

MINUTES OF THE TWENTY EIGHTH ANNUAL GENERAL MEETING OF THE MEMBERS OF KABRA EXTRUSIONTECHNIK LIMITED HELD ON TUESDAY, THE 30TH DAY OF AUGUST, 2011 AT 2.00 P.M. AT HOTEL KARL RESIDENCY, 36, LALLUBHAI PARK ROAD, NEXT TO LALLUBHAI PARK, ANDHERI (WEST), MUMBAI- 400 058

DIRECTORS PRESENT :

1. Shri S. V. Kabra Chairman & Managing Director
2. Shri S. N. Kabra Vice- Chairman Managing Director
3. Shri Anand S. Kabra Director
4. Shri H. S. Sanwal Director
5. Shri M. P. Taparia Director
6. Shri N. C. Chauhan Director
7. Shri Y. B. Desai Director

IN ATTENDANCE :

1. Shri Y. D. Sanghavi Company Secretary
2. Shri Jayant Sarpotdar Chief Finance Officer
3. Shri Y. M. Dave D.G.M. (Accounts & Finance)

Shri S. V. Kabra, Chairman & Managing Director of the Company took the Chair and welcomed the Members to the Meeting. As the requisite quorum for the meeting being present, he called the Meeting to order.

The Chairman informed that the Company has received Eight (8) valid proxies holding 2751988 Equity Shares as per Proxy Register and three (3) representatives from Bodies Corporate under Section 187 (2) of the Companies Act, 1956, holding 3436289 Equity Shares of the Company. He further informed the Members that 48 (forty-eight) Members are present in person.

The Chairman further informed that the Register of Directors' Shareholding and other Statutory Registers are available for inspection to the Members. He introduced the dignitaries on dais. Shri Y. D. Sanghavi, Company Secretary read the Auditors' Report.

The Chairman then informed that the Annual Report for the financial year 2010-11 has been circulated and the Members must have received the same. With your permission, the same is taken as read.

He then briefed the Members regarding economic scenario prevailed during the fiscal 2010-11 vis-à-vis performance of the Company.

He also furnished explanation on variation in schedules of Assets and Liabilities of Balance Sheet as well reasons for increase / decrease in item of Income and Expenditure. He further clarified on return on investment redeemed during the year.

He then requested the Members to proceed with the business of the meeting as set out in the notice.



1. ADOPTION OF THE ANNUAL ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2011

Shri S. V. Kabra, Chairman & Managing Director and a Member of the Company proposed the following resolution as an Ordinary Resolution related to adoption of the accounts for the financial year ended 31st March, 2011.

“RESOLVED THAT the audited Balance Sheet as on 31st March, 2011 and the Profit & Loss Account for the year ended on that date together with Reports of Board of Directors and Auditors thereon be and is hereby considered and adopted”

Mr. Zahur Ismail Maniar, Member of the Company seconded the above resolution.

Thereafter the Chairman invited queries if any, from the Members.

Mr. Z. I. Maniar, Smt. Smita Shah, Mr. Suresh A. Kamat, Mr. Yusuf Rangwala, Mr. Surendra Jain and Mr. Kirti Shah members have appreciated and congratulated the management in respect of the following matters and extended their full supports to all the resolutions proposed at the meeting and conveyed their best wishes to the Management for all its endeavors and congratulated secretarial team for excellent Annual Report designing, timely receipt and disclosures made therein.

- (i) Best presented Annual Report with new corporate logo, plant photographs, overall presentation which is easy and pleasing to read;
- (ii) Maintaining dividend @ 35% on enhanced Paid-up Capital;
- (iii) Higher Sales Turnover, profit and overall performance;

They also sought clarification / further details in respect of following matters -

- 1. Reasons for lower exports;
- 2. Competitors to the Company
- 3. Technical know-how fees;
- 4. Higher current liability & inventory;
- 5. Capex programme;
- 6. orders received from kerala company;
- 7. Reasons for sale of shares of Plastiblends, a group company;
- 8. Stake in Gloucester Engineering Company, USA. (Equity & Debts)

and they suggested to arrange for plant visit and report regarding corporate social responsibility program taken up by the Company.

Shri S. V. Kabra, Chairman expressed his thanks to the Shareholders for their appreciation, suggestions and active participation in the meeting. Shri S. V. Kabra and Shri S. N. Kabra then furnished following explanations in respect of their queries:

- (1) Company is exporting to more than 68 Countries across the world and countries to which export is made includes developing countries, SAARC, Middle-east etc. Margin on exports is higher than local sales. Due to economic slow-down in Gulf region and political fiasco in some countries, exports remained lower during the fiscal 2010-11;



- (2) There is competition from organized and unorganized manufacturers. In India, Rajoo Engineers Ltd. and Windsor Machines Ltd are engaged in manufacturing Film and Pipe, Profile Plants respectively. Battenfeld-Cincinnati is the leading manufacturer of pipe plants worldwide. While GEC is leading in film plants in global market;
- (3) There is no annual outgo on technology imported by the Company, as lumpsum payment was made in April 2006 and this technology would be made available for a further period of 10 years and thereafter;
- (4) Order position in current fiscal is satisfactory. However due to increasing finance cost, customers are deferring their investment and the company is not dispatching plant without assured payment. Increase in inventory and current liabilities at year end was higher due to purchase of raw materials for execution of order of Rs. 35 Crores in March, 2011;
- (5) Capex programme is progressing as scheduled. Entire capital expenditure as planned will be made over a period of 2 to 3 years;
- (6) Order for supply of high-output high-tech 5 layer blown film line has been received by the Company from a company based in Kerala. Kabra Gloucester Engineering Ltd. a joint venture company of Gloucester Engineering Co. Inc. in India will provide technology and it will be paid royalty for supply of such know-how. Order will be executed by the Company itself;
- (7) Investment in M/s. Plastiblends India Ltd. was sold through stock exchange for interse transfer amongst promoter group;
- (8) 15% equity stake in GEC was acquired on 16.03.2011 and accordingly accounted during financial year 2010-11. However part of, 15% stake in debt by way of term loan and revolving credit has been made during current fiscal. Out of which Rs. 7.22 crores was made during May, 2011 and accordingly not accounted in last financial year.

Members satisfied with aforesaid clarifications, proceeded for passing of resolution to adopt accounts. The Chairman then put the resolution to vote of meeting, on a show of hands and it was carried out unanimously.

2. DECLARATION OF DIVIDEND

The Chairman then requested the Members to transact Item No. 2 related to declaration of dividend.

Mr. Kirti Shah, a Member of the Company proposed the following resolution as an Ordinary Resolution

"RESOLVED THAT pursuant to the recommendation of the Board of Directors of the Company, a dividend of Rs. 1.75 per share be and is hereby declared for the year ended 31st March, 2011 on 31902320 fully paid Equity Shares of Rs. 5/- each and aggregate



amount of Rs. 5,58,29,060/- (Rupees Five Crores Fifty Eight Lacs Twenty Nine Thousand & Sixty Only) be appropriated towards the payment of dividend for the said financial year and the amount of Rs. 90,56,869/- (Rupees Ninety Lacs Fifty Six Thousand Eight Hundred Sixty Nine Only) also be appropriated towards corporate tax on the said dividend as statutorily applicable."

Above resolution was then seconded by Mrs. C. Mascarenhas , a Member of the Company.

The Chairman then put the resolution to the vote of the Meeting on a show of hands and it was carried out unanimously.

3. RE-APPOINTMENT OF SHRI NIHALCHAND CHUNILAL CHAUHAN AS A DIRECTOR OF THE COMPANY RETIRING BY ROTATION

The Chairman the requested the Members to transact Item No. 3 of the notice related to re-appointment of Shri Nihalchand Chunilal Chauhan, as a Director

Mr. Bharat Shah, a Member of the Company proposed the following resolution as an Ordinary Resolution:

"RESOLVED THAT Shri Nihalchand Chunilal Chauhan be and is hereby appointed as a Director of the Company who retires by rotation and being eligible, offers himself for re-appointment."

Above resolution was then seconded by Mr. S. S. Jain, a Member of the Company.

Thereafter, the Chairman put the resolution to vote of the Meeting on a show of hands and it was carried out unanimously.

Shri Nihalchand Chunilal Chauhan expressed his thanks to the Members present for approving his re-appointment.

4. RE-APPOINTMENT OF SHRI HARIDAS SAGATMAL SANWAL AS A DIRECTOR OF THE COMPANY RETIRING BY ROTATION

The Chairman then requested the Members to transact Item No. 4 related to re-appointment of Shri Haridas Sagatmal Sanwal, as a Director.

Mr. Yusuf Rangwala, a Member of the Company proposed the following resolution as an Ordinary Resolution

"RESOLVED THAT Shri Haridas Sagatmal Sanwal be and is hereby appointed as a Director of the Company who retires by rotation and being eligible, offers himself for re-appointment."

Above resolution was then seconded by Smt. Smita Shah, a Member of the Company.

Thereafter, the Chairman put the resolution to vote of the Meeting on a show of hands and it was carried out unanimously.



Shri Haridas Sagatmal Sanwal expressed his thanks to the Members present for approving his re-appointment.

5. APPOINTMENT OF M/S. KIRTANE & PANDIT, CHARTERED ACCOUNTANTS, PUNE AS STATUTORY AUDITORS OF THE COMPANY

The Chairman then requested the Members to transact Item No. 5 related to appointment of Statutory Auditors of the Company, the retiring auditors.

Mr. Kirti Shah, a Member of the Company proposed the following resolution as an Ordinary Resolution.

“RESOLVED THAT M/s. Kirtane & Pandit, Chartered Accountants, Pune having Registration No. 105215W issued by the Institute of Chartered Accountants of India, be and are hereby appointed as a Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting on such remuneration and the reimbursement of out of pocket expenses, if any, as may be mutually agreed upon between the Board of Directors of the Company and the said Auditors.”

