

**MINUTES OF THE 24<sup>TH</sup> ANNUAL GENERAL MEETING OF THE MEMBERS OF JAI CORP LIMITED HELD AT THE REGISTERED OFFICE OF THE COMPANY AT A-3, MIDC INDUSTRIAL AREA, NANDED – 431 603 ON WEDNESDAY THE 23<sup>RD</sup> DAY OF SEPTEMBER, 2009 AT 2:00 P.M.**

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**Present:**

Mr. Gaurav Jain	Managing Director & Member
Mr. K.M.Doongaji	Director & Member
Mr. S.H.Junnarkar	Director
Mr. S.N.Chaturvedi	Director
Mr. V.S.Pandit	Director
Mr. R.Koria	Partner Messrs Chaturvedi & Shah

**(i) Members Present in person and as authorized representatives of Bodies Corporate as per the Attendance Register:**

Mr. Gaurav Jain	
Mr. K.M. Doongaji	
Mr. D.K.Lunawat	Representing Sparsh Trading Pvt. Ltd.
Mr. Anil Morolia	Representing Hide- N- Chic Furniture Pvt. Ltd.
Mr. S.K.Verma	Representing Richmond Traders Co. Pvt. Ltd.
Mr. D.Bohra	Representing Somerset Trading Pvt. Ltd
Mr. A.Datta	Representing Pet Fibres Ltd
Mr. Vinod Chavare	Representing Nidhi Polyster Ltd
Mr. A.N.Dubey	Representing Kasturi Trading Co. Pvt. Ltd.
Mr. G.P.Reddy	Representing Ridhi Synthetics Ltd

**(ii) Proxies present as per Attendance Register:**

There were 30 proxies present as per the Attendance Register.

**1. Chairman :**

Mr. Gaurav Jain proposed the name of Mr.K.M.Doongaji as the Chairman which was seconded by Mr. D.K. Lunawat. The motion was carried by voice vote. Mr. K.M.Doongaji took the Chair.

**2. Quorum :**

The Chairman declared that the requisite quorum was present and called the meeting to order.

3. **Welcome Address :**

The Chairman made a welcome address to the Members.

4. **Proxies:**

The Chairman informed the Members that the Company has received 33 valid proxies representing 13,06,16,890 equity shares. The Chairman stated that these were available for inspection by the Members present.

5. **Notice:**

With the consent of the Members present, the Notice convening the meeting was taken as read.

6. **Auditors' Report:**

At the request of the Chairman, the Company Secretary, Mr. A. Datta read out the Auditors' Report to the Members of the Company for the year ended 31<sup>st</sup> March, 2009.

7. **Agenda:**

The Chairman then proceeded with the business to be transacted at the meeting.

7.1. **Ordinary Business:**

**Item No. 1:**

Mr. K.M. Doongaji proposed the following as an Ordinary Resolution which was seconded by Mr. Gaurav Jain:

**“ RESOLVED THAT** the audited Balance Sheet as at 31<sup>st</sup> March, 2009 and the Profit and Loss Account for the year ended on that date together with the Reports of the Directors and Auditors thereon be and are hereby considered, approved and adopted.”

Before putting the resolution to vote, the Chairman invited the Members present to seek clarification, if any, on the accounts of the Company. As none sought any clarification, the resolution was then put to vote and on a show of hands was declared as passed *nem con*.

**Item No. 2:**

Mr. D. Bohra proposed the following as an Ordinary Resolution which was seconded by Mr. A. Datta:

**“RESOLVED THAT** pursuant to the recommendations made by the Board of Directors of the Company, a dividend at the rate of 1% per annum per Preference Share of Re 1/- each face value to the Preference Shareholders of the Company whose names appear in the Register of Members at close of business on 14<sup>th</sup> September , 2009 be and is hereby declared to be paid on a *pro rata* basis out of the current profits of the Company for the financial year ended 31<sup>st</sup> March, 2009.

The resolution was put to vote and on a show of hands was declared as passed *nem con.*

**Item No. 3:**

Mr. Anil Morolia proposed the following as an Ordinary Resolution which was seconded by Mr. D. Bohra :

**“RESOLVED THAT** pursuant to the recommendations made by the Board of Directors of the Company, a dividend at the rate of 0.50% (i.e. Re 0.50 ) per Equity Share to the non- promoter Equity Shareholders of the Company holding 4,81,67,010 Equity Shares, to the exclusion of the promoter Equity Shareholders holding 13,02,82,400 Equity Shares and 44,600 equity shares forfeited but not re-issued, whose names appear in the Register of Members at close of business on 14<sup>th</sup> September , 2009 be and is hereby declared to be paid out of the current profits of the Company for the financial year ended 31<sup>st</sup> March, 2009.”

