

THE SANDESH LIMITED

MINUTE BOOK

Minutes of the proceedings of the 70TH ANNUAL GENERAL MEETING of the "THE SANDESH LIMITED" held on Thursday, the 5th day of August, 2013 at 10:00 a.m. at Gujarat Law Society Auditorium, G.L.S. College Campus, Opp. Law Garden, Ellisbridge, Ahmedabad – 380006 (Gujarat-India)

THE FOLLOWING WERE PRESENT:

Directors:

Shri Falgunbhai Patel	Chairman & Managing Director and Member
Shri Parthiv Patel	Managing Director and Member
Shri Mukeshbhai Patel	Director (Chairman of Audit Committee)
Shri Shreyasbhai Pandya	Director and Member
Shri Yogesh Jani	Whole-time Director and Member

In attendance:

Shri Sanjay Kumar Tandon	Vice President – Finance & Accounts
Shri Umesh Tanwar	Manager – Finance & Accounts

Company Secretary:

Shri Dhaval Pandya	Company Secretary
--------------------	-------------------

Members:

33 Members were present in person & NIL Members were present by Proxy.

And,

Invitees:

Shri Kaushikbhai Patel, Partner of the Statutory Auditors of the Company viz. M/s. Manubhai & Co., Chartered Accountants, Ahmedabad.

1) CHAIRMAN:

Shri Falgunbhai Patel, Chairman & Managing Director of the Company, chaired the Meeting.

CHAIRMAN'S
INITIAL



2) QUORUM:

The Chairman declared that the requisite Quorum was present and called the Meeting to order.

The Chairman welcomed the Members and then introduced the Directors of the Company present on the dais.

3) STATUTORY REGISTERS:

Thereafter, the Chairman informed that the Statutory Registers like Register of Proxies, Register of Members, Register of Directors' Shareholding and Register of Members' Attendance, etc., were open for inspection of the Members during the continuance of the Meeting.

4) NOTICE:

The Notice of the Annual General Meeting was taken as read with the consent of all the Members present.

Thereafter, the Balance Sheet of the Company as at *31st March, 2013* together with the Statement of Profit & Loss Account for the year ended as on that date and Report of the Directors and Auditors along with Management Discussion & Analysis and the report of the Corporate Governance and the Auditors' Certificate for the compliance of the Corporate Governance were placed before the Meeting.

5) AUDITORS' REPORT:

The Report of *M/s. Manubhai & Co.*, Statutory Auditors of the Company, was read out by Shri Dhaval Pandya, Company Secretary, upon the instruction of the Chairman.

CHAIRMAN'S
INITIAL

[Handwritten Signature]

After the Auditors' Report had been read, the Chairman briefly highlighted the Company's business activities and outlook of the Company.

Then, the Chairman asked the Members whether they have any queries on the Resolutions proposed to be passed as per the Notice of Annual General Meeting. There being no questions from the Members, the following businesses were transacted item-wise as under:

ORDINARY BUSINESS: -

1. CONSIDERATION AND ADOPTION OF ANNUAL ACCOUNTS FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2013:

The Audited Statements of Accounts, i.e. Balance Sheet dated *31st March, 2013*, Statement of Profit & Loss Account for the year ended on that date along with the Auditors' Report thereon and the report of the Board of Directors' along with the Corporate Governance Report, the Management Discussion & Analysis Report, were placed before the Meeting.

The Chairman then proposed the first Resolution in respect of adoption of the Audited Balance Sheet as at *31st March, 2013*, Statement of Profit & Loss Account for the year ended on that date and the report of the Board of Directors' along with the Auditors' Report thereon, to be passed as an Ordinary Resolution.

“RESOLVED THAT the Audited Balance Sheet of the Company as at *31st March, 2013*, and the Statement of Profit & Loss Account for the year ended on that date, Auditors Report thereon and a Report of Board of Directors along with Corporate Governance Report, Management Discussion & Analysis Report as laid before the Meeting be and are hereby approved, adopted and confirmed by the Members of the Company.”

CHAIRMAN'S
INITIAL

The Resolution was seconded by Shri Bansilal Pasawala.

Before putting the Resolution to vote, the Chairman invited the comments from the Members.

All queries raised and clarifications sought, were answered by the Chairman to the satisfaction of the Members.

The Resolution was then put to vote on show of hands and carried unanimously.

2. DIVIDEND ON EQUITY SHARES:

The following resolution was proposed by Shri Arvind P. Dabhi and seconded by Shri J. C. Mody, to be passed as an Ordinary Resolution:

“**RESOLVED THAT** pursuant to the recommendation made by the Board of Directors of the Company, a dividend at the rate of Rs. 4.00 per equity share payable to the Equity Shareholders of the Company whose names appear in the Register of Members as on 30th August, 2013 be and is hereby declared out of the profits of the Company for the year ended 31st March, 2013.