Above resolution was then seconded by Smt. C. Mascarenhas, a Member of the Company.

Thereafter, the Chairman put the resolution to vote of the Meeting on a show of hands and it was carried out unanimously.

Shri S. V. Kabra then requested Shri H. S. Sanwal to Chair the Meeting with the consent of the Members present, as he is interested in the resolutions set out in Item No. 6 & 7 related to revision of remuneration payable to Shri Satyanarayan G. Kabra and Shri Anand S. Kabra, Director of the Company.

6. VARIATION IN TERMS OF REMUNERATION PAYABLE TO SHRI SATYANARAYAN G. KABRA, VICE-CHAIRMAN & MANAGING DIRECTOR

Shri H. S. Sanwal then Chaired the Meeting to move the resolution and requested the Members to transact Item No. 6 of the notice.

Mr. Z. I. Maniar, a Member of the Company proposed the following resolution as an Ordinary Resolution.

“RESOLVED THAT in accordance with the provisions of Section 198, 269, 309 and other applicable provisions of the Companies Act, 1956 and subject to the limits specified in Schedule XIII of the said Act, the Company hereby approves the variation in the remuneration payable to Shri S N Kabra, Vice-chairman & Managing Director of the Company for the remainder of the tenure as set-out in the Explanatory Statement annexed hereto (which shall form part hereof) with a liberty to the Board of Director of the Company (hereinafter referred to as “the Board” which term shall be deemed to include any committee of the Board as and when constituted) to further increase, vary said remuneration and/or monetary value of the perquisites as may be mutually agreed



upon by the Board and the said executive director, however subject to the same not exceeding at any point of time, the ceiling specified in this behalf under the said Act and schedule thereto.

RESOLVED FURTHER THAT where, in any financial year, the Company has no profits or inadequate profit, the said executive director will be paid minimum remuneration within the ceiling limits prescribed under Section II and III of Part II of Schedule XIII of the said Act or any amendment thereto.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do such acts, deeds and things as may be deemed expedient to give effect to the above resolution."

Above resolution was then seconded by Mr. Prasad Manjerekar, a Member of the Company.

Thereafter, the Chairman put the resolution to vote of the Meeting on a show of hands and it was carried out unanimously.

Shri S. N. Kabra expressed his thanks to the Members present for approving variation of remuneration payable to him for his remaining tenure of appointment.

7. VARIATION IN TERMS OF REMUNERATION PAYABLE TO SHRI ANAND S. KABRA, TECHNICAL DIRECTOR

The Chairman then requested the Members to transact Item No. 7 related to variation in terms of remuneration payable to Shri Anand S. Kabra, Technical Director of the Company.

Mr. Yusuf Rangwala, a Member of the Company proposed the following resolution as an Ordinary Resolution.

"RESOLVED THAT in accordance with the provisions of Section 198, 269, 309 and other applicable provisions of the Companies Act, 1956 and subject to the limits specified in Schedule XIII of the said Act, the Company hereby approves the variation in the remuneration payable to Shri Anand S. Kabra, Technical Director of the Company for the remainder of the tenure as set-out in the Explanatory Statement annexed hereto (which shall form part hereof) with a liberty to the Board of Director of the Company (hereinafter referred to as "the Board" which term shall be deemed to include any committee of the Board as and when constituted) to further increase, vary said remuneration and/or monetary value of the perquisites as may be mutually agreed upon by the Board and the said executive director, however subject to the same not exceeding at any point of time, the ceiling specified in this behalf under the said Act and schedule thereto.

RESOLVED FURTHER THAT where, in any financial year, the Company has no profits or inadequate profit, the said executive director will be paid minimum remuneration within the ceiling limits prescribed under Section II and III of Part II of Schedule XIII of the said Act or any amendment thereto.



RESOLVED FURTHER THAT the Board be and is hereby authorized to do such acts, deeds and things as may be deemed expedient to give effect to the above resolution.”

Above resolution was then seconded by Mr. Prakash C. Tamnani, a Member of the Company.

Thereafter, the Chairman put the resolution to vote of the Meeting on a show of hands and it was carried out unanimously.

Shri A. S. Kabra expressed his thanks to the Members present for approving variation of remuneration payable to him for his remaining tenure of appointment.

Shri H. S. Sanwal thanked the Members and requested Shri S. V. Kabra to chair the meeting to proceed further.

8. VOTE OF THANKS

Mr. Z. I. Maniar, a Member of the Company then expressed thanks to the Chair on behalf of the Members present.

There being no other business to transact, the Chairman appreciated the members for their presence, participation and maintaining decorum of the Meeting and wished them all the best.

Date : 26-09-2011

Place : Mumbai

Sd/- Chairman



FOR KABRA EXTRUSIONTECHNIK LTD.
VT 6
COMPANY SECRETARY