The resolution was put to vote and on a show of hands was declared as passed *nem con.*

**Item No. 4:**

Mr. S.K.Verma proposed the following as an Ordinary Resolution which was seconded by Mr. Anil Morolia :

**“RESOLVED THAT** Shri V.S. Pandit, Director of the Company who retires by rotation and being eligible has offered himself for re-appointment be and is hereby re-appointed a Director of the Company.”

The resolution was put to vote and on a show of hands was declared as passed *nem con.*

**Item No. 5:**

Mr. G.P.Reddy proposed the following as an Ordinary Resolution which was seconded by Mr. Vinod Chavare:

**“RESOLVED THAT** Shri D.K. Contractor, Director of the Company who retires by rotation and being eligible has offered himself for re-appointment be and is hereby re-appointed a Director of the Company.”

The resolution was put to vote and on a show of hands was declared as passed *nem con.*

**Item No. 6:**

Mr. Vinod Chavare proposed the following as an Ordinary Resolution which was seconded by Mr. A. Datta:

**“RESOLVED THAT** Shri S.N. Chaturvedi, Director of the Company who retires by rotation and being eligible has offered himself for re-appointment be and is hereby re-appointed a Director of the Company.”

The resolution was put to vote and on a show of hands was declared as passed *nem con.*

**Item No. 7:**

Mr. A.N.Dubey proposed the following as an Ordinary Resolution which was seconded by Mr. S.K.Verma:

**“RESOLVED THAT** Messrs Chaturvedi & Shah, Chartered Accountants, Mumbai and Messrs S.R. Batliboi & Co., be and are hereby appointed the joint statutory auditors of the Company under Section 224 and other applicable provisions, if any, of the Companies Act, 1956 from the conclusion of this meeting until the conclusion of the next annual general meeting on such remuneration as may be mutually agreed upon between the said Auditors and the Board of Directors of the Company.”

The resolution was put to vote and on a show of hands was declared as passed *nem con.*

## 7.2. Special Business:

### Item No. 8:

Mr. D.K. Lunawat proposed the following as a Special Resolution which was seconded by Mr. A.N.Dubey :

**“RESOLVED THAT** pursuant to the provisions of Section 81(1A) and all other applicable provisions, if any, of the Companies Act, 1956 and any other laws, rules and regulations (including any amendments thereto or re-enactments thereof for the time being in force) as may be applicable and subject to the provisions of the Memorandum and Articles of Association of the Company and subject to such approvals, consents, permissions and sanctions of such statutory and/or regulatory authorities, including of the Stock Exchanges in terms of the Listing Agreements entered into by the Company with the Stock Exchanges where the shares of the Company are listed, as may be applicable, and subject to such conditions and modifications as may be prescribed by any of them in granting such approvals, consents, permissions and sanctions which may be agreed to by the Board of Directors of the Company (the ‘**Board**’ which term shall include any Committee which the Board of Directors may have constituted or may hereafter constitute for the time being for exercising the powers conferred on the Board of Directors by this Resolution) and pursuant to the provisions of the SEBI Guidelines for Qualified Institutions Placement (“**QIP**”) under Chapter XIII-A of the SEBI (Disclosure and Investor Protection) Guidelines, 2000 for the time being in force, whether or not such Qualified Institutional Buyers (“**QIB**”) are members of the Company, the consent of the members be and is hereby accorded to the Board to create, offer, issue and allot in one or more placements/tranches to QIBs as defined in sub-clause (xxiva) of Clause 1.2 of SEBI (Disclosure and Investor Protection) Guidelines, 2000 for the time being in force, equity shares and/or fully convertible debentures and/or partly convertible debentures and/or non-convertible debentures with warrants, and/or any securities (other than warrants), which are convertible into or exchangeable with equity shares at a later date (the “**Securities**”) at such time or times as the Board may hereafter decide and at a price to be determined by the Board in accordance with Clause 13A.3 of the SEBI Guidelines for Q.I.P. specified under Chapter XIII-A of SEBI (Disclosure and Investor Protection) Guidelines, 2000 for the time being in force, provided that the issue of Securities as aforesaid shall not result in increase of the issued subscribed and paid-up capital of the Company by more than 25% (twenty five per cent) of the then post-issue issued, subscribed and paid-up equity share capital of the Company;

**RESOLVED FURTHER THAT** in accordance with Clauses 13A.2.2 and 13A.2.3 of Chapter XIII-A of SEBI (Disclosure and Investor Protection) Guidelines, 2000, for the time being in force, a minimum of 10% of the Securities issued pursuant

to said guidelines shall be allotted to mutual funds and if no mutual fund is agreeable to take up the minimum portion or any part thereof, then such minimum portion or part thereof may be allotted to other QIBs;

**RESOLVED FURTHER THAT** the “relevant date” for pricing of the Securities, under the QIP as per the Chapter XIII-A of the SEBI (Disclosure and Investor Protection) Guidelines, 2000, for determination of minimum price for the issue of the Securities and/or shares arising out of conversion of Securities will be the date of the meeting in which the Board decides to open the proposed issue of Securities, or, in case of Securities which are convertible or exchangeable with equity shares at a later date, the date on which the holder of Securities becomes entitled to apply for equity shares, as the Board may, at the time of the decision to open the proposed issue decides, provided that any such conversion/exchange shall occur not later than 60 (sixty) months from date of allotment of the Securities;