RESOLVED FURTHER THAT Dividend Warrants/Demand Drafts/Pay-orders be posted within 30 days hereof to all the shareholders who are entitled to receive the payment.”

Thereafter, the Resolution was put to vote by show of hands and carried unanimously.

3. RETIREMENT AND RE-APPOINTMENT OF SMT. PANNABEN PATEL:

The following resolution was proposed by Shri Jayendra Pasawala and seconded by Shri Surendra Chauhan, to be passed as an Ordinary Resolution:

CHAIRMAN'S
INITIAL

J.P.

MINUTE BOOK

“RESOLVED THAT pursuant to Section 256 of the Companies Act, 1956, *Smt. Pannaben Patel*, who retires by rotation and being eligible for re-appointment, offers herself for re-appointment, be and is hereby re-appointed as a Director of the Company and that her period of office be liable to determination by retirement of Directors by rotation.”

The Resolution was then put to vote and on show of hands the resolution was declared as passed nem.con.

4. RETIREMENT AND RE-APPOINTMENT OF SHRI SUDHIR NANAVATI:

The following resolution was proposed by Shri Gautam Shah and seconded by Shri P. K. Vyas, to be passed as an Ordinary Resolution:

“RESOLVED THAT pursuant to Section 256 of the Companies Act, 1956, *Shri Sudhir Nanavati*, who retires by rotation and being eligible for re-appointment, offers himself for re-appointment, be and is hereby re-appointed as a Director of the Company and that his period of office be liable to determination by retirement of Directors by rotation.”

The Resolution was then put to vote and on show of hands the resolution was declared as passed nem.con.

5. APPOINTMENT OF STATUTORY AUDITORS AND TO FIX THEIR REMUNERATION:

The following resolution was proposed by Shri Jayendra Pasawala and seconded by Shri Surendra Chauhan, to be passed as an Ordinary Resolution:

CHAIRMAN'S
INITIAL



THE SANDESH LIMITED

MINUTE BOOK

“RESOLVED THAT M/s. Manubhai & Co., Chartered Accountants, Ahmedabad (Firm Registration Number 106041W), be and are hereby reappointed as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting to the conclusion of the next Annual General Meeting on such remuneration as shall be determined by the Board of Directors of the Company in consultation with the Statutory Auditors.”

On being put to vote on show of hands, the above Resolution was adopted unanimously.

SPECIAL BUSINESS:-

6. APPOINTMENT OF SHRI SANDEEP SINGHI:

The following resolution was proposed by Shri Bansilal Pasawala and seconded by Shri Gautam Shah, to be passed as an Ordinary Resolution:

“RESOLVED THAT Shri Sandeep Singhi, who was appointed by the Board of Directors of the Company as an Additional Director on 9th November, 2012 and who holds office as such up to the date of this Annual General Meeting under Section 260 of the Companies Act, 1956 and in respect of whom, the Company has, as required by Section 257 of the Companies Act, 1956 received notice in writing from the member of the Company signifying intention to propose him as a candidate for the office of Director of the Company liable to retire by rotation, be and is hereby appointed as a Director of the Company.”

On being put to vote on show of hands, the above Resolution was adopted unanimously.

7. APPOINTMENT OF SHRI YOGESH JANI:

The following resolution was proposed by Shri J. C. Mody and seconded by Shri Jayendra Pasawala, to be passed as an Ordinary Resolution:

CHAIRMAN'S
INITIAL

JCM

“RESOLVED THAT Shri Yogesh Jani, who was appointed by the Board of Directors of the Company as an Additional Director on 12th February, 2013 and who holds office as such up to the date of this Annual general Meeting under Section 260 of the Companies Act, 1956 and in respect of whom, the Company has, as required by Section 257 of the Companies Act, 1956 received notice in writing from the member of the Company signifying intention to propose him as a candidate for the office of Director of the Company who is not liable to retire by rotation, be and is hereby appointed as a Director of the Company.”

On being put to vote on show of hands, the above Resolution was adopted unanimously.

8. APPOINTMENT OF WHOLE-TIME DIRECTOR – SHRI YOGESH JANI:

The following resolution was proposed by Shri Surendra Chauhan and seconded by Shri Gautam Shah, to be passed as an Special Resolution:

“RESOLVED THAT pursuant to the provisions of Section 198, 269, 309, 310 and 311 read with Schedule XIII and other applicable provisions of the Companies Act, 1956, including any statutory modification or re-enactment thereof for the time being in force (“the Act” for short), the Company hereby approves the appointment of Shri Yogesh Jani, as a Whole-time Director of the Company for a period of five years with effect from 12th February, 2013 on the following terms as to the remuneration and other conditions as set out herein below:-

Salary: In the scale of Rs. 6,21,360/- (Rupees Six Lacs Twenty One Thousand Three Hundred Sixty Only) per annum to Rs. 10,00,000/- (Rupees Ten Lacs Only) per annum with authority to the Board to fix the salary within the scale from time to time. The increment, within the scale, will be merit based and also take into account the Company’s performance and limits specified in Part II of Schedule XIII of the Act.

CHAIRMAN'S
INITIAL



THE SANDESH LIMITED

MINUTE BOOK

Sitting Fees: Shri Yogesh Jani will not be paid sitting fees for attending meetings of the Board or any Committee thereof of the Company.

Perquisites and allowance: Perquisites and allowances may be provided in accordance with the rules of the Company and the same shall be evaluated as per Income Tax Rules, wherever applicable. The amount of perquisites as may be payable to Shri Yogesh Jani may be decided/ varied by the Board of Directors or its Committee, from time to time as it may deem fit in its absolute discretion; provided that the total remuneration consisting of salary, perquisites and other benefits paid to Shri Yogesh Jani as Whole-Time Director shall not exceed the limits stipulated in the Act.

Provident Fund, Gratuity, Encashment of Leave: As per the rules of the Company.

Powers & Responsibilities: Shri Yogesh Jani will exercise such powers and duties as may be entrusted by the Board from time to time.

Minimum Remuneration: In case of absence or inadequacy of profits in the financial years during the tenure of Shri Yogesh Jani, Whole-time Director of the Company will be entitled to salary, perquisites and other allowances as the minimum remuneration subject to the limits prescribed in the Act.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to enhance, enlarge, alter or vary the scope and quantum or remuneration, allowances and perquisites and other terms & conditions of the appointment of Shri Yogesh Jani, as Whole-time Director of the Company, in absolute discretion of the Board, within the limits specified in the Act;

RESOLVED FURTHER THAT after obtaining the approval of the Members of the Company at this General Meeting of the Company for the said appointment, the Company do execute an Agreement with Shri Yogesh Jani for his appointment as a

CHAIRMAN'S
INITIAL

YJ

Whole-time Director of the Company on the above terms and that any one of the Directors of the Company do execute the said Agreement on behalf of the Company and that the Common Seal of the Company if required be affixed to the engrossment of the Agreement in presence of the said Director of the Company and be countersigned by the Company Secretary of the Company.

RESOLVED FURTHER THAT the Directors and the Company Secretary of the Company be and are hereby jointly &/or severally authorized to take all necessary steps to give effect to the above Resolution.”

9. **RE-APPOINTMENT OF THE MANAGING DIRECTOR – SHRI PARTHIV PATEL:**

The following resolution was proposed by Shri Bansi Pasawala and seconded by Shri P. K. Vyas, to be passed as an Special Resolution:

“**RESOLVED THAT** pursuant to the provisions of Section 198, 269, 309 and 317 read with Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956, for the time being in force or any statutory modifications or re-enactments thereof and / or any rules or regulations framed there under (herein after referred to as “Act”), the Company hereby approves the re-appointment of Shri Parthiv Patel, as the Managing Director of the Company for a further period of Five (5) years with effect from 1st August, 2013 on the following terms as to the remuneration and other conditions as set out in the explanatory statement with liberty to the Board of Directors to alter and vary the terms and conditions and/or remuneration, subject to the same not exceeding the limits specified under Schedule XIII to the Act:-

Terms and Conditions of Appointment:

- 1) Period of Appointment: Appointment shall be for a period of 5 (five) years beginning from 1st August, 2013 and ending on 31st July, 2018.
- 2) Salary of Rs.5,00,000/- (Rupees Five Lacs only) per month.

CHAIRMAN'S
INITIAL

H
fer

THE SANDESH LIMITED

3) Perquisites to be allowed in addition to salary and commission as under:

(A)

- i. The Company shall provide equipment, appliances, furniture, fixtures and furnishing at residence of the Managing Director at the cost of the Company. The Company shall reimburse expenses of gas, electricity, water etc.
- ii. Medical expenses for self and family including insurance premia under hospitalization insurance scheme shall be reimbursed by the Company.
- iii. The Company shall reimburse Leave Travel Fare for the Managing Director and his family in accordance with the rules of the Company.
- iv. The Company shall pay personal accident insurance premia. These perquisites shall be subject to a ceiling of an amount equal to the annual salary.

The said perquisites and allowances shall be evaluated, wherever applicable, as per the provisions of the Income Tax Act, 1961 or any rules thereunder or any statutory modifications or reenactment thereof; in the absence of any such rules, perquisites and allowances shall be evaluated at actual cost.

Shri Parthiv Patel shall also be given the following perquisites, which shall not be included in the computation of the ceiling on remuneration specified in Schedule XIII.

(B)

- i) The Company shall contribute to the Provident Fund such percentage as may be specified from time to time.
- ii) The Company shall contribute towards Pension/ Superannuation Fund/ Annuity Fund provided that such contribution together with contribution to Provident Fund shall not exceed the limit laid down under the Income-Tax Act or any statutory modification thereof.

MINUTE BOOK

CHAIRMAN'S
INITIAL

[Handwritten Signature]

THE SANDESH LIMITED

MINUTE BOOK

The Contribution to the Provident Fund, Pension/ Superannuation Fund will not be included in the computation of the ceiling on perquisites to the extent this either singly or put together are not taxable under the Income Tax Act, 1961.

iii) The Company shall pay Gratuity as per rules of the Company and encashment of leave as per Company's policy and the same shall not be included in the computation of limits for the remuneration or perquisites.

(C)

i) The Company shall provide a car with driver at the entire cost of the Company for personal use and office work. Use of car for private purpose shall be billed by the Company.

ii) The Company shall provide telephone at the residence of Managing Director at the entire cost of the Company. Personal long distance calls shall be billed by the Company.

iii) The Managing Director shall be entitled to the privilege leave as per the rules of the Company. The Managing Director shall be entitled to en-cash the un-availed leave at the end of his tenure.

4) COMMISSION :

The Managing Director shall be paid commission in addition to the salary and perquisites mentioned above at the discretion of the Board every year and the amount determined shall be subject to the availability of the net profits of the Company in a particular year and limits laid down in section 198 and 309 of the Act.

5) The above remuneration payable to Shri Parthiv Patel is subject to the condition that the total remuneration including all the perquisites and Commission as mentioned above shall not exceed 5% of the net profits individually and 10% of the net profits collectively payable to Chairman & Managing Director, Managing

CHAIRMAN'S
INITIAL

Handwritten initials

THE SANDESH LIMITED

MINUTE BOOK

Director and Whole-time/Executive Directors calculated in accordance with Sections 198 and 309 of the Act or any other provisions as may be applicable.

In the event of absence or inadequacy of profits in any financial year, Shri Parthiv Patel will be paid above salary and perquisites subject to the limits specified under Section II of Part II of Schedule XIII of the Act.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to alter, vary or modify the terms and conditions set out for reappointment and payment of remuneration herein from time to time as it may deem fit;

RESOLVED FURTHER THAT after obtaining the approval of the Board of Directors of the Company as well as the Members of the Company at the forthcoming Annual General Meeting of the Company for the said re-appointment, the Company do execute an Agreement with Shri Parthiv Patel for his re-appointment as a Managing Director of the Company and that any one of the Directors of the Company do execute the said Agreement on behalf of the Company and that the Common Seal of the Company if required be affixed to the engrossment of the Agreement in presence of the said Director of the Company and be countersigned by the Company Secretary of the Company.”

10. ALTERATION OF ARTICLES OF ASSOCIATION OF THE COMPANY:

The following resolution was proposed by Shri Jayendra Pasawala and seconded by Shri Gautam Shah, to be passed as an Special Resolution:

“**RESOLVED THAT** pursuant to the provisions of Section 31 and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modifications or re-enactment thereof for the time, being in force), and provisions of all other applicable laws and regulations, provisions in the Memorandum of Association and

CHAIRMAN'S
INITIAL

JP
GS

MINUTE BOOK

Articles of Association of the Company and in accordance with the Listing Agreement entered into by the Company with the Stock Exchanges where the Equity Shares of the Company are listed, and such other approvals, consents, permissions and sanctions as may be necessary, the Articles of Association of the Company shall be amended, by deleting Article 99 in its entirety;

RESOLVED FURTHER ALSO THAT Shri Falgunbhai Patel, Chairman and Managing Director, Shri Parthiv Patel, Managing Director and Shri Dhaval Pandya, Company Secretary, be and are hereby jointly and/or severally authorized to do and perform all such acts, deeds, matters or things as may be necessary, appropriate, expedient or desirable to give effect to these Resolutions.”

VOTE OF THANKS:

There being no other business to transact, the Chairman declared the Meeting as closed.

Shri Surendra Chauhan proposed a vote of thanks to the Chair and the Meeting then terminated with a vote of thanks to the Chair, the Board of Directors, the Members, the Invitees and also the representatives of the Bodies Corporate present at the Meeting.

Date : 05.09.2013

Place : Ahmedabad


CHAIRMAN

CHAIRMAN'S
INITIAL