

HELD AT \_\_\_\_\_

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**MINUTES OF THE PROCEEDINGS OF THE MEETING OF KESAR ENTERPRISES LTD. HELD ON 22<sup>ND</sup> JANUARY, 2013 AT 4:00 P.M. AT THE REGISTERED OFFICE OF THE COMPANY AT ORIENTAL HOUSE, 7 JAMSHEDJI TATA ROAD, CHURCHGATE, MUMBAI 400020 FOR DECLARING THE RESULT OF VOTING THROUGH POSTAL BALLOT CONDUCTED PURSUANT TO SECTION 192A OF THE COMPANIES ACT, 1956 FOR PASSING OF ORDINARY / SPECIAL RESOLUTION/S AS SET OUT IN THE NOTICE DATED 14<sup>TH</sup> DECEMBER, 2012.**

**Present:**

- |                           |   |   |
|---------------------------|---|---|
| 1. Shri H R Kilachand     | - | Chairman & Managing Director and Member |
| 2. Shri A A Kilachand     | - | Member                                  |
| 3. Shri D J Shah          | - | Company Secretary and Member            |
| 4. Shri J K Devgupta      | - | Member                                  |
| 5. Shri V V Sahasrabudhe  | - | Member                                  |
| 6. Shri Tushar Gada       | - | Member                                  |
| 7. Shri Satyen Mehta      | - | Member                                  |
| 8. Shri Shyamdhhar Pandey | - | Member                                  |

Shri Dharmesh Zaveri - Scrutinizer for the Postal Ballot Voting Process

Shri H R Kilachand, Chairman & Managing Director took the Chair.

He stated that the Board of Directors of the Company had approved the Postal Ballot Notice dated 14<sup>th</sup> November, 2012 containing Ordinary / Special Resolutions, subject to the approval of the Shareholders.


He further informed that the Shareholders' approval for the proposed resolutions was sought under the provisions of Section 192A of the Companies Act 1956 read with the Companies (Passing of the Resolution by Postal Ballot) Rules, 2011.

He stated that the Postal Ballot Notice dated 14<sup>th</sup> November, 2012, containing the Resolutions & Explanatory Statement thereto; Postal Ballot Form and pre-paid Business Reply Envelope, were dispatched to the Shareholders' through Speed Post / Air Mail on 18<sup>th</sup> November, 2012 for their consideration. Shri Dharmesh Zaveri, Practicing Company Secretary was appointed as the Scrutinizer to conduct the Postal Ballot voting process in a fair and transparent manner. The last date for the receipt of the Postal Ballot Forms from all the Shareholders of the Company was 21<sup>st</sup> January, 2013.

The Chairman then announced to the Members the result of the Postal Ballot voting process as mentioned in the Report submitted to him by Shri Dharmesh Zaveri, the Scrutinizer, as mentioned hereunder:

**Resolution No. 1 - Ordinary Resolution to Increase Authorised Share Capital & alter the Memorandum of Association**

"RESOLVED THAT pursuant to Sections 16, 94 and other applicable provisions of the Companies Act, 1956, the Authorised Share Capital of the Company be and is hereby increased from Rs.18,00,00,000/- (Rupees Eighteen Crore Only) divided into 1,20,00,000 Equity Shares of Rs.10/- each aggregating to Rs.12,00,00,000/- (Rupees Twelve Crore Only) and 60,00,000 Redeemable Preference Shares of Rs.10/- each aggregating to Rs.6,00,00,000/- (Rupees Six Crore Only) to Rs.22,00,00,000/- (Rupees Twenty Two Crore Only) divided into 1,20,00,000 Equity Shares of Rs.10/- each aggregating to Rs.12,00,00,000/- (Rupees Twelve Crore Only) and 1,00,00,000 Redeemable Preference Shares of Rs.10/- each aggregating to Rs.10,00,00,000/- (Rupees Ten Crore Only) and consequently the existing Clause V of the Memorandum of Association of the Company relating to Share Capital be and is hereby altered by substituting in place thereof, the following as new Clause V.

  
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V. The Authorised Share Capital of the Company is Rs.22,00,00,000/- (Rupees Twenty Two Crore Only) divided into 1,20,00,000 Equity Shares of Rs.10/- each aggregating to Rs.12,00,00,000/- (Rupees Twelve Crore Only) and 1,00,00,000 Redeemable Preference Shares of Rs.10/- each aggregating to Rs.10,00,00,000/- (Rupees Ten Crore Only)."

