

MINUTES OF THE THIRTEENTH ANNUAL GENERAL MEETING OF THE MEMBERS OF KABRA EXTRUSIONTECHNIK LIMITED HELD ON TUESDAY, THE 27TH DAY OF AUGUST, 2013 AT 2:00 P.M. AT HOTEL KARL RESIDENCY, 36, LALLUBHAI PARK ROAD, NEXT TO LALLUBHAI PARK, ANDHERI (WEST), MUMBAI- 400 058

DIRECTORS PRESENT :

1. Shri S. V. Kabra Chairman & Managing Director
2. Shri S. N. Kabra Vice- Chairman Managing Director
3. Shri Anand S. Kabra Technical Director
4. Shri H. S. Sanwal Director
5. Shri Y. B. Desai Director
6. Shri M. P. Taparia Director
7. Shri N. C. Chauhan Director

IN ATTENDANCE :

1. Shri Y. D. Sanghavi Company Secretary
2. Shri Jayant Sarpotdar Chief Finance Officer

Shri S. V. Kabra, Chairman & Managing Director of the Company took the Chair and welcomed the Members to the Meeting. As the requisite quorum for the meeting being present, he called the Meeting to order.

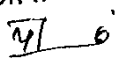
The Chairman informed that the Company has received Six (6) valid proxies holding 5306610 Equity Shares as per Proxy Register and Two (2) representatives from Bodies Corporate under Section 187 (2) of the Companies Act, 1956, holding 7037342 Equity Shares of the Company. He further informed that Fifty-three (53) Members are present in person.

The Chairman further informed that the Register of Directors' Shareholding and other Statutory Registers are available for inspection to the Members. He introduced the dignitaries on dais.

Shri Y. D. Sanghavi, Company Secretary read the Auditors' Report.

The Chairman in his speech briefed the Members as under:

- (i) Annual Report duly posted and received by the Members is taken as read;
- (ii) He then touched upon the factors which adversely affected global and Indian economy. He further pointed out that industrial growth in India decelerated mainly on account of persistent high inflation, high interest rate, slackening external demand and infrastructure constraints. He expressed his concern on the issue of trade deficit, current account deficit, rupee depreciation against US Dollar which contributed towards deteriorating investors' confidence and market sentiments.

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COMPANY SECRETARY

- (iii) He then drew attention of the Members to the market oriented initiatives of the Company and highlights of audited results of financial year 2012-13 and Unaudited Financial Results of the first quarter of financial year 2013-14 which were achieved against a back-drop of a general slow down

Shri Jayant Sarpotdar, Chief Financial Officer then furnished explanation on variation in items of Assets and Liabilities and reason for increase / decrease in Income and Expenditure during the year under review.

The Chairman then requested the Members to proceed with the business of the meeting as set out in the notice.

1. ADOPTION OF THE ANNUAL ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2013

Shri S. V. Kabra, Chairman & Managing Director and a Member of the Company proposed the following resolution as an Ordinary Resolution related to adoption of the accounts for the financial year ended 31st March, 2013.

“RESOLVED THAT the audited Balance Sheet as on 31st March, 2013 and the Statement of Profit & Loss Account for the year ended on that date together with Reports of Board of Directors and Auditors thereon be and is hereby considered and adopted”

Shri Prakash Tamhane, Member of the Company seconded the above resolution.

Thereafter the Chairman invited queries if any, from the Members.

Shri Yusuf Yunus Rangwala, Shri Prakash C. Tamhane, Shri Kiran L. Savani, Shri Vinod Agarwal, Shri Bharat Lakhani and Smt. Smita B. Shah members of the Company acknowledged the operational results as better performance inspite of general slowdown. They appreciated timely receipt of well designed Annual Report and dividend recommendation made by the Board of Directors at same rate at which declared and paid for last financial year.

Aforesaid Shareholders expressed their desire to know further in respect of following and reasons for variation :

- (i) Whether any reduction in employees strength and cost;
- (ii) Earning on current investments
- (iii) Interest receipt on ICD placed
- (iv) Higher short term borrowing
- (v) Impact of rupee depreciation on export business
- (vi) Increase in rent payment
- (vii) Increase in Directors' remuneration
- (viii) Increase in finance cost
- (ix) Was there any revaluation in value of fixed assets

Shri K L Savani also suggested to include in "Results at a glance", the particulars of number of shareholders, closing share price and foreign exchange rate as at 31st March.

They requested to arrange for visit to Plant at Daman. They expressed their concern over falling market price inspite of high book-value per share.

Shri S. V. Kabra, Chairman & Managing Director then furnished clarification as under in reply to their queries:

- (i) During financial year 2012-13 there was rationalization in employees strength. Salary of R&D Staff has been classified as R&D expenses upon recognition of R&D Unit by Department of Scientific and Industrial Research, New Delhi. Employee benefit expenses reported in account is therefore appears to be lower in comparison with previous year;
- (ii) Expected yield on mutual fund units shown under "Current Investments" is about @ 9% to 10% per annum;
- (iii) Interest received on temporary advance/ICD placed was at 11% per annum;
- (iv) Short Term Borrowings at year end remained higher due to more purchase in last quarter and for outstanding export LC against which payment realized in financial year 2013-14;
- (v) Current Rupee depreciation has no much adverse impact on Company's import which is about 15% of total Raw Material consumption. On export front, realization remained higher due to exchange fluctuation during the period of booking of sales order and receipt of actual payment upon negotiation of export documents;
- (vi) From July, 2012, the company took on lease additional premises admeasuring 3400 sq. mtr. to set-up Paint Shop facilities to provide the customers with assurance of adequate corrosion protection and very fine paint finish of plant. Factory Premises is constructed by the Licensor as per specification of the Company. It is in proximity of the new plant at Dunetha. Such type of structure is not easily available in Dunetha. Rent paid is quite lower than rate prevailing in this area;
- (vii) Directors' remuneration is comparatively higher as there was revision in salary of Shri Satyanarayan G. Kabra w.e.f. July, 2011 and of Shri Anand S. Kabra w.e.f. August, 2011 and in view thereof no revision is proposed in their remuneration for their re-appointment at this meeting;
- (viii) Finance cost is comparatively higher as sale invoices for plant supplied were discounted through bank for its immediate realization and the same has been recovered from the respective customers through sales value;
- (ix) The company has so far not revalued its land and/or any other immovable properties.

Members being satisfied, proceeded to adopt audited accounts with reports thereon.

The Chairman then put the resolution to vote of meeting, on a show of hands and it was carried out unanimously.

2. DECLARATION OF DIVIDEND

The Chairman then requested the Members to transact Item No. 2 related to declaration of dividend.

Shri Yusuf Yunus Rangwala, a Member of the Company proposed the following resolution as an Ordinary Resolution

“RESOLVED THAT pursuant to the recommendation of the Board of Directors of the Company, a dividend of Re. 1/- per share be and is hereby declared for the year ended 31st March, 2013 on 31902320 fully paid Equity Shares of Rs. 5/- each and aggregate amount of Rs. 3,19,02,320/- (Rupees Three Crores Nineteen Lacs Two Thousand Three Hundred Twenty Only) be appropriated towards the payment of dividend for the said financial year and the amount of Rs. 54,21,799/- (Rupees Fifty Four Lacs Twenty One Thousand Seven Hundred Ninety Nine Only) also be appropriated towards corporate tax payable on the said dividend as statutorily applicable.”

Above resolution was then seconded by Shri Surendra K. Jain, a Member of the Company.

The Chairman then put the resolution to the vote of the Meeting on a show of hands and it was carried out unanimously.

3. RE-APPOINTMENT OF SHRI YAGNESH B. DESAI AS A DIRECTOR OF THE COMPANY RETIRING BY ROTATION

The Chairman then requested the Members to transact Item No. 3 related to re-appointment of Shri Yagnesh B. Desai, as a Director.

Shri Prasad T. Manjrekar, a Member of the Company proposed the following resolution as an Ordinary Resolution

“RESOLVED THAT Shri Yagnesh B. Desai be and is hereby appointed as a Director of the Company who retires by rotation and being eligible, offers himself for re-appointment.”

