

**MINUTES OF THE 67<sup>th</sup> ANNUAL GENERAL MEETING OF BHARAT BIJLEE LIMITED HELD ON THURSDAY, 11<sup>TH</sup> SEPTEMBER, 2014 AT 3.00 P.M. AT THE WALCHAND HIRACHAND HALL, INDIAN MERCHANTS' CHAMBER BUILDING, CHURCHGATE, MUMBAI 400 020**

Present at the Rostrum:

Mr. Bansi S. Mehta	Chairman & Independent Director
Mr. Nikhil J. Danani	Vice Chairman & Managing Director
Mr. Nakul P. Mehta	Vice Chairman & Managing Director
Mr. Shome N. Danani	Executive Director
Mr. Prakash V. Mehta	Independent Director
Mr. Sanjiv N. Shah	Independent Director (Chairman of the Audit Committee)
Mr. Jairaj C. Thacker	Independent Director
Mr. Ravishanker Prasad	Non-Executive Director (Proposed)
Ms. Mahnaz A. Curmally	Non-Executive Director (Proposed)
Mr. Rajeshwar R. Bajaaj	Independent Director (Proposed)
Mr. D.N. Nagarkar	Company Secretary

The Chairman informed the members that the requisite quorum for the meeting was present with 88 members in person.

He thereafter called the meeting to order at 3.00 p.m.

Thereafter the Chairman resumed proceedings by introducing the Board of Directors present at the rostrum to the members.

The Chairman welcomed the members to the 67<sup>th</sup> Annual General Meeting and informed the members present that the Company has received 16 valid proxies for 19,26,768 shares representing 34.09% of the equity share capital of the Company and 3 company representations for 11,91,492 shares representing 21.08% of the equity share capital of the Company. He further informed that Statutory Registers i.e. Register of Directors and Key Managerial Personnel, Register of Contracts, Register of Proxies and Register of Charges, etc. were kept open for inspection by the members.

With the permission of the members, Chairman requested the consent of the members to take the Directors' Report and Audited Accounts and the Auditors' Report as read. Chairman informed the members that as per the Companies Act, 2013, the Auditors' Report has to be read at the meeting if the audit report contains any qualification / observation / comment on financial transactions or matters which have any adverse effect on the functioning of the Company. The Audit Report is without any such qualifications and therefore the Auditors' Report is not being read out at this meeting.

The Chairman thereafter highlighted the current year's performance of the Company for the five months ended August 31, 2014.

Orders obtained : Rs. 303.72 crore as against Rs. 195.83 crore during corresponding period of previous year, an increase of 55.1%.

Net Sales : Rs. 183.66 crore as against Rs. 162.70 crore during corresponding period of previous year, an increase of 12.9%.

Pending orders : Rs. 454.55 crore as against Rs. 379.20 crore as at the end of the corresponding period of period of previous year, an increase of 19.9%.

The Chairman informed the members that pursuant to the provision of the Companies Act, 2013 and its rules, the Company has extended the e-voting facility to the members of the Company in respect of businesses to be transacted at the 67<sup>th</sup> Annual General Meeting (AGM). The E-voting commenced at 9.00 am on September 3, 2014 and ended at 5.00 pm on September 5, 2014. Shri. N. L. Bhatia, Practicing Company Secretary, Partner of N. L. Bhatia & Associates was appointed as the scrutinizer by the Board for scrutinising the voting process.

He further informed that the Company has also arranged in addition to the e-voting and postal ballot, for members present at the meeting who had no access to e-voting facility, to cast their votes physically at the meeting by recording their assent or dissent on all the resolutions to be passed at the meeting by using the ballot papers which are made available with the Company staff.

The Chairman thereafter stated that as per normal convention all resolutions are proposed and seconded and then put to vote. However in view of the e-voting process the resolutions have already been voted upon even before the start of this meeting and therefore this requirement has lost its significance. However, if the members so desire he could for the sake of proper order request members to Propose and Second all the resolutions as listed in the Notice dated July 25, 2014, which he would call out in serial order.

## **ORDINARY BUSINESS :**

Mr. Prakash Vijaykar proposed the following resolution as an Ordinary Resolution:

Resolution: "RESOLVED that the audited Balance Sheet as at 31<sup>st</sup> No. 1 March, 2014, the Profit & Loss Account for the year ended 31<sup>st</sup> March, 2014 together with Cash Flow Statement, the Directors' Report and the Auditors' Report thereon be and the same are hereby received and adopted."

Mr. Yusuf Rangwalla seconded the resolution.

