

DCM SHRIRAM LIMITED : NEW DELHI

Minutes of the Twenty Fifth Annual General Meeting of 12.8.2014

The Twenty Fifth Annual General Meeting of the Company was held on Tuesday, 12th August, 2014 at 10.00 A.M. at Air Force Auditorium, Subroto Park, New Delhi.

The following Directors were present:

Shri Ajay S. Shriram	.....	Chairman & Sr. Managing Director
Shri Vikram S. Shriram	.....	Vice Chairman & Managing Director
Shri Ajit S. Shriram	.....	Jt. Managing Director
Shri K. K. Kaul	.....	Whole Time Director
Dr. N.J. Singh	.....	Whole Time Director (EHS)
Dr. S.S. Baijal	.....	Chairman, Board Audit Committee
Shri Arun Bharat Ram	.....	Director
Shri Pradeep Dinodia	.....	Director
Shri Vimal Bhandari	.....	Director
Shri Sharad Shrivastva	.....	Director
Shri B L Sachdeva	.....	Company Secretary

1440 Shareholders were present in person and 22 were represented by proxies.

Representative of the Statutory Auditors, M/s Deloitte Haskins & Sells, Chartered Accountants, Shri Jaideep Bhargava, was present.

The Chairman welcomed the shareholders to the meeting and after ascertaining the requisite quorum being present, called the meeting to order.

The Chairman introduced the Directors present on the dais.

With the consent of the Shareholders present, the Notice of the Meeting was taken as read.

Financial Statements, Directors' Report and Auditors' Report were laid in the meeting.

The Chairman read his statement, the text of which is annexed **(Annexure-I)**.

The Chairman then invited the shareholders to offer their comments/suggestions, if any.

The Shareholders made comments, suggestions on the Annual Accounts, arrangements for the meeting etc. as under:

1. The shareholders complimented the Management for excellent arrangements made for the Annual General Meeting inside and outside the auditorium.
2. The shareholders complimented the Board of Directors for declaring 90% interim dividend for the financial year 2014-15.
3. The Shareholders in general appreciated the decision of the Management to discontinue distribution of snacks boxes at the Annual General Meeting since some shareholders were indulging in malpractices in this regard.

4. The Company should change the venue of Annual General Meeting from Air Force Auditorium to in and around Connaught Place area.
5. The Company should issue shares to the shareholders on rights basis.

The Chairman then responded to the queries of the shareholders, inter-alia, as follows:

1. Most of the comments made by the shareholders are complimentary and for that the credit goes to the Board, Management Team and Employees at all levels.
2. The Board of Directors have declared 90% interim dividend in view of the better results of the Company for the first quarter 2014-15.
3. The Management decided to discontinue the practice of distributing snacks boxes at the AGM venue in view of the suggestions of the shareholders last year.
4. The AGM was fixed at the Air Force Auditorium, as no auditorium in the centre of city was available around this time.
5. The Board will evaluate the suggestion of the shareholders regarding the rights issue of shares at an appropriate time.

The Chairman then announced that as per the provisions of the Companies Act, 2013 and rules frames thereunder:

- the Company had provided e-voting facility to the members entitled to cast their vote online on all the Resolutions as set out in the Notice of AGM during the period from August 6, 2014 (9.00 am) to August 8, 2014 (6.00 pm).
- to give similar rights to members present in AGM, arrangements for taking poll on all the resolutions listed in the meeting notice was made and requested the shareholders to collect the Ballot Papers to cast their votes on various resolutions.
- Mr. Pankaj Bansal, a Practising Company Secretary was appointed as Scrutinizer for the purpose of carrying out the e-voting process and that he has been appointed scrutinizer for conducting the Poll as well.
- The Poll will be open for an hour, and
- The result of e-voting and the poll will be combined and be declared on 14th August, 2014 at the Registered office of the Company and will also be uploaded on the Company's website.

The Chairman thanked the members for their participation, suggestions and comments and announced that after the completion of the conduct of Poll the Annual General Meeting of the Company shall stand concluded.

Conduct of Poll

Mr. Pankaj Bansal, Scrutinizer, then conducted the poll including distribution of polling papers, showing empty poll boxes to the members, locking and sealing of empty poll boxes in the presence of members and proxies. After ensuring that all members and proxies participating in the poll had cast their votes, the Scrutinizer closed the poll at around 11.45 AM i.e. after the last member who joined the queue at the end of the time fixed for closure of poll voted. The Scrutinizer then took custody of the polling boxes.

