

Centrum Capital Limited

CENTRUM

Registered Office: 2nd Floor, Bombay Mutual Building, Dr. D.N. Road, Fort Mumbai - 400 001

Corporate Office: "Centrum House", C.S.T. Road, Vidyanagari Marg, Kalina, Santacruz (East), Mumbai - 400 098

Notice

Notice is hereby given that the Thirty Third Annual General Meeting of the members of Centrum Capital Limited will be held on Friday, 30th day of December 2011 at 10.30 a.m. at the Corporate Office of the Company situated at "Centrum House", C.S.T Road, Vidyanagari Marg, Kalina, Santacruz (East), Mumbai - 400 098, to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Profit & Loss Account for the year ended 30th June, 2011 and the Balance Sheet as at that date together with the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. K. V. Krishnamurthy, who retires by rotation, and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. Ibrahim Belselah, who retires by rotation, and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. Dhanpal Jhaveri, who retires by rotation, and being eligible, offers himself for re-appointment.
5. To appoint Auditors & to fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT subject to the provisions of sections 224, 225 and other applicable provisions, if any, of the Companies Act, 1956, M/s. S. R. Batliboi & Co., Chartered Accountants, be and are hereby appointed as the Statutory Auditors of the

Company to hold office from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting of the Company on such remuneration as may be mutually agreed between the Board of Directors of the Company and the Auditors, plus service tax, out-of-pocket, traveling and living expenses, etc."

SPECIAL BUSINESS:

6. Appointment of Mr. Subimal Bhattacharjee as a Director of the Company.

To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT Mr. Subimal Bhattacharjee, who was appointed by the Board of Directors as an Additional Director of the Company with effect from 25th March 2011, and who holds office upto the date of this Annual General Meeting in terms of Section 260 of the Companies Act, 1956, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

7. Appointment of Mr. Rajesh Nanavaty as a Director of the Company.

To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT Mr. Rajesh Nanavaty, who was appointed by the Board of Directors as an Additional Director of the Company with effect from 19th April 2011, and who holds office upto the date of this Annual General Meeting in terms of Section

260 of the Companies Act, 1956, be and is hereby appointed as a Director of the Company.”

8. Appointment of Mr. T. R. Madhavan as a Director of the Company:

To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“**RESOLVED THAT** Mr. T. R. Madhavan, who was appointed by the Board of Directors as an Additional Director of the Company with effect from 19th April 2011, and who holds office upto the date of this Annual General Meeting in terms of Section 260 of the Companies Act, 1956, be and is hereby appointed as a Director of the Company.”

9. Approval of the Appointment of Mr. T. R. Madhavan as an Executive Chairman of the Company:

To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

“**RESOLVED THAT** pursuant to Sections 198, 269, 309, 310, 311 and all other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) read with Schedule - XIII to the said Act and such other approvals, permissions and sanctions, as may be required and subject to such conditions and modifications, as may be prescribed or imposed by any of the authorities in granting such approvals, permissions and sanctions, and subject to the provisions of the Articles of Association of the Company, Mr. T. R. Madhavan be and is hereby appointed as the Executive Chairman of the Company for a period of three years with effect from 19th April 2011 up to and inclusive of 18th April

2014 on the terms and conditions agreed to between Mr. T. R. Madhavan and the Company, as set out in the explanatory statement annexed to the notice, with a liberty to the Board of Directors to alter and vary the terms and conditions and the remuneration in such manner as the Board of Directors may deem fit;

RESOLVED FURTHER THAT where in any financial year during the currency of the tenure of the Executive Chairman, the Company has no profits or its profits are inadequate, the Company shall, subject to the provisions of section 198, 269 and 309 of the Companies Act, 1956 read with Schedule XIII to the said Act or approval accorded by the Central Government, pay remuneration, as specified in the explanatory statement;

RESOLVED FURTHER THAT pursuant to the provisions of section 198, 269 and other applicable provisions of the Companies Act, 1956, any one of the Directors and Company Secretary of the Company be and are hereby severally authorized to sign and submit an application in prescribed form to the Central Government/ Ministry of Corporate Affairs for its approval for the appointment of Mr. T. R. Madhavan, Executive Chairman of the Company, along with all the necessary annexure(s) and prescribed fees and to appoint any suitable person or firm to represent the Company before the said office in the matter;

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, any Director and the Company Secretary of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things as they may in their absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard and to sign and execute all necessary documents, applications, returns and writings as may

be necessary, proper, desirable or expedient and to file the relevant forms with the Ministry of Corporate Affairs, pursuant to the said appointment.”

10. Approval for waiver of recovery of excess remuneration paid to Mr. G. Narayanan as a Managing Director of the Company:

To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

“**RESOLVED THAT** pursuant to the provisions of Section 309(5B) of the Companies Act, 1956 and other applicable provisions, if any, of the said Act, and subject to the approval of Central Government/Ministry of Corporate Affairs, consent of the Company be and is hereby given to waive the recovery of ₹ 9,24,179/- (Rupees Nine Lakh Twenty Four Thousand One Hundred and Seventy Nine only) paid to Mr. G. Narayanan, Managing Director of the Company during the period 1st July 2010 to 31st December 2010 in excess of the limits prescribed under the applicable provisions of the Companies Act, 1956 and approves consequential retention thereof by him;

RESOLVED FURTHER THAT the Company do file necessary application in e-Form No. 25A with the Central Government/Ministry of Corporate Affairs to seek their approval for the waiver and provide such other information and documents as may be deemed prudent;

RESOLVED FURTHER THAT any one of the Directors or the Company Secretary of the Company be and are hereby authorized to sign and submit the above form/application and submit such documents/information as may be required from time to time and do all such acts, deeds, matters and things as may be necessary to give effect to this resolution.”

**By Order of the Board of Directors
For Centrum Capital Limited**

**Gajendra Thakur
Company Secretary**

Date: 14th October 2011

Place: Mumbai

NOTES:

- (a) The additional information pursuant to clause 49 of the Listing Agreement with the Bombay Stock Exchange Limited in respect of the Directors seeking appointment or re-appointment is furnished herewith.
- (b) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE 'MEETING') IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE IN THE MEETING AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
- THE INSTRUMENT APPOINTING THE PROXY MUST BE DEPOSITED AT THE CORPORATE OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**
- (c) Corporate Members intending to send their authorized representative (s) to attend the meeting are requested to send a certified copy of the Board resolution authorizing their representative (S) to attend and vote on their behalf at the meeting.
- (d) Members are requested to bring their copy of the Annual Report at the meeting.
- (e) For convenience of the member and proper conduct of the meeting, members/proxies are requested to bring the Attendance Slip duly filled in and signed for attending the Annual General Meeting.
- (f) In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
- (g) The Register of Members and the Transfer Books of the Company will remain closed from Friday, 23rd December 2011 to Friday, 30th December 2011 (both days inclusive).
- (h) Members are requested to notify immediately any change in their addresses to the Company's Registrars and Share Transfer Agents for shares held in physical form and to their respective Depository Participants for shares held in electronic form.
- (i) An explanatory statement pursuant to section 173(2) of the Companies Act, 1956, relating to special business to be transacted at the meeting is annexed hereto.
- (j) All documents referred to in the accompanying notice and explanatory statement unless otherwise specifically stated, are open for inspection at the Corporate Office of the Company, during working hours on all days except Saturdays, Sundays and holidays, until the date of the Annual General Meeting or any adjournment thereof.
- (k) Members desiring to seek any information on the Annual Accounts to be explained at the meeting are requested to send their queries in writing to the Company Secretary at least seven days before the date of the meeting at the Corporate Office to make the required information available.

**By Order of the Board of Directors
For Centrum Capital Limited**

**Gajendra Thakur
Company Secretary**

Date: 14th October 2011
Place: Mumbai

**DETAILS OF DIRECTORS SEEKING APPOINTMENT OR RE-APPOINTMENT AT THE
ANNUAL GENERAL MEETING**

(Pursuant to Clause 49 of the Listing Agreement)

Sr. No.	Name of Appointee, Age, Qualifications	Experience	Directorship(s) held in other Public Companies#	Committee positions held in other Public Companies*	Number of shares held in the Company
1	Mr. K. V. Krishnamurthy 68 years B.Com, C.A, FIIB	<p>Mr. Krishnamurthy has decades of experience in Banking. Mr. Krishnamurthy has been associated with behemoth banks like the Bank of India as its Chairman and Managing Director (CMD), Syndicate Bank as its CMD and the Bank of Baroda as its Executive Director and Central Bank of India as General Manager.</p> <p>He was the Managing Director of Indo Hong Kong Finance Company Limited, a joint venture promoted by Canara Bank, Central Bank and Syndicate Bank</p>	<ul style="list-style-type: none"> ■ CentrumDirect Limited ■ Essel Propack Limited ■ Borosil Glass Works Limited ■ Essar Steels Limited ■ Thirumalai Chemicals Limited ■ VVF Industries Limited ■ Essar Oil Limited ■ Essar Ports Limited ■ Loop Telecom Limited ■ Loop Mobile (India) Limited 	<ul style="list-style-type: none"> ■ Essel Propack Limited (Member - Audit Committee) ■ Borosil Glass Works Limited (Chairman- Audit Committee) ■ Essar Steels Limited (Member- Audit Committee) ■ Thirumalai Chemicals Limited (Member- Audit Committee) ■ VVF Industries Ltd.(Chairman- Audit Committee) ■ CentrumDirect Limited(Chairman- Audit Committee) 	Nil
2.	Mr. Ibrahim Belselah 50 years B.E, MBA	<p>Mr. Belselah, has over 25 years of experience in Middle Eastern and international thought programs with a keen interest in entrepreneurial start-ups and consultancy across vertical industry sectors to build brand and increase return on investment.</p> <p>He is a UAE national and Chairman of DIFC Investments LLC and Dubai Autodrome. He is better known as the Convener of the IMF and the World Bank Governor's Conference in Dubai in 2003, making him one of the few people who have hob nobbed with Presidents, PM & Financial Chiefs of many emerging countries.</p> <p>He worked for a period of eighteen years as a Director of Finance in Dubai Municipality. Mr. Belselah was a lead Counsel for Government of U.A.E. for the 'Annual Meetings of the World Bank Group and the International Monetary Fund'.</p>	Nil	Nil	Nil

Sr. No.	Name of Appointee, Age, Qualifications	Experience	Directorship(s) held in other Public Companies#	Committee positions held in other Public Companies*	Number of shares held in the Company
3.	<p>Mr. Dhanpal Jhaveri 42 years B Com, MBA in Finance and Entrepreneurial Studies</p>	<p>Mr. Dhanpal Jhaveri is the CEO of Everstone Investment Advisors and Director of Teestavalley Power Transmission Limited.</p> <p>Mr. Jhaveri has over 16 years of experience in corporate finance and strategy and is involved in transactions especially in the areas of natural resources and energy. He has worked with Future Capital Holdings Limited as Executive Director, he also worked with Vedanta Resources (India's largest metals and mining business) as their Director of Corporate Strategy. He has been the Head of Investment Banking of ICICI Securities and Executive Director at KPMG (Partner).</p>	<ul style="list-style-type: none"> ■ Teestavalley Power Transmission Limited ■ B. E. Billimoria & Company Limited ■ Teests Urja Limited 	<ul style="list-style-type: none"> ■ Teestavalley Power Transmission Limited (Member-Audit Committee) 	Nil
4.	<p>Mr. Subimal Bhattacharjee 38 years Post Graduate in Mathematics</p>	<p>Mr. Subimal Bhattacharjee is Country Head, General Dynamics International Corporation-India liaison office based in New Delhi. General Dynamics is among the top five leading defence corporations in the world.</p> <p>Mr. Bhattacharjee brings with him exhaustive experience in defence business planning and strategy. In addition to his work in the defence sector, Mr. Bhattacharjee is a widely recognized expert on cyber security and critical infrastructure protection. He has also been a member of key governmental advisory panels and industry task forces. He is a well-known columnist and writes on issues related to security and technology policy issues and has more than 180 published articles and papers on global internet governance and cyber security issues. He is also a globally recognized speaker on cyber security issues. He is also in the Advisory Board of the US renewable company Astonfield.</p>	Nil	Nil	Nil