The Chairman invited the members to put forth their queries / questions / suggestions on the Annual Report and Accounts circulated to the members. Mr. Beroze Framroze, Mr. Yusuf Rangwalla, Mr. Sharad Kumar Shah, Mr. Nigel Gonsalves, Mr. Michael Martin, Mr. Bimal Panchal, Mr. Parimal Mithani and Mr. Adi K. Nalladaru, members, put forth their suggestions, and queries as under :

### Suggestions:

- a) To give more information in the Annual Report with regard to quantum of orders received, etc.
- b) To Buyback Shares.
- c) To arrange for a Factory visit.
- d) To Decrease imports and increase exports
- e) To introduce EVA in Annual Report.
- f) To indicate installed and production / sale capacities in Annual Report

### Questions :

- a) Why decrease in Sales and Profit?
- b) What is the raw material that the Company imports in such large quantities?
- c) Which Directors have travelled overseas?
- d) What is the nature of Royalty payment made and to whom?
- e) Break-up of foreign currency expenditure?

- f) Details of the large Solar Power Plant mentioned in Executive Director's letter?
- g) Why does Company need to borrow Rs. 650 crores?
- h) What is the present Order Book?
- i) Why no dividend paid?
- j) Why no Form A provided?
- k) What are the details of unsecured loans taken from private parties?
- l) Why negative inventory shown in the current year?
- m) What is the FII holding percentage?
- n) What is the capacity utilization for Transformers / Motors?
- o) What percentage is outsourced in Transformers?
- p) Why maintain large corporate deposits on one hand and borrow on the other?
- q) Market share of Transformers?
- r) What is the nature of Miscellaneous Expenses?
- s) Which parties are paid commission and for what purpose?
- t) What is the short term loan rate of interest paid?
- u) Percentage of shareholding by Mutual Funds?
- v) What is the outlook in the future?
- w) How many orders have we received in exports?
- x) Details of the large order mentioned in Executive Director's report?
- y) What is the strategy to be adopted by Company on going forward?
- z) Why does the Company not meet investors?
- aa) What is the Dividend payout policy?
- bb) How BG encashed is shown as part of Miscellaneous Income, why BG encashed, name of the party required?

After all the speakers had completed their address, the Chairman responded to the queries of general nature and requested the Managing Directors to provide responses to the technical and operational performance and business strategies related queries.

Thereafter, the Vice Chairmen & Managing Directors replied to the extent disclosure was consistent with the interests of the company and its Shareholders.

The Chairman asked the members present whether they had any more questions or comments. Since there were no further questions / comments he proceeded with the next item on the Agenda.

### **REAPPOINTMENT OF MR. ANAND J. DANANI**

The Chairman informed the members that Mr. Anand J. Danani had resigned subsequent to the issue of Notice dated July 25, 2014 from the Board of Directors of the Company. The resolution has hence become infructuous and stands withdrawn. All the votes cast by the members on this resolution will be treated as invalid. He inquired from the members whether they were in agreement with the decision taken, to which, the members present gave their consent.

### **APPOINTMENT OF STATUTORY AUDITORS**

Mr. Shriram proposed the following resolution as an Ordinary Resolution:

Resolution: "RESOLVED THAT pursuant to the provisions of Sections 139, No. 2 141, 142, 143(8) and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, including any amendment, modification, variation or re-enactment thereof, Messrs Dalal & Shah, Chartered Accountants, having Registration No. 102021W issued by The Institute of Chartered Accountants of India, be and are hereby appointed as auditors of the Company for a period of 3 (three) years and to hold office as such from the conclusion of this 67<sup>th</sup> Annual General Meeting until the conclusion of the 70<sup>th</sup> Annual General Meeting of the Company, subject to ratification of such appointment by the Members of the Company at every Annual General Meeting at an annual remuneration of Rs 17,50,000/- (Rupees Seventeen Lakhs Fifty Thousand only) plus applicable service tax and reimbursement of out of pocket expenses incurred by them during the course of the audit as aforesaid, for the financial year 2014-15, for the purpose of audit of the

Company's accounts at the head office in Mumbai and all its branch offices in India AND THAT the Board of Directors of the Company be and is hereby authorized to fix the remuneration payable to the said auditors for the subsequent financial years, subject to its disclosure in the notice and notes forming part of the accounts."

Mr. Parimal Mithani seconded the resolution.