**Result of Resolution No.1:**

Promoter/ Public	No. of Shares held	No. of votes polled	% of votes Polled on outstanding shares	No. of Votes in favour	No. of votes against	% of votes in favour on votes polled	% of votes against on votes polled
	(1)	(2)	(3)=[(2)/(1)]*100	(4)	(5)	(6)=[(4)/(2)]*100	(7)=[(5)/(2)]*100
Promoters and Promoter Group	37,66,901	36,85,560	97.84	36,85,560	0	100.00	0
Public - Institutional holders	6,95,062	0	0	0	0	0	0
Public-Others	23,28,199	2,92,085	12.55	2,90,847	1,238	99.58	0.42
<b>Total</b>	<b>67,90,162</b>	<b>39,77,645</b>	<b>58.58</b>	<b>39,76,407</b>	<b>1,238</b>	<b>99.97</b>	<b>0.03</b>

The Resolution was declared passed by the requisite majority.

**Resolution No.2 - Special Resolution to Alter Articles of Association**

"RESOLVED THAT pursuant to Sections 31 and other applicable provisions of the Companies Act, 1956, the Authorised Share Capital of the Company be and is hereby increased from Rs.18,00,00,000/- (Rupees Eighteen Crore Only) divided into 1,20,00,000 Equity Shares of Rs.10/- each aggregating to Rs.12,00,00,000/- (Rupees Twelve Crore Only) and 60,00,000 Redeemable Preference Shares of Rs.10/- each aggregating to Rs.6,00,00,000/- (Rupees Six Crore Only) to Rs.22,00,00,000/- (Rupees Twenty Two Crore Only) divided into 1,20,00,000 Equity Shares of Rs.10/- each aggregating to Rs.12,00,00,000/- (Rupees Twelve Crore Only) and 1,00,00,000 Redeemable Preference Shares of Rs.10/- each aggregating to Rs.10,00,00,000/- (Rupees Ten Crore Only) and consequently the existing Article 3 of the Articles of Association of the Company relating to Share Capital be and is hereby altered by substituting in place thereof, the following as new Article 3.

**"Article 3:**

The Authorised Share Capital of the Company is Rs.22,00,00,000/- (Rupees Twenty Two Crore Only) divided into 1,20,00,000 Equity Shares of Rs.10/- each aggregating to Rs.12,00,00,000/- (Rupees Twelve Crore Only) and 1,00,00,000 Redeemable Preference Shares of Rs.10/- each aggregating to Rs.10,00,00,000/- (Rupees Ten Crore Only) with a power to increase or reduce the capital and to divide and sub-divide shares into several classes and to attach thereto respectively such preferential, qualified or special rights, privileges, or conditions as may be determined by or in accordance with the Articles of Association of the Company for the time being and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may be permitted by the Companies Act, 1956 or as provided by the Articles of Association of the Company for the time being."

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Promoter/ Public	No. of Shares held (1)	No. of votes polled (2)	% of votes Polled on outstanding shares (3)=[(2)/(1)] * 100	No. of Votes in favour (4)	No. of votes against (5)	% of votes in favour on votes polled (6)=[(4)/(2)]*100	% of votes against on votes polled (7)=[(5)/(2)] * 100
Promoters and Promoter Group	37,66,901	36,85,560	97.84	36,85,560	0	100.00	0
Public - Institutional holders	6,95,062	0	0	0	0	0	0
Public-Others	23,28,199	2,91,025	12.50	2,89,787	1,238	99.57	0.43
<b>Total</b>	<b>67,90,162</b>	<b>39,76,585</b>	<b>58.56</b>	<b>39,75,347</b>	<b>1,238</b>	<b>99.97</b>	<b>0.03</b>

The Resolution was declared passed by the requisite majority.