The Annual General Meeting then concluded as announced by the Chairman.

Results announced on August 14, 2014 of the electronic voting and poll on the ordinary and special businesses at the Annual General Meeting of the Company held on Tuesday, the 12th August, 2014.

On the basis of the Scrutinizer's Report on the electronic voting and the Scrutinizer's Report on the poll at the AGM held on 12.8.2014, the summary of which is annexed (**Annexure II**), the Chairman announced the results of the voting on 14.08.2014 and declared that all the eighteen resolutions as set out in item no.1 to 18 in the Notice of the 25th Annual General Meeting of the Company held on 12.8.2014, reproduced hereunder as part of these Minutes, have been duly passed by over-whelming majority.

Ordinary Business

1. Consider and adopt the Directors' Report, the audited financial statement along with the audited consolidated financial statement of the Company for the year ended 31st March, 2014 as Ordinary Resolution

"Resolved that the Directors' Report, the audited financial statement along with the audited consolidated financial statement of the Company for the year ended 31st march, 2014 be and are hereby approved and adopted."

2. Re-appointment of Dr. N.J. Singh, Director who retires by rotation as Ordinary Resolution

"Resolved that Dr. N.J. Singh, retiring Director, be and is hereby re-appointed as a Director."

3. Declaration of Dividend on Equity Shares as Ordinary Resolution

"Resolved that the final dividend @ 60% on Equity Shares of Rs.2/- each for the year ended 31.3.2014 as recommended by the Board of Directors be and is hereby declared.

Resolved further that the interim dividend paid @ 40% on Equity Shares of Rs.2/- each for the year ended 31.3.2014 be and is hereby confirmed."

4. Appointment of Auditors and fixing their Remuneration as Ordinary Resolution

"Resolved that M/s. Deloitte Haskins & Sells, Chartered Accountants (Registration No.015125N), be and are hereby appointed as Auditors of the Company, to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the Company at such remuneration as shall be fixed by the Board of Directors of the Company."

Special Business

5. Appointment of Shri Sharad Shrivastva as Director as Ordinary Resolution

"Resolved that Shri Sharad Shrivastva (DIN No.01271854) who was appointed as a Director of the Company by the Board to fill the vacancy caused by the resignation of Shri Rajesh Kandwal be and is hereby appointed a Director of the Company, liable to retire by rotation."

6. Appointment of Shri K.K.Kaul as Director and Whole Time Director as Special Resolution

“Resolved that Shri K.K. Kaul (DIN : 00980318) who was appointed an Additional Director and holds office upto the forthcoming Annual General Meeting of the Company, be and is hereby appointed as a Director liable to retire by rotation.

Resolved further that subject to such consents and permissions, as may be necessary, approval of the Company be and is hereby accorded in terms of Sections 196 and 197 and other applicable provisions, if any, of the Companies Act, 2013, and the Schedule(s) thereto, including any statutory modification or re-enactment thereof, to the appointment of Shri K.K. Kaul as Whole Time Director on the terms and conditions as set out hereunder:

Terms & Conditions of re-appointment

1. Tenure

Upto 5 years as may be decided by the Board of Directors.

2. Remuneration

(a) Salary

Rs.5.16 lacs per month. The Board or any Committee thereof in its absolute discretion and from time to time will review the salary payable to Shri K.K. Kaul.

(b) Perquisites

Perquisites (evaluated as per Income Tax Rules, wherever applicable, and at actual cost to the Company in other cases) like the benefit of the Company's furnished accommodation or house rent in lieu thereof, gas, electricity, water and furnishings, club fees, personal accident insurance, use of Company's car and telephone at residence, medical reimbursement, leave and leave travel concession, education benefits and any other benefits provided to the employee(s) of the Company from time to time, including but not limited to entitlements on account of any subsisting or future long term incentive plans, provident fund, superannuation fund and gratuity in accordance with the scheme(s) and rule(s) applicable to the members of the staff of the Company from time to time, in respect of any of such benefits.

(c) Commission on net profits

Such amount as may be decided by the Board of Directors or a Committee thereof from year to year provided that the total remuneration including salary and perquisites along with commission paid to all the Managing/Whole-time Directors of the Company shall not exceed the limit laid down under Sections 197 and 198 of the Companies Act, 2013.