### **SPECIAL BUSINESS**

#### **APPOINTMENT OF MS. MAHNAZ A. CURMALLY AS DIRECTOR**

Mr. Michael Martin proposed the following resolution as an Ordinary Resolution:

Resolution : "RESOLVED THAT pursuant to the provisions of Sections 149  
No. 3 152 and other applicable provisions, if any, of the Companies Act, 2013, and the rules made there under, including any amendment, modification, variation or re-enactment thereof for the time being in force, Ms. Mahnaz A Curmally (holding DIN 06907271), in respect of whom the Company has received a notice in writing from a Member proposing her candidature for the office of Director, be and is hereby appointed as a Director of the Company liable to retire by rotation."

Mr. Adi Nalladaru seconded the resolution.

#### **APPOINTMENT OF MR. RAVISHANKER PRASAD AS A DIRECTOR LIABLE TO RETIRE BY ROTATION**

Mr. Bimal Panchal proposed the following resolution as an Ordinary Resolution:

Resolution : "RESOLVED THAT pursuant to the provisions of Section 149, 152  
No. 4 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, including any amendment, modification, variations or re-enactment thereof for the time being in force, Mr. Ravishanker Prasad (holding DIN 06641845), in respect of whom the Company has received a notice in writing from a Member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company liable to retire by rotation."

Mr. Michael Martin seconded the resolution.

**APPOINTMENT OF MR. PRAKASH V. MEHTA AS AN INDEPENDENT DIRECTOR**

Mr. Adi Nalladaru proposed the following as an Ordinary Resolution:

Resolution : "RESOLVED THAT pursuant to the provisions of Sections 149, No. 5 152 and other applicable provisions, if any, of the Companies Act, 2013, and the Rules made thereunder, including any amendment, modification, variation or re-enactment thereof read with Schedule IV to the Companies Act, 2013, for the time being in force, Mr. Prakash V Mehta (holding DIN 00001366), Director of the Company whose period of office is liable to determination by retirement of directors by rotation and in respect of whom the Company has received a notice in writing from a Member proposing his candidature for the office of Independent Director, be and is hereby appointed as an Independent Director of the Company, to hold office as such for a period of 5 (five) consecutive years, with effect from the date of this meeting AND THAT he shall not be liable to retire by rotation."

**APPOINTMENT OFF MR. SANJIV N. SHAH AS AN INDEPENDENT DIRECTOR**

Mr. Kirti Nandan proposed the following resolution as an Ordinary Resolution:

Resolution : "RESOLVED THAT pursuant to the provisions of Sections 149, No. 6 152 and other applicable provisions, if any, of the Companies Act, 2013, and the rules made there under, including any amendment, modification, variation or re-enactment thereof read with Schedule IV to the Companies Act, 2013, for the time being in force, Mr. Sanjiv N Shah (holding DIN 00007211), Director of the Company whose period of office is liable to determination by retirement of directors by rotation and in respect of whom the Company has received a notice in writing from a Member proposing his candidature for the office of Independent Director, be and is hereby appointed as an Independent Director of the Company to hold office as such for a period of 5 (five) consecutive years, with effect from the date of this meeting AND THAT he shall not be liable to retire by rotation."

Mr. Shriram seconded the resolution.

**APPOINTMENT OF MR. JAIRAJ C THACKER AS AN INDEPENDENT DIRECTOR**

Mr. Bimal Panchal proposed the following resolution as an Ordinary Resolution:

Resolution : "RESOLVED THAT pursuant to the provisions of Sections 149, No. 7 152 and other applicable provisions, if any, of the Companies Act, 2013, and the rules made there under, including any amendment, modification, variation or re-enactment thereof read with Schedule IV to the Companies Act, 2013, for the time being in force, Mr. Jairaj C Thacker (holding DIN 00108552), Director of the Company whose period of office is liable to determination by retirement of directors by rotation and in respect of whom the Company has received a notice in writing from a Member proposing his candidature for the office of Independent Director, be and is hereby appointed as an Independent Director of the Company, to hold office as such for a period of 5 (five) consecutive years, with effect from the date of this meeting AND THAT he shall not be liable to retire by rotation."

Mr. Michael Martin seconded the resolution.

**APPOINTMENT OF MR. RAJESHWAR R BAJAJ AS AN INDEPENDENT DIRECTOR**

Mr. Adi Nalladaru proposed the following resolution as an Ordinary Resolution:

Resolution : "RESOLVED THAT pursuant to the provisions of Sections 149, No. 8 152 and other applicable provisions, if any, of the Companies Act, 2013, and the rules made there under, including any amendment, modification, variation or re-enactment thereof read with Schedule IV to the Companies Act, 2013, for the time being in force, Mr. Rajeshwar R Bajaj (holding DIN 00419623), in respect of whom the Company has received a notice in writing from a Member proposing his candidature for the office of Independent Director, be and is hereby appointed as an Independent Director of the Company , to hold office as such for a period of 5 (five) consecutive years, with effect from the date of this Meeting AND THAT he shall not be liable to retire by rotation."