**Resolution No.3 – Special Resolution to issue Optionally Convertible Preference Shares ("OCPS")**

"RESOLVED THAT pursuant to the provisions of Sections 80, 81, 81(1A) and all other applicable provisions, if any, of the Companies Act, 1956 (hereinafter referred to as the "Companies Act") (including any statutory modification or re-enactment thereof for the time being in force), read with the Memorandum of Association and Articles of Association of the Company and the Listing Agreements entered into with the Bombay Stock Exchange Ltd. and the National Stock Exchange of India Ltd., where the Company's Equity Shares are listed, Regulations for Preferential Issue contained in Chapter VII of the SEBI (Issue of Capital & Disclosure Requirements) Regulations, 2009 and the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as may be modified or reenacted from time to time (hereinafter referred as "SEBI Regulations") the applicable Rules, Notifications, Regulations issued by the Government of India, Securities and Exchange Board of India ("SEBI") and subject to the approvals, consents, permissions, sanctions of the Stock Exchanges, SEBI or all concerned statutory and other authorities as may be necessary, and subject to such conditions and modifications as may be prescribed, stipulated or imposed by any of them while granting such approvals, consents, permissions, sanctions, the Board of Directors of the Company (hereinafter referred to as "the Board"), which term shall be deemed to include any Committee of the Directors for the time being, exercising the power conferred to the Board, be and is hereby authorised on behalf of the Company to create, offer, issue and allot upto 82,35,000 (Eighty Two Lac Thirty Five Thousand) Zero Coupon Optionally Convertible Preference Shares ("OCPS") of Rs.10/- each fully paid-up aggregating upto Rs.8,23,50,000/- convertible into Equity Shares of the Company on terms and conditions mentioned hereinafter in this Resolution to the Promoters / Persons acting in concert with the Promoters as set out hereunder on Preferential basis (hereinafter referred to as the "proposed allottees"), with an option to the proposed allottees to convert, either partially or entire OCPS, in one or more tranches, in one or more financial year, subject to approval of the SEBI, wherever required:

Sr	Name	Address	Category	Maximum No. of OCPS proposed to be issued
1	Kesar Corporation Pvt. Ltd.	Oriental House, 7, Jamshedji Tata Road, Churchgate, Mumbai 400 020	Promoter	7,49,250
2	Duracell Investments and Finance Pvt. Ltd.	Oriental House, 7, Jamshedji Tata Road, Churchgate, Mumbai 400 020	Person acting in concert with the Promoter	37,65,375
3	Seel Investment Pvt. Ltd.	Oriental House, 7, Jamshedji Tata Road, Churchgate, Mumbai 400 020	Person acting in concert with the Promoter	37,20,375
<b>Total</b>				<b>82,35,000</b>

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**"RESOLVED FURTHER THAT** the OCPS shall be issued by the Company on a Preferential basis on the following terms and conditions:

- (i) The proposed allottees may opt, by giving in writing 3 days advance notice to the Company, to convert the OCPS, partially or fully, into Equity Shares of Rs.10/- each within a period of 18 months from the date of allotment of the OCPS, in one or more tranches, in one or more financial year, at a price of Rs.45/- each (including securities premium of Rs.35/-) or at a price calculated with respect to the Relevant Date being 21-12-2012 as per Regulation 76 of the SEBI (ICDR) Regulations, 2009, whichever is higher; subject to approval of SEBI under the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, if required. In the event of the conversion price being more than Rs.45/- per Equity Share, in that case, the Equity shares to be issued on conversion of the OCPS shall be rounded off to nearest lower multiple of hundred and the balance amount of the OCPS will be included in the next trench of conversion option, and the balance remaining if any after exercise of all the options on expiry of 18 months shall be redeemed after a period of 10 years from the date of allotment or earlier at the option of the Company but not earlier than 7 years from the date of allotment.
- (ii) The OCPS / Equity shares to be issued on conversion of OCPS as above shall be locked-in for a period as prescribed in the SEBI (ICDR) Regulations. On conversion of any OCPS into Equity Shares, such shares shall also be locked-in for a period of 3 years / 1 year as prescribed under the SEBI (ICDR) Regulations. However, the lock-in period, of such Equity Shares allotted pursuant to the conversion of the OCPS issued on Preferential Basis, shall be reduced to the extent the OCPS have already been locked-in.
- (iii) The Equity Shares issued on opting for conversion, shall rank pari passu in all respects with the existing Equity Shares of the Company and shall carry the right to receive dividend and other distributions to be declared thereafter during the year, from the date of conversion.
- (iv) The entire amount of consideration payable towards subscription of the OCPS shall be appropriated out of the amount already brought-in by the proposed allottees by way of unsecured loan.
- (v) Upon receipt of the conversion notice, the Board/ Committee shall allot appropriate number of Equity Shares to the proposed allottees, subject to approval of the SEBI, if required.
- (vi) In the event of the proposed allottees not opting to convert, the OCPS will be redeemed after a period of 10 years from the date of allotment or earlier at the option of the Company but not earlier than 7 years from the date of allotment..
- (vii) The OCPS by itself do not give to the proposed allottees any rights of the Equity Shareholders of the Company unless converted into Equity Shares of the Company.
- (viii) The resultant Equity Shares will be subject to Memorandum and Articles of Association of the Company in all respects."

**"RESOLVED FURTHER THAT** the Relevant Date for the purpose of calculating the minimum price for the OCPS under Chapter VII of the SEBI (ICDR) Regulations, 2009 will be 21st December, 2012, being the date 30 days prior to the date of passing of this Resolution."