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to appoint and enter into and execute all such arrangements/agreements, as the case may be, with any merchant bankers/advisors/registrar and all such agencies/intermediaries as may be required including payment to such agencies/intermediaries of commission, brokerage, fees, remuneration for their services and expenses incurred in relation to the issue of Securities and also to seek listing of such Securities on the Stock Exchanges where the Company’s shares are listed;

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to finalise the mode and the terms of issue of Securities under the QIP and all equity shares allotted under or arising from such QIP will rank *pari passu* in all respects with the existing equity shares of the Company;

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all such acts, deeds, matters and things as it may at its absolute discretion deem necessary or desirable for such purpose with power to the Board to settle all questions, difficulties or doubts that may arise in regard to the issue, offer or allotment of Securities and utilization of proceeds including but without limitation to the creation, in such form and manner as may be required, of such mortgage/charge under Section 293(1)(a) of the said Act in respect of the aforesaid Securities either on *pari passu* basis or otherwise, as it may in its absolute discretion deem fit without being required to seek any further consent or approval of the Members or otherwise to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution;

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to delegate all or any of the powers herein conferred to any Committee of Directors or the

Chairman or any other officers/authorized representatives of the Company to give effect to this resolution.”

The resolution was put to vote and on a show of hands was declared as passed *nem con*.

**Item No. 9:**

Mr. A. Datta proposed the following as a Special Resolution which was seconded by Mr. Anil Morolia:

**“RESOLVED THAT** pursuant to the provisions of Section 81 (1A) and all other applicable provisions, if any, of the Companies Act, 1956, as also provisions of any other applicable laws, rules and regulations (including any statutory modifications thereto or re-enactments thereof for the time being in force) and the enabling provisions in the Memorandum and Articles of Association of the Company and the Listing Agreements entered into by the Company with the Stock Exchanges where the shares of the Company are listed and the SEBI (Disclosure and Investor Protection) Guidelines, 2000, and subject to such approvals, consents, permissions and sanctions of such statutory and/or regulatory authorities as may be applicable and subject to such conditions and modifications, as may be prescribed by any of them in granting such approvals, consents, permissions and sanctions which may be agreed to by the Board of Directors of the Company ( the '**Board**' which term shall include any Committee which the Board of Directors may have constituted or may hereafter constitute for the time being exercising the powers conferred on the Board of Directors by this Resolution), the consent of the members be and is hereby accorded to the Board to create, offer, issue and allot by way of public issue, with or without provision for reservation on firm and / or competitive basis of such part of issue and for such categories of persons as may be permitted, in the course of one or more public offerings in domestic market(s), equity shares to all eligible investors, including residents and/or non-residents and/or institutions / banks and/or incorporated bodies and/or individuals and/or trustees and/or stabilizing agent or otherwise and whether or not such investors are members of the Company, through one or more prospectus and/or offer document provided that the issue of shares as aforesaid shall not result in increase of the issued, subscribed and paid-up capital of the Company by an aggregate amount which is more than 25% of the then post issue issued, subscribed and paid-up capital of the Company , such issue and allotment to be made at such time or times in one or more tranche or tranches, at such price or prices, at market price(s) or at a discount or premium to market price(s), in such manner and where necessary in consultation with the Book Running Lead Managers and/or Underwriters and/or other Advisors or otherwise on such terms and conditions, including issue of shares as fully or partly paid, making of calls and manner of appropriation of application money or call money in respect of different

class(es) of investor(s) and/or in respect of different securities as the Board may in its absolute discretion decide at the time of issue of the securities;

**RESOLVED FURTHER THAT** the Board is also authorised to appoint, and enter into and execute all such arrangements/ agreements with any Merchant Bankers / Advisors/Registrars and all such agencies as may be involved including by way of payment of commission, brokerage, fees, expenses incurred in cash or otherwise in relation to the issue of securities and other expenses, if any, or the like;

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to finalise the mode and the terms of issue and allot such number of equity shares as may be necessary in accordance with the terms of issue and all such shares will rank *pari passu* with the existing equity shares of the Company in all respects;

**RESOLVED FURTHER THAT** for the purpose aforesaid, the Board be and is hereby authorized to settle all questions, difficulties or doubts that may arise in regard to the issue, offer or allotment of shares and utilization of proceeds, as it may in its absolute discretion deem fit without being required to seek any further consent or approval of the Members or otherwise to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution;

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to delegate all or any of the powers herein conferred in such manner as they may deem fit.”

The resolution was put to vote and on a show of hands was declared as passed *nem con.*

**Item No. 10:**

Mr. Anil Morolia proposