

PROCEEDINGS OF THE 19TH ANNUAL GENERAL MEETING OF ALLIED DIGITAL SERVICES LIMITED HELD ON WEDNESDAY, SEPTEMBER 25, 2013 AT 3:30 P.M. AT TARABAI HALL, SHIV PRASAD BUILDING, 97, MARINE DRIVE, MUMBAI - 400002

Present:

| | |
|---------------------|-----------------------------------|
| Mr. Nitin D. Shah | - Chairman, Managing Director |
| Mr. Prakash Shah | - Executive Director - Commercial |
| Dr. Shrikant Parikh | - Independent Director |

45 Members were personally present.

Mr. Nitin Shah chaired the Meeting and announced that since the requisite quorum for the Meeting was there, the formal proceedings of the Meeting could commence. He then extended a warm welcome to the members present.

The Chairman announced that the Company has not received any proxies. He further stated that the Register of Proxies and the Register of Directors' Shareholding under Section 307 of the Companies Act, 1956, was open for inspection of the members during the Meeting. He then introduced his colleagues on the Board to the members.

With the consent of the members present, the notice convening the Meeting along with the Audited Accounts and the Directors' Report were taken as read. Thereafter at the direction of the Chairman, Mr. Charudatta Samant, Executive of the Company read out the Auditor's Report and the Annexure to the Auditor's Report was taken as read with the permission of the members.

1. The first resolution was proposed by the Chairman as an Ordinary resolution:

Before taking up the agenda items, the Chairman invited questions from the members.

Some of the shareholders raised queries on the financials of the Company. The Chairman of the Company suitably and satisfactorily clarified / replied the queries.



SECONDED BY MR. Dharmesh Gosalia

"RESOLVED THAT the Audited Balance Sheet as at March 31, 2013 and Profit & Loss Account for the year ended on that date and the Directors' Report and the Auditor's Report thereon, be and are hereby approved and adopted."

The resolution was then put to vote and on show of hands, the Chairman declared the resolution as carried out unanimously.

2. The second resolution was an Ordinary Resolution.

PROPOSED BY MR. Bharat Negandhi

SECONDED BY MR. Anil Parekh

"RESOLVED THAT Dr. Roopkishan Dave, Director of the Company, who retires by rotation and being eligible offers himself for re-appointment, be and is hereby re-appointed as a Director of the Company and that the period of office of the Director shall be liable to determination by retirement by rotation."

The resolution was then put to vote and on show of hands, the Chairman declared the resolution as carried out unanimously.

3. The third resolution was an Ordinary Resolution.

PROPOSED BY Ms.C.E.Mascarenhas

SECONDED BY MR. Aspi Bherania

"RESOLVED THAT Mr. Paresh Shah, Director of the Company, who retires by rotation and being eligible offers himself for re-appointment, be and is hereby re-appointed as a Director of the Company and that the period of

Page 2 of 13





office of the Director shall be liable to determination by retirement by rotation."

The resolution was then put to vote and on show of hands, the Chairman declared the resolution as carried out unanimously.

4. The fourth resolution was an Ordinary Resolution.

PROPOSED BY MR. Dharmesh Gosalia

SECONDED BY MR. Dinesh Bhatia

"RESOLVED THAT M/s. K. M. Kapadia & Associates bearing Membership Number 039707, Chartered Accountants, Mumbai, being retiring Auditors of the Company, be and are hereby re-appointed as Auditors of the Company to hold the office from the conclusion of the ensuing Annual General Meeting until conclusion of the next Annual General Meeting, on such remuneration as may be determined by the Chairman in consultation with the Auditors, in addition to reimbursement of service tax and all out of pocket expenses in connection with the audit of the Accounts of the Company, which remuneration may be paid on existing terms to be agreed between the Auditors and the Chairman."

5. The fifth resolution was a Special Resolution

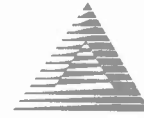
PROPOSED BY MR. Vijay Walanj

SECONDED BY MR. Bimal Kumar Agarwal

"RESOLVED THAT pursuant to the provision of Section 81 (1A) and all other applicable provisions, if any, of the Companies Act, 1956 (including any amendment(s) thereto or any statutory modification(s) or re-enactment thereof for

Page 3 of 13





the time being in force), SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 as in force including any amendment(s) thereto ("SEBI Regulations"), the regulations/guidelines, if any, issued by the Government of India, the Reserve Bank of India and any other applicable laws, rules and regulations (including any amendment(s) thereto or re-enactment(s) thereof for the time being in force) and the relevant provisions of the Memorandum and Articles of Association of the Company, approval of the Stock Exchanges BSE and NSE and the Listing Agreement entered into by the Company with BSE and NSE and subject to such approvals, consents, permissions and sanctions as may be required from the Government of India, the Reserve Bank of India, SEBI, Stock Exchanges, BSE and NSE and any other relevant statutory, government authorities or departments, institutions or bodies ("Concerned Authorities") in this regard and subject to such terms and conditions or modifications thereto as may be prescribed or imposed by any of the Concerned Authorities while granting such approvals, sanctions and permissions as may be necessary ("Approvals") and any such conditions and /or modifications as may be prescribed, stipulated or imposed by any such Approvals and / or which may be agreed to or considered necessary by the Board of Directors of the Company (hereinafter referred to as "the Board", which term shall include any Committee constituted by the Board or any person(s) authorized by the Board to exercise the powers conferred on the Board by this Resolution), the consent of the members be and is hereby accorded to 'The Board' to create, issue, offer and allot on preferential basis to the following promoters and non-promoters, 81,50,598 Warrants in one or more tranches on such terms and conditions and in such manner as the Board may think fit, each Warrant entitling the holder thereof to apply for and be allotted 1 (One) equity share of a nominal value of INR 5/- each, at a price of INR 15/- which includes a premium of INR 10/- per share as calculated in accordance with Regulation 76 (1) of SEBI (ICDR), 2009:



Page 4 of 13

Proposed Allottees of Preferential Convertible Warrants:

| Sr. No | Name of the Proposed Allottee | No. of Convertible Warrants |
|--------|-----------------------------------|-----------------------------|
| 1 | Mr. Prakash Shah | 1832134 |
| 2 | Mr. Nitin Shah | 3601598 |
| 3 | M/s. Lords Power Private Limited. | 2716866 |

RESOLVED FURTHER THAT the pricing of the Equity shares to be allotted on preferential basis shall not be lower than the price determined in accordance with SEBI (ICDR) Regulation 2009 which shall be the higher of the following:

1. The average of the weekly high and low of the closing prices of the related shares quoted on the stock exchanges during six months preceding the relevant date;

OR

2. The average of the weekly high and low of the closing prices of the related shares quoted on the stock exchanges during two weeks preceding the relevant date.

RESOLVED FURTHER THAT the relevant date, in terms of Chapter VII of the SEBI (ICDR) Regulations, for determination of minimum price for the issuance of the Convertible Warrants on a preferential allotment basis and conversion thereof into equity shares of INR 5/- is 30 days prior to the passing of resolution i.e. September 25th, 2013. Hence the relevant date is August 23rd, 2013.

RESOLVED FURTHER THAT the Convertible Warrants shall be issued by the Company on the following terms and conditions:

Page 5 of 13



- a) An amount equivalent to 25% of the exercise price of the Equity Shares arising out of the Convertible Warrants shall be payable at the time of making the application for Convertible Warrants, which will be kept by the Company as a deposit to be adjusted and appropriated against the price of the Equity Shares payable by the Warrant Holder at the time of exercising the option;
- b) the above allottees shall be entitled to exercise its option to subscribe to the Equity Shares at any time, in one or more tranches, within 18 months from the date of allotment of the warrants, subject to full payment of the subscription price;
- c) in the event, the allottees does not exercise the right to subscribe to the Equity Shares within a period of 18 months from the date of allotment of Warrants, the amount paid by the allottees shall stand forfeited and the allottees shall not be entitled for refund of the same or any part thereof, or any Equity Share of the Company against the amount paid;
- d) all Equity Shares allotted upon exercise of rights attached to the Warrants referred hereinabove to the allottees shall rank pari passu in all respects including entitlement for dividend with the existing Equity Shares of the Company.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorized on behalf of the Company to take all actions and to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, desirable or expedient for issue or allotment of aforesaid Convertible Warrants and the resultant equity shares to the holders of the Convertible Warrants upon exercise of right to subscribe the shares and listing thereof with the stock exchange(s) as appropriate and to resolve and settle all questions and difficulties that may arise in relation to the proposed issue, offer and

Page 6 of 13



allotment of any of the said Convertible Warrants, utilization of the issue proceeds 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 be and is hereby authorized to delegate all or any of the powers conferred by this resolution on it, to any Committee of Directors or any other Director(s) or officer(s) of the Company to give effect to the resolution"

6. The sixth resolution was a Special Resolution

PROPOSED BY MR. Devang Shah

SECONDED BY MR. Bharat Negandhi

"RESOLVED THAT pursuant to the Special Resolution passed by the Members in the Seventeenth Annual General Meeting held on September 29th, 2011 and pursuant to the provisions of Sections 198, 309, 310 and 311 read with Schedule XIII to the said Act, and all other applicable provisions of Companies Act, 1956 (including any statutory modification(s) or re-enactment thereof for the time being in force) and subject to the approval of the Central Government and such other approvals as may be necessary and as recommended and approved by the Remuneration Committee and the Board, the members of the Company hereby consents for payment of remuneration to Mr. Nitin Shah, Managing Director who is appointed for a period of 5 years from April 01st, 2011 to March 31st, 2016 on the terms & conditions as are set out at clauses A to C below:



Page 7 of 13

A. Salary: INR 1,500,000/- (Rupees Fifteen Lacs Only) per annum.

B. Perquisites:

In addition to Salary, a basket of allowances/perquisites upto INR 35 lacs per annum, which will include reimbursement of expenditure or allowances in respect of rent-free furnished accommodation owned, leased or rented by the Company or House Rent Allowances in lieu thereof, repairs and maintenance of accommodation including furniture, fixtures and furnishings and provision of gas, electricity and water, medical reimbursements, telephone facility at residence, mobile phone, leave travel concession, for himself and his family; education of self and family, Company's car with a driver and maintenance, and any other reimbursements, allowances or perquisites.

Perquisites shall be evaluated as per the applicable provisions of the Income Tax Rules.

C. Commission/ Performance Pay:

Such amount for each financial year as may be decided by the Board, subject to the maximum of 6 months' salary.

RESOLVED FURTHER THAT pursuant to the provisions of Sections 198, 309, 310 and 311 and all other applicable provisions of the Companies Act, 1956 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with and in accordance with the conditions specified in Schedule XIII to the said Act, if the approval of the Central

Page 8 of 13



Government is not received, the Managing Director Mr. Nitin Shah shall be entitled to receive the remuneration on the terms and conditions set out at clauses D to F below:

D. Salary: INR 1,440,000 (Rupees Fourteen Lakh Forty Thousand only) per annum.

E. Perquisites:

In addition to Salary, a basket of allowances/perquisites upto INR 3,360,000 per annum, which will include reimbursement of expenditure or allowances in respect of rent-free furnished accommodation owned, leased or rented by the Company or House Rent Allowances in lieu thereof, repairs and maintenance of accommodation including furniture, fixtures and furnishings and provision of gas, electricity and water, medical reimbursements, telephone facility at residence, mobile phone, leave travel concession, for himself and his family; education of self and family. Company's car with a driver and maintenance and any other reimbursements, allowances or perquisites.

Perquisites shall be evaluated as per the applicable provisions of the Income Tax Rules.

F. The total remuneration including salary, allowances and perquisites shall not exceed the limits specified in Section II, Part II of Schedule XIII to the Companies Act, 1956.



A handwritten signature in black ink, appearing to be "R".

“RESOLVED FURTHER THAT the terms and conditions of the above remuneration may be altered and varied from time to time by the Board of Directors (‘the Board’ which term shall be deemed to include Remuneration Committee thereof) as it may in its discretion deem fit within the maximum amount payable to the Managing Director in accordance with the Companies Act, 1956 and as may be agreed to by the Managing Director.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution the Board of Directors, (herein after referred to as “the Board” which term shall be deemed to include any duly authorised committee thereof, for the time being exercising the powers conferred by the Board by resolution) be and is hereby authorised to take such steps and to do all such acts, deeds, matters and things as may, in its absolute discretion, deem necessary or desirable or to settle any question or difficulty that may arise in such manner as it may deem fit and also, to make such alterations and modifications, as may be required under the Companies Act, 1956.”