Mr. Michael Martin seconded the resolution.

**APPROVING PAYMENT OF REMUNERATION TO MR. SHOME N. DANANI, EXECUTIVE DIRECTOR IN TERMS OF THE COMPANIES ACT, 2013 AND COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014**

Mr. Kirtin Nandan proposed the following resolution as a Special Resolution:

Resolution : “RESOLVED THAT approval of the members be and is hereby  
No. 9 accorded to the partial modification of the Special Resolution passed by members by way of postal ballot on March 21, 2014, to pay remuneration including minimum remuneration to Mr. Shome N. Danani, Executive Director, in accordance with the provisions contained in Section 196, 197 and 198 read together with Schedule V, Part II, Section II (A) and provisions therein contained, along with the rules framed thereunder and other applicable provisions, if any, of the Companies Act, 2013, as amended from time to time AND THAT all other terms and conditions contained in the Special Resolution dated March 21, 2014 referred above remain unchanged.”

Mr. Nakul P. Mehta seconded the resolution.

**APPROVING THE LIMITS OF BORROWING BY THE COMPANY**

Mr. Bimal Panchal proposed the following resolution as a Special Resolution:

Resolution : "RESOLVED THAT in supersession of the resolution passed at the  
No. 10 63<sup>rd</sup> Annual General Meeting of the Company held on June 25, 2010, the consent of the Members of the Company be and is hereby accorded under the provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 and the rules made there under, including any amendment, modification, variation or re-enactment thereof and the Articles of Association of the Company, to the Board of Directors of the Company to borrow, from time to time, such sum or sums of money as they may deem necessary for the purpose of the business of the Company, notwithstanding that the monies to be borrowed together with the monies already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) and remaining outstanding at any point of time will exceed the

aggregate of the paid-up share capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose; Provided that the total amount up to which monies may be borrowed by the Board of Directors of the Company and which shall remain outstanding at any given point of time shall not exceed the sum of Rs 650 crore (Rupees Six Hundred Fifty Crore only).

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby empowered and authorised to arrange or fix the terms and conditions of all such borrowings, from time to time, viz. terms as to interest, repayment, security or otherwise as it may deem fit and to sign and execute all such documents, deeds and writings and to do all such acts, deeds, matters and things as may be deemed necessary, expedient and incidental thereto and to delegate all or any of its powers herein conferred to any Committee of Directors and/or director(s) and/or officer(s) of the Company, to give effect to this resolution."

Mr. Michael Martin seconded the resolution.

#### **APPOINTMENT AND REMUNERATION OF THE COST AUDITOR**

Mr. Adi Nalladaru proposed the following resolution:

Resolution : "RESOLVED THAT pursuant to the provisions of Sections 148  
No. 11 and other applicable provisions, if any, of the Companies Act, 2013, and the Companies (Audit and Auditors Rules) 2014, including any amendment, modification, variation or re-enactment thereof, for the time being in force, the Board on the recommendation of the Audit Committee appointed M/s. P M Nanabhoy & Co., Cost Auditors, to conduct the audit of the cost records of the Company for the financial year ending March 31, 2015 at a remuneration of Rs 72,000/- per annum plus out of pocket expenses and taxes as may be applicable which remuneration be and is hereby ratified.

RESOLVED FURTHER THAT the Board of Directors of the Company or the Company Secretary be and are hereby authorised to do all acts and take all such steps as may be necessary, proper, or expedient to give effect to this resolution."

Mr. Bimal Panchal seconded the resolution

The Chairman announced that the combined results of the e-voting, postal ballot and the physical ballot voting will be put up on the Company's website and on Stock Exchange site.

**RESIGNATION OF MR. BANSI S. MEHTA**

The Chairman thereafter announced that due to the changes in law and listing Agreement clauses he has no option but to step down as Chairman and from the Board of Directors of the Company after being associated with the Company as Director for the last 28 years, from the close of this Annual General Meeting.

Mr. Michael Martin proposed vote of thanks to the Chair.

Chairman declared the proceedings closed.

Nikhil J. Danani  
Vice Chairman & Managing Director

Place : Mumbai

Date :

Entered on : September 30, 2014