Sr. No.	Name of Appointee, Age, Qualifications	Experience	Directorship(s) held in other Public Companies#	Committee positions held in other Public Companies*	Number of shares held in the Company
5.	<p>Mr. Rajesh Nanavaty 62 years B.sc, B.E</p>	<p>Mr. Rajesh Nanavaty is the Director of V K Nanavaty Share & Stock Brokers Pvt. Ltd., a member of the Bombay Stock Exchange (BSE).</p> <p>He graduated with a Science degree from the University of Mumbai and went on to get a degree in Chemical Engineering from USA. After returning to India in 1972, he joined a public limited company, The Dharamsi Morarji Chemical Co. Ltd., a pioneer in the manufacture of Phosphatic fertiliser, Sulphuric acid and Alum. He set up their Project Department to supply technical know-how as well as for taking up turnkey projects for the manufacture of the abovementioned products. He was also involved in setting up projects in the Middle East and East African countries.</p> <p>Subsequently, he did a course in Corporate Planning from the Indian Institute of Management (IIM), Ahmedabad. He then created and headed the Corporate Planning Department for the company.</p> <p>During this time, he also became the Director of Jasmine Investments Ltd., a public limited investment company listed on the BSE.</p> <p>In 1992, he joined his 70-year old, proprietary family business of stock broking and eventually formed the current private limited company in 1997.</p>	Nil	Nil	50

Sr. No.	Name of Appointee, Age, Qualifications	Experience	Directorship(s) held in other Public Companies#	Committee positions held in other Public Companies*	Number of shares held in the Company
6.	Mr. T. R. Madhavan 62 years B.E, CAIIB	Mr. Madhavan has a cumulative experience of around 40 years in banking sector. He started his career in 1972 with Bank of India. In the year 2004, he joined Dhanlaxmi Bank Limited and was appointed on the Board of the Bank as Managing Director & Chief Executive Officer. In September 2005, he joined the Centrum Group and was appointed on the Board of the Flagship Company of Centrum Group i.e Centrum Capital Limited, as Managing Director till January 2010. Between February 2010 and March 2011, he had taken the role of Advisor to Centrum Capital Limited. He is appointed as Executive Chairman of Centrum Capital Limited w.e.f. April 2011.	<ul style="list-style-type: none"> ■ Essel-Centrum Holdings Limited ■ Centrum Financial Services Limited ■ Centrum Wealth Management Limited ■ CentrumDirect Limited ■ Centrum Infrastructure & Realty Limited 	<ul style="list-style-type: none"> ■ CentrumDirect Limited (Member-Audit Committee) ■ Centrum Financial Services Limited (Chairman- Audit Committee) 	Nil

Directorship held by Directors in other Public Companies do not include Directorships in Foreign Companies, Section 25 Companies and Private Limited Companies.

* Memberships of only the Audit Committees and Shareholder's/Investor's Grievance Committees in other Public Limited Companies have been considered.

**Explanatory statement pursuant to section 173(2)
of the Companies Act, 1956.**

Item No. 6

Mr. Subimal Bhattacharjee was appointed as an Additional Director of the Company w.e.f. 25th March 2011. As per the provisions of Section 260 of the Companies Act, 1956, Mr. Bhattacharjee holds office only up to the date of the forthcoming Annual General Meeting and is eligible for appointment as a Director.

Your Directors recommend the resolution for your approval. Except Mr. Subimal Bhattacharjee, no other Director of the Company is concerned or interested in the said resolution.

Item No. 7

Mr. Rajesh Nanavaty was appointed as an Additional Director of the Company w.e.f. 19th April 2011. As per the provisions of Section 260 of the Companies Act, 1956 Mr. Nanavaty holds office only up to the date of the forthcoming Annual General Meeting and is eligible for appointment as a Director.