The resolution was then put to vote and on show of hands, the Chairman declared the resolution as carried out unanimously / by majority.

7. The seventh resolution was a Special Resolution

PROPOSED BY MR. Aspi Bherania

SECONDED BY MR. Bimal Kumar Agarwal

“RESOLVED THAT pursuant to the Special Resolution passed by the Members in the Seventeenth Annual General Meeting held on September





29th, 2011 and pursuant to the provisions of Sections 198, 309, 310 and 311 read with Schedule XIII to the said Act, and all other applicable provisions of Companies Act, 1956 (including any statutory modification(s) or re-enactment thereof for the time being in force) and as recommended and approved by the Remuneration Committee and the Board, the members of the Company hereby consents to the payment of remuneration to Mr. Prakash Shah, Executive Director-Commercial who is appointed for a period of 5 years from April 01st, 2011 to March 31st, 2016 on the terms & conditions as are set out at clauses A to C below:

A. Salary: INR 750,000/- (Rupees Seven Lakh Fifty Thousand Only) per annum.

B. Perquisites:

In addition to Salary, a basket of allowances/perquisites upto INR 22.5 lacs per annum, which will include reimbursement of expenditure or allowances in respect of rent-free furnished accommodation owned, leased or rented by the Company or House Rent Allowances in lieu thereof, repairs and maintenance of accommodation including furniture, fixtures and furnishings and provision of gas, electricity and water, medical reimbursement, telephone facility at residence, mobile phone, leave travel concession, for himself and his family; education of self and family, Company's car with a driver and maintenance, and any other reimbursements, allowances or perquisites.



Perquisites shall be evaluated as per the applicable provisions of the Income Tax Rules.

C. Commission/ Performance Pay:

Such amount for each financial year as may be decided by the Board, subject to the maximum of 6 months' salary.

RESOLVED FURTHER THAT the terms and conditions of the above remuneration may be altered and varied from time to time by the Board of Directors ('the Board' which term shall be deemed to include Remuneration Committee thereof) as it may in its discretion deem fit within the maximum amount payable to the Director in accordance with the Companies Act, 1956 and as may be agreed to by the Director.

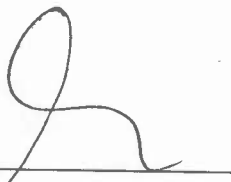
RESOLVED FURTHER THAT for the purpose of giving effect to this resolution the Board of Directors, (herein after referred to as "the Board" which term shall be deemed to include any duly authorised committee thereof, for time being exercising the powers conferred by the Board by the resolution) be and is hereby authorised to take such steps and to do all such acts, deeds, matters and things as may, in its absolute discretion, deem necessary or desirable or to settle any question or difficulty that may arise in such manner as it may deem fit and also, to make such alterations and modifications, as may be required under the Companies Act, 1956."



The resolution was then put to vote and on show of hands, the Chairman declared the resolution as carried out unanimously / by majority.

The Chairman declared the Meeting closed.

The Meeting terminated with a vote of thanks to the Chair.



Ravindra Joshi
(Company Secretary)

Date : September 25, 2013

Place : Mumbai

25th September, 2013

To
The Corporate Relationship Department,
Bombay Stock Exchange,
Dalal Street,
Mumbai - 400 001

Dear Sir/Madam,

Sub.: Outcome of 19th Annual General Meeting held on 25th September, 2013

The Shareholders of the Company at its 19th Annual General Meeting held on 25th September, 2013 have approved the following:

1. Preferential allotment of convertible warrants;
2. Payment of remuneration to Mr. Nitin Shah, Managing Director of the Company;
3. Payment of remuneration to Mr. Prakash Shah, Whole Time Director of the Company.

Kindly take the same on record & oblige.

Thanking you

Yours faithfully,

For Allied Digital Services Limited

Ravindra Joshi

Company Secretary

Encl. : a/a