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"RESOLVED FURTHER THAT the Equity Shares, if allotted on the conversion of the OCPS, shall rank pari passu in all respects with the then existing Equity Shares of the Company with a right to receive dividend and other distributions to be declared thereafter during the year."

"RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution, the Board of Directors/ Committee thereof be and is hereby authorised, on behalf of the Company, to take all actions and do all such deeds and things as it may, in its absolute discretion, deem necessary, desirable or expedient with respect to the issue or allotment of the aforesaid OCPS and Equity Shares, if allotted upon exercise of rights attached to such OCPS and to list such Equity Shares with the Stock Exchanges, as may be appropriate, and to resolve and settle all questions or difficulties or doubts that may arise in connection with the proposed offer, issue and allotment of the said OCPS and / or Equity Shares, if allotted upon exercise of rights attached to such OCPS and to do all acts, deeds and things in connection therewith and incidental thereto as the Board may, in its absolute discretion, deem fit, without being required to seek any further consent or approval of the Members or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to delegate any or all the powers conferred upon it by this Resolution, to any Committee formed thereof, or to any individual so authorised by the Board."

Promoter/ Public	No. of Shares held (1)	No. of votes polled (2)	% of votes Polled on outstanding shares (3)=[(2)/(1)] *100	No. of Votes in favour (4)	No. of votes against (5)	% of votes in favour on votes polled (6)=[(4)/(2)]* 100	% of votes against on votes polled (7)=[(5)/(2)] * 100
Promoters and Promoter Group	37,66,901	36,85,560	97.84	36,85,560	0	100.00	0
Public - Institutional holders	6,95,062	0	0	0	0	0	0
Public-Others	23,28,199	2,91,025	12.50	2,87,687	3,338	98.85	1.15
<b>Total</b>	<b>67,90,162</b>	<b>39,76,585</b>	<b>58.56</b>	<b>39,73,247</b>	<b>3,338</b>	<b>99.92</b>	<b>0.08</b>

The Resolution was declared passed by the requisite majority.

**Resolution No.4 - Special Resolution to make investment, give Loan / Guarantee or provide Security against a Loan**

"RESOLVED THAT in partial modification of the earlier Special Resolution passed by the Members through the Postal Ballot process, the Results of which was announced on 3.10.2012, pursuant to the provisions of Section 192A, 292, 372A and other applicable provisions of the Companies Act, 1956 or any amendments or modifications (including any statutory modification or re-enactment thereof for the time being in force) and subject to consent, sanction and approval of and permission as may be necessary in that behalf, consent of the Company be and is hereby accorded to the Board of Directors of the Company to invest / acquire from time to time by way of subscription, purchase, conversion or otherwise in the equity shares, preference shares, debentures (whether convertible or non-convertible) or any other financial instruments of Kesar Multimodal Logistics Limited (KMLL)/ Kesar Terminals & Infrastructure Ltd. (KTIL) in one or more tranches or to make / give from time to time any loan or loans and to give from time to time any guarantee(s) and/ or provide any




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security, in connection with any loan(s) made, by any other person(s) to KMLL / KTIL, as the Board may think fit, for the amount exceeding the limits specified in Section 372A of the Companies Act, 1956 subject to a limit of Rs.125 crore (Rupees One Hundred Twenty Five Crore only)."

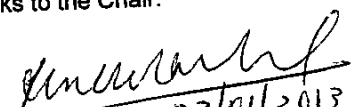
Promoter/ Publ	No. of Shares held (1)	No. of votes polled (2)	% of votes Polled on outstanding shares (3)=[(2)/(1)]*100	No. of Votes in favour (4)	No. of votes against (5)	% of votes in favour on votes polled (6)=[(4)/(2)]*100	% of votes against on votes polled (7)=[(5)/(2)]*100
Promoters and Promoter Group	37,66,901	36,85,560	97.84	36,85,560	0	100.00	0
Public Institutional holders	6,95,062	0	0	0	0	0	0
Public-Others	23,28,199	2,91,025	12.50	2,86,608	4,417	98.48	1.51
<b>Total</b>	<b>67,90,162</b>	<b>39,76,585</b>	<b>58.56</b>	<b>39,72,168</b>	<b>4,417</b>	<b>99.88</b>	<b>0.11</b>

The Resolution was declared passed by the requisite majority.

Therefore, in summary, all the Resolutions as mentioned in the Postal Ballot Notice dated 14<sup>th</sup> November, 2012 were passed with the requisite majority by the Shareholders of the Company.

Thereafter, the Meeting terminated with a vote of thanks to the Chair.

Place : Mumbai  
Date :

  
23/01/2013  
CHAIRMAN OF THE MEETING

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