Above resolution was then seconded by Shri P. A. Vijaykar, a Member of the Company.

Thereafter, the Chairman put the resolution to vote of the Meeting on a show of hands and it was carried out unanimously.

Shri Yagnesh B. Desai expressed his thanks to the Members present for approving his re-appointment.

4. RE-APPOINTMENT OF SHRI NIHALCHAND C. CHAUHAN AS A DIRECTOR OF THE COMPANY RETIRING BY ROTATION

The Chairman then requested the Members to transact Item No. 4 related to re-appointment of Shri Nihalchand C. Chauhan, as a Director.

Shri Vinod Agarwal, a Member of the Company proposed the following resolution as an Ordinary Resolution

“RESOLVED THAT Shri Nihalchand C. Chauhan be and is hereby appointed as a Director of the Company who retires by rotation and being eligible, offers himself for re-appointment.”

Above resolution was then seconded by Shri Bharat V. Shah, a Member of the Company.

Thereafter, the Chairman put the resolution to vote of the Meeting on a show of hands and it was carried out unanimously.

Shri Nihalchand C. Chauhan expressed his thanks to the Members present for approving his re-appointment.

5. APPOINTMENT OF M/S. KIRTANE & PANDIT, CHARTERED ACCOUNTANTS, PUNE AS A STATUTORY AUDITORS OF THE COMPANY

The Chairman then requested the Members to transact Item No. 5 related to appointment of Statutory Auditors of the Company.

Shri Kirit L. Savani, a Member of the Company proposed the following resolution as an Ordinary Resolution.

“RESOLVED THAT M/s. Kirtane & Pandit, Chartered Accountants, Pune having Registration No. 105215W issued by the Institute of Chartered Accountants of India, be and are hereby appointed as a Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting on such remuneration and the reimbursement of out of pocket expenses, if any, as may be mutually agreed upon between the Board of Directors of the Company and the said Auditors.”

Above resolution was then seconded by Shri Yomesh M. Clark, a Member of the Company.

Thereafter, the Chairman put the resolution to vote of the Meeting on a show of hands and it was carried out unanimously.

Shri S. V. Kabra then requested Shri H. S. Sanwal to Chair the Meeting with the consent of the Members present, in view of being interested in the resolution set out

at Item No. 6 & 7 related to re-appointment of Shri Satyanarayan G. Kabra as a Vice-chairman & Managing Director and Shri Anand S. Kabra as a Technical Director of the Company.

6. RE-APPOINTMENT OF SHRI SATYANARAYAN G. KABRA AS A VICE-CHAIRMAN & MANAGING DIRECTOR OF THE COMPANY

Shri H. S. Sanwal then Chaired the Meeting and requested the Members to transact Item No. 6 of the notice related to re-appointment of Shri Satyanarayan G. Kabra as a Vice-Chairman & Managing Director

Smt. Smita B. Shah, a Member of the Company proposed the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to provisions of Sections 198, 269 and 309 and other applicable provisions, if any, of the Companies Act, 1956, read with Schedule XIII of the said Act or any re-enactment or modifications thereof and all other applicable statutory provisions, if any, and subject to such approvals as may be necessary, the consent of the Company be and is hereby accorded to the re-appointment and payment of remuneration to Shri Satyanarayan G. Kabra as a Vice-Chairman & Managing Director of the Company, for a period of 5 (five) years w.e.f. 1st July, 2013 to 30th June, 2018 on the terms, conditions and stipulations including remuneration detailed in the Explanatory Statement annexed hereto (which shall form part hereof), with a liberty to the Board of Directors of the Company (hereinafter referred to as “the Board” which terms shall be deemed to include any Committee of the Board as and when constituted) to fix, increase, alter or vary from time to time, the terms and conditions of the said appointment and remuneration and/or monetary value of the perquisites as may be agreed upon by the Board of Directors and Shri Satyanarayan G. Kabra, subject to the same not exceeding at any point of time, the ceiling specified in Schedule XIII to the said Act, (including any Statutory Modifications or re-enactment thereof for the time being in force) or any amendment and/or modifications that may hereinafter from time to time be made thereto by the Central Government.

RESOLVED FURTHER THAT where in any financial year during the currency of the tenure of said appointee, the company has no profit or its profits are inadequate, the company shall pay salary & perquisites as provided under Schedule XIII as minimum remuneration.

RESOLVED FURTHER THAT the aforesaid consent of the Company is accorded without prejudice to his right of holding managerial position of whatsoever nature in any other company and draw remuneration therefrom, subject to the regulatory guidelines and ceiling stipulated in this regard.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors of the Company, be and is hereby authorized to do all such acts,

deeds, matters or things as may be necessary, expedient or desirable in the best interest of the Company.”

Above resolution was then seconded by Shri Yusuf Yunus Rangwala, a Member of the Company.

Thereafter, the Chairman put the resolution to vote of the Meeting on a show of hands and it was carried out unanimously.

Shri Satyanarayan G. Kabra expressed his thanks to the Members present for approving his re-appointment.

7. RE-APPOINTMENT OF SHRI SATYANARAYAN G. KABRA AS A VICE-CHAIRMAN & MANAGING DIRECTOR OF THE COMPANY

The Chairman then requested the Members to transact Item No. 7 related to re-appointment of Shri Anand S. Kabra, as a Technical Director.

Shri Bheruz F. Pourdehi, a Member of the Company proposed the following resolution as an Ordinary Resolution

“RESOLVED THAT pursuant to provisions of Sections 198, 269 and 309 and other applicable provisions, if any, of the Companies Act, 1956, read with Schedule XIII of the said Act or any re-enactment or modifications thereof and all other applicable statutory provisions, if any, and subject to such approvals as may be necessary, the consent of the Company be and is hereby accorded to the re-appointment and payment of remuneration to Shri Anand S. Kabra as a Technical Director of the Company, for a period of 5 (five) years w.e.f. 1st August, 2013 to 31st July, 2018 on the terms, conditions and stipulations including remuneration detailed in the Explanatory Statement annexed hereto (which shall form part hereof), with a liberty to the Board of Directors of the Company (hereinafter referred to as “the Board” which terms shall be deemed to include any Committee of the Board as and when constituted) to fix, increase, alter or vary from time to time, the terms and conditions of the said appointment and remuneration and/or monetary value of the perquisites as may be agreed upon by the Board of Directors and Shri Anand S. Kabra, subject to the same not exceeding at any point of time, the ceiling specified in Schedule XIII to the said Act, (including any Statutory Modifications or re-enactment thereof for the time being in force) or any amendment and/or modifications that may hereinafter from time to time be made thereto by the Central Government.

RESOLVED FURTHER THAT where in any financial year during the currency of the tenure of said appointee, the company has no profit or its profits are inadequate, the company shall pay salary & perquisites as provided under Schedule XIII as minimum remuneration.

RESOLVED FURTHER THAT the aforesaid consent of the Company is accorded without prejudice to his right of holding managerial position of whatsoever nature

in any other company and draw remuneration therefrom, subject to the regulatory guidelines and ceiling stipulated in this regard.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors of the Company, be and is hereby authorized to do all such acts, deeds, matters or things as may be necessary, expedient or desirable in the best interest of the Company."

Above resolution was then seconded by Shri A I Suraiya, a Member of the Company.

Thereafter, the Chairman put the resolution to vote of the Meeting on a show of hands and it was carried out unanimously.

Shri Anand S. Kabra expressed his thanks to the Members present for approving his re-appointment.

Shri H. S. Sanwal then requested Shri S. V. Kabra to chair the meeting to proceed further.

8. VOTE OF THANKS

Shri Yusuf Yunus Rangwala, a Member of the Company then expressed thanks to the Chair on behalf of the Members present.

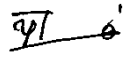
There being no other business to transact, the Chairman appreciated all the members for their presence, participation and maintaining decorum of the Meeting and wished them all the best.

Date : 12-09-2013

Place : Mumbai

Chairman

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COMPANY SECRETARY