Your Directors recommend the resolution for your approval. Except Mr. Rajesh Nanavaty, no other Director of the Company is concerned or interested in the said resolution.

Item No. 8 & 9

Mr. T. R. Madhavan was appointed as an Additional Director of the Company w.e.f. 19th April 2011. As per the provisions of Section 260 of the Companies Act, 1956 Mr. Madhavan holds office only up to the date of the forthcoming Annual General Meeting and is eligible for appointment as a Director. Your directors recommend

the resolution at item No. 8 for your approval.

The Board of Directors, upon the recommendations of the Remuneration Committee, at their meeting held on 19th April 2011, has in accordance with the provisions of the Articles of Association of the Company and subject to the approval of the members in the General Meeting, appointed Mr. T. R. Madhavan as Executive Chairman for a period of three years with effect from 19th April 2011 up to and inclusive of 18th April 2014 in accordance with the provisions of Sections 198, 269, 309, 310, 311 and other applicable provisions of the Companies Act 1956 and in terms of Schedule XIII of the Companies Act, 1956 applicable from time to time. The important terms of the appointment are as under:-

1. Basic Salary ₹ 2,00,000/- per month
2. Scale Allowance ₹ 2,88,750/- per month
3. Medical reimbursement ₹ 1,250/-per month
4. Leave Travel Allowance ₹ 10,000/-per month
5. The Executive Chairman will be entitled to a discretionary bonus, as may be decided by the Board of Directors;
6. A Car and Driver shall be provided by the Company for the official use of the Executive Chairman;
7. Suitable accommodation shall be provided to the Executive Chairman in Mumbai;
8. The Executive Chairman shall be entitled to avail leave in accordance with the Company's rules applicable from time to time.

* The remuneration has been approved by a resolution

passed by the Remuneration Committee in its meeting held on 19th April 2011.

In accordance with the provisions of Schedule XIII of the Companies Act, the Resolution regarding appointment and remuneration of Mr. T. R. Madhavan as Executive Chairman of the Company at Item No. 9 is placed before the members with a recommendation for approval.

Except Mr. T. R. Madhavan, no other Director of the Company is concerned or interested in the said Resolution.

Item No. 10

Mr. G. Narayanan was appointed as a Managing Director of the Company for a period of 3 years with effect from 30th January 2010 but due to his other pre-occupations he had tendered his resignation from the Board with effect from 31st December 2010. Pursuant to the terms of appointment and payment of remuneration approved by the Shareholders of the Company at the Annual General Meeting held on 31st December 2010, the Company had paid an aggregate amount of ₹ 30,24,179/- to Mr. G. Narayanan during his association as a Managing Director for the period 1st July 2010 to 31st December 2010.

The volatility in the global and Indian economies created significant challenges for businesses and industries in general and Centrum, which offers its services to the overall businesses and industries, was also, in turn, impacted. The choppy equity market scenario, the overall negative business scenario, especially in later months of the fiscal year, and increasing manpower costs adversely impacted the Company's performance which has led to degrowth of the total income and earnings.

The Company had reported losses during the financial year/s in which Mr. G. Narayanan had been associated as Managing Director. Accordingly, pursuant to the provisions of Schedule XIII of the Companies Act, 1956, an excess amount of ₹ 9,24,179/- was paid to Mr. G. Narayanan. Without prejudice, the management of our Company believes that the aggregate amount paid to Mr. G. Narayanan during his association as Managing Director was justified in terms of the key role played by him during his tenure. In these circumstances, it is proposed to apply to Central Government for its approval to waive the excess payment made to Mr. G. Narayanan.

Consent of the Members is sought vide resolution to make necessary application to Central Government seeking their approval for the waiver.

None of the Directors of the Company shall be deemed to be concerned or interested in the resolution.

**By Order of the Board of Directors
For Centrum Capital Limited**

**Gajendra Thakur
Company Secretary**

Date: 14th October, 2011

Place: Mumbai