(d) Remuneration for a part of the Year

Remuneration for a part of the year shall be computed on pro-rata basis.

(e) Minimum Remuneration

In the event of absence or inadequacy of profits in any financial year, the aforementioned remuneration excluding commission shall be paid to Whole Time Director as the minimum remuneration, subject to necessary approvals, if any.

3. Functions

Shri K.K. Kaul shall discharge such duties and functions as may be assigned to him by Chairman & Senior Managing Director and Vice Chairman & Managing Director from time to time.

4. Sitting Fee

If permissible by law, he shall be entitled to sitting fee in addition to the components of remuneration mentioned above for attending meeting(s) of the Board of Directors or Committees thereof.

5. Termination

The appointment of Shri K.K. Kaul as Whole Time Director may be terminated by either party giving to the other three calendar months notice in writing.

Resolved further that the Board of Directors or a Committee thereof be and is hereby authorised to vary or modify any of the above terms & conditions including alter, vary or increase the salary, grade and other remuneration, notwithstanding the same shall exceed the overall remuneration set out as above or as may be prescribed/permissible provided however that the same is within the limits laid down in the Schedule V then subsisting, without requiring any further resolution or consent of or reference to the Members and to take all necessary steps, actions, which are incidental and consequential to give effect to the above Resolution.”

7. Consent to Board of Directors/Committee to exercise borrowing powers as Special Resolution

“Resolved that consent of the Company under Section 180 and other applicable provisions, if any, of the Companies Act, 2013, be and is hereby accorded to the Board of Directors/Committee thereof to borrow at any time any sum or sums of money not exceeding Rs.2500 Crores notwithstanding that the monies to be borrowed together with monies already borrowed by the Company (apart from temporary loans obtained/to be obtained from the Company’s Bankers in the ordinary course of business) shall exceed the aggregate of the paid-up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose.

Resolved further that the Board of Directors/Committee thereof or other delegate be and is hereby authorized to do all such acts, deeds, things and to execute all such documents, instruments and writings as may be required in connection therewith.”

8. Consent to Board of Directors/Committee to create charge(s), mortgage(s) and hypothecation(s) on movable and immovable properties of the Company as Special Resolution.

“Resolved that consent of the Company under Section 180 and other applicable provisions, if any, of the Companies Act, 2013, be and is hereby accorded to the Board of Directors/Committee thereof to create such charge(s), mortgage(s) and hypothecation(s) in addition to the existing charges, mortgages and hypothecations created by the Company on such movable and immovable properties, both present and future of the Company, and in such manner as the Board or a Committee or other delegate may in its absolute discretion deem fit to secure the repayment of rupee/foreign currency loans and/or the issue of debentures whether partly/fully convertible or non-convertible and/or securities linked to ordinary shares and/or rupee/foreign currency convertible bonds and/or bonds with share warrants attached (hereinafter collectively referred to as ‘Loans’) together with interest thereon, additional interest, compound interest, liquidated damages, commitment charges, premia on pre-payment or on redemption, guarantee commission, remuneration payable to trustees, costs, charges, expenses and all other moneys payable by the Company including any increase as a result of devaluation/revaluation/fluctuation in the rate of exchange of foreign currency, in respect of said loans, interest and other charges, provided that the total amount of charges/mortgages/hypothecations so created shall not at any time exceed the limit of Rs.2500 Crores.

Resolved further that, in case of default, consent of the Company be and is hereby accorded to take over the management of the business and concern of the Company by the Banks/Financial Institutions/other Lenders and Trustees for the holders of debentures/bonds/other instruments in the repayment of the loans referred in the aforesaid Resolution.

Resolved further that the Board of Directors/Committee thereof or other delegate be and is hereby authorized to do all such acts, deeds, things and to execute all such documents, instruments and writings as may be required in connection therewith.”

9. Appointment of Dr. S.S. Baijal as an Independent Director as Ordinary Resolution

“Resolved that pursuant to the provisions of Sections 149, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Dr. S.S. Baijal (DIN No.00027961), who was appointed as a Director liable to retire by rotation, pursuant to provisions of Companies Act, 1956 and whose term of office expires at this Annual General Meeting, be appointed as an Independent Director of the Company to hold office for 2 (two) consecutive years from the conclusion of this meeting till the conclusion of the 27th Annual General Meeting of the Company.”

