification or re-enactment thereof;

(ii) Gratuity payable at a rate not exceeding half a month's salary for each completed year of service,

For the purposes of Gratuity, Provident Fund, Superannuation and other like benefits, the service of the Executive Director will be considered continuous service with the Company and change of designation or renewal of appointment will not be considered as any break in service.

(3) Leave on full pay and allowances but not exceeding one month's leave for 11 month's service, encashment of un availed earned leave as per Rules of the Company and / or at the end of the tenure being permitted.

(4) Reimbursement of entertainment and other business promotion expenses actually incurred by the Executive Director in the course of business of the Company.

(5) Commission
In addition to the above, the Executive Director shall also be entitled upto 1% of the Net Profits per year as commission, as may be determined by the Board, provided that, the aggregate of salary, perquisites and commission for any financial year shall not exceed 5% of the net profits of the Company and when there are more than one whole-time Director ten per cent for all of them together for that year computed in the manner laid down in Sections 349 and 350 of the Act.

In the event of loss or inadequacy of profits of the Company in any year, the Executive Director shall be entitled to payment by way of salary and perquisites as specified above subject to the restrictions specified in Schedule XIII to the Act.

The Company shall pay to the Executive Director compensation for loss of office, or as consideration for loss of office or retirement from office or in connection with such loss or retirement, in accordance with the provisions of Section 318 of the Act.

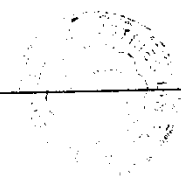
Either party shall be entitled to terminate the appointment by giving 180 days notice in writing to the other.

The Executive Director shall not be entitled to Sitting Fees for attending meetings of the Board of Directors of the Company or any Committee or Committees thereof.

RESOLVED FURTHER that the Board of Directors be and are hereby authorised to increase and / or vary the terms and conditions aforesaid within the limitations specified in that behalf in Schedule XIII to the Act or any statutory modification or re-enactment thereof for the time being in force or otherwise as may be permissible at law.

RESOLVED FURTHER THAT the Executive Director shall not as long as he continues to be Executive Director of the Company be liable to retire by rotation.

CHAIRMAN'S INITIAL
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AND RESOLVED LASTLY THAT the Board of Directors be and are hereby authorised to take all such steps as may be necessary, desirable or expedient to give effect to this Resolution."

Proposed by Shri Rajiv Choksey
Seconded by Shri Vinit Kumar Parikh.

The Resolution was put to vote on a show of hands, when all the members present except one shareholder voted in favour of the Resolution and accordingly the Resolution was passed with majority.

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



(R.J. Saboo)
Sr. General Manager (Corporate Affairs)
& Company Secretary



(B. D. Taparia)
Chairman of the meeting

14/10/2013

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TRANSIT
INITIAL