

MINUTE BOOK

**PNB GILTS LIMITED
5, SANSAD MARG
NEW DELHI**

Minutes of 15th Annual General Meeting of the company held on Saturday, 25th June, 2011 at 12:00 noon at Air Force Auditorium, Subroto Park, , New Delhi – 110 010

Present :

- | | |
|--------------------------|---|
| 1. Sh. K. R. Kamath | Chairman |
| 2. Dr. O. P. Chawla | Director |
| 3. Dr. Kamal Gupta | Director & Chairman -- Audit Committee of Board |
| 4. Sh. S. K. Soni | Director |
| 5. Sh. P. P. Pareek | Director |
| 6. Sh. S. K. Dubey | Director |
| 7. Sh. D.V.S.S.V. Prasad | Managing Director |
| 8. Ms. Monika Kochar | Company Secretary |

In Attendance:

- | | |
|---------------------|---|
| 1. Sh. R. S. Sethi | Executive Director – PNB as a special Invitee |
| 2. Sh. R. K. Mittal | Partner, M/s S. Mohan & Co.,
Statutory Auditors for the year 2010-11 |

As per attendance records, 204 members were present in person/proxy/authorized representative.

The Company Secretary welcomed the shareholders and Directors present in the meeting and briefed the shareholders about the green initiative taken by MCA and the company. Thereafter, she requested Sh. K. R. Kamath, Chairman, to take up proceedings of the meeting.

After ascertaining the quorum, the Chairman called the meeting to order and briefed the shareholders about the performance of the company during 2010-11 vis-à-vis the macroeconomic environment. The Chairman also informed the members that as per RBI guidelines for Primary Dealers, maximum of 50% of the PAT can be distributed as dividend (PAT for FY 2010-11 was Rs. 30.58 crores and the maximum dividend which can be declared was around 11%). In order to maintain consistency in dividend payouts (FY 2008-09 – 8% dividend and FY 2009-10 – 10% dividend), the Board of Directors, after seeking specific approval from RBI, has recommended for 12% dividend i.e. Rs. 1.20 per share.

Thereafter, he proceeded with the agenda items as under :



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ORDINARY BUSINESS**ITEM NO. 1**

To receive, consider and adopt the Balance Sheet as at 31st March, 2011 and Profit and Loss Account for the year ended on that date and the Reports of the Directors' and Auditors' thereon.

With the permission of members present, the Annual Accounts and Directors' Report having already been circulated to the members were taken as read and the Auditors' Report was read by the Company Secretary. Thereafter, the Chairman responded to all the queries raised by the members including those pertaining to Annual Accounts for the year 2010-11 and Directors' Report and Auditors' Report thereon.

Thereafter, Mr. Jai Kumar Sharma (DP ID - IN300206 and Client ID -10857957) proposed the following resolution, which was seconded by Ms. Shashi Jain (DP ID - IN300118 and Client ID - 10227960) for adoption as an ordinary resolution:

"RESOLVED THAT the Audited Balance Sheet as at 31st March, 2011 and Profit and Loss Account for the year ended on that date alongwith Directors' Report, Auditors' Report and CAG Comments thereon be and are hereby received, considered and adopted."

The resolution was passed unanimously.

ITEM NO. 2

To declare dividend on Equity Shares for the year ended 31st March, 2011

The Chairman apprised the members that the Board of Directors had recommended a final dividend of 12% i.e. Rs. 1.20 per share amounting to Rs. 1620.09 lakhs (excluding Dividend Distribution Tax) for the year 2010-11.

Thereafter, the resolution was taken as an ordinary resolution as under :

Proposed by : Mr. Vimal Jain (DP ID - IN300118 and Client ID - 10131690)
Seconded by : Mr. Gulshan Rai (Folio No. 00015981)

"RESOLVED THAT the final dividend, as recommended by the Board of Directors for the year ended 31st March, 2011, Rs 1.20 per share be and is hereby declared for payment to those equity shareholders of the company whose name appear on the register of members as on June 17, 2011."

The resolution was passed unanimously.



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**ITEM No. 3**

To appoint a Director in place of Dr. O P Chawla, who retires by rotation and being eligible, offers himself for reappointment

The Chairman after briefing the members with the details regarding experience, qualifications, shareholding and Directorships held by Dr. O.P. Chawla, put the resolution to vote as an ordinary resolution, which was :

Proposed by: Mr. Narender Singh Chauhan (DP ID-14100 & Client ID-1201410000008655)
Seconded by: Mr. Ashok Kumar Jain (DP ID- 14100 and Client ID-1201410000008640)

"RESOLVED THAT Dr. O. P. Chawla who retires by rotation in terms of Section 256 of the Companies Act, 1956 and being eligible for re-appointment be and is hereby re-appointed as a Director of the company."

The resolution was passed unanimously.

ITEM NO. 4

To appoint a Director in place of Sh. P. P. Pareek, who retires by rotation and being eligible, offers himself for reappointment

The Chairman put the resolution to vote as an ordinary resolution after briefing the shareholders about experience, qualifications, shareholding and directorships held by Sh. P. P. Pareek and the resolution was :

Proposed by : Mr Sanjay Kathpal (Folio No. 00014162)
Seconded by: Ms. Neetu Sikka (Folio No. 00010595)

"RESOLVED THAT Sh. P. P. Pareek who retires by rotation in terms of Section 256 of the Companies Act, 1956 and being eligible for re-appointment be and is hereby re-appointed as a Director of the company."

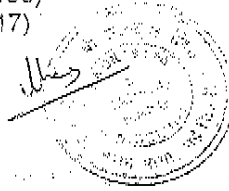
The resolution was passed unanimously.

ITEM NO. 5

To appoint Auditors for the year 2011-12 and fix their remuneration

The members were informed that as per the provisions of Section 619 B of the Companies Act, 1956, the Auditors of the company are appointed by the Comptroller and Auditor General of India (CAG). The CAG of India had not yet appointed any Statutory Auditors of the company for the financial year 2011-12. Therefore, Board of Directors of the company may be authorized to appoint the Statutory Auditors as per the directions of CAG of India and also to fix their remuneration for the said year. Thereafter, following resolution was passed as an ordinary resolution and the same was:

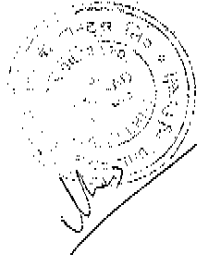
Proposed by : Ms. Divya Rastogi (Folio No. 00011150)
Seconded by : Mr. R. K. Kochar (Folio No. 00009017)



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
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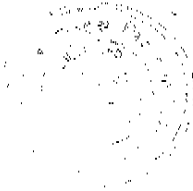


"RESOLVED THAT the Board of Directors of the company be and are hereby authorized to appoint the Statutory Auditors as and when appointed by the Comptroller and Auditor General of India and to fix the remuneration of Auditors so appointed for the financial year 2011-12."

There being no other business, the Chairman declared the meeting as concluded.

The meeting ended with a vote of thanks to the Chair.


Company Secretary
Date: 08/07/11




Chairman

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