10. Appointment of Shri Arun Bharat Ram as an Independent Director as Ordinary Resolution

“Resolved that pursuant to the provisions of Sections 149, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Shri Arun Bharat Ram (DIN No.00694766), who was appointed as a Director liable

to retire by rotation, pursuant to provisions of Companies Act, 1956 and whose term of office expires at this Annual General Meeting, be appointed as an Independent Director of the Company to hold office for 2 (two) consecutive years from the conclusion of this meeting till the conclusion of the 27th Annual General Meeting of the Company”.

11. Appointment of Shri Pradeep Dinodia as an Independent Director as Ordinary Resolution

“Resolved that pursuant to the provisions of Sections 149, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Shri Pradeep Dinodia (DIN No.00027995), who was appointed as a Director liable to retire by rotation, pursuant to provisions of Companies Act, 1956, be appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years from the conclusion of this meeting till the conclusion of the 30th Annual General Meeting of the Company.”

12. Appointment of Shri Vimal Bhandari as an Independent Director as Ordinary Resolution

“Resolved that pursuant to the provisions of Sections 149, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Shri Vimal Bhandari (DIN No.00001318), who was appointed as a Director liable to retire by rotation, pursuant to provisions of Companies Act, 1956, be appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years from the conclusion of this meeting till the conclusion of the 30th Annual General Meeting of the Company.”

13. Appointment of Shri Sunil Kant Munjal as an Independent Director as Ordinary Resolution

“Resolved that pursuant to the provisions of Sections 149, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Shri Sunil Kant Munjal (DIN No.00003902), who was appointed as a Director liable to retire by rotation, pursuant to provisions of Companies Act, 1956, be appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years from the conclusion of this meeting till the conclusion of the 30th Annual General Meeting of the Company.”

14. Appointment of Shri D. Sengupta as an Independent Director as Ordinary Resolution

“Resolved that pursuant to the provisions of Sections 149, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Shri D. Sengupta (DIN No.00043289), who was appointed as a Director liable to retire by rotation, pursuant to provisions of Companies Act, 1956, be appointed as an Independent Director of the Company to hold office for 2 (two) consecutive years from the conclusion of this meeting till the conclusion of the 27th Annual General Meeting of the Company.”

15. Ratification of Remuneration to Cost Auditors as Ordinary Resolution

“Resolved that pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the remuneration payable to the cost auditors appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2015, as detailed in the explanatory statement to this notice, be and is hereby ratified and confirmed.

Resolved further that the Board of Directors/Committee thereof or other delegate be and is hereby authorized to do all such acts, deeds, things as may be required in connection therewith including revising the cost audit fees on year to year basis as they may deem appropriate.”

16. Approval to invite and accept unsecured fixed deposits as Special Resolution.

“Resolved that pursuant to Sections 73, 76 and other applicable provisions, if any, of the Companies Act, 2013, consent of the Company be and is hereby accorded to the Board of Directors to invite and accept unsecured deposits from Members/Employees and Public as per the scheme approved by the Board of Directors of the Company.

Resolved further that the Board of Directors be and is hereby authorized to take all necessary actions (including delegation of powers to any person), which are incidental or consequential thereto to give effect to the said Resolution.”

17. Amendment in Articles of Association as Special Resolution.

“Resolved that pursuant to Section 14, 203 and other applicable provisions and rules, if any, of the Companies Act, 2013, the following be inserted at the end of Article 87 of the Articles of Association of the Company:

Managing Director and/or Chief Executive Officer of the Company shall be the Chairperson of the Company.

Resolved further that the Board of Directors/Committee thereof or other delegate be and is hereby authorized to do all such acts, deeds, things and to execute all such documents, instruments and writings as may be required in connection therewith.”

18. Payment of Remuneration to Non Executive Directors as Special Resolution

“Resolved that the approval of the Company be and is hereby accorded pursuant to Section 197 and other applicable Rules & provisions, if any, of the Companies Act, 2013, to pay, subject to such other approvals as may be necessary, a sum not exceeding 1% per annum of the net profits of the Company calculated in accordance with the provisions of Sections 197 and 198 of the Companies Act, 2013, to all or some or any of the Directors who are neither the Managing Directors nor the Whole Time Directors of the Company in such amounts or proportions and in such manner as may be determined by the Board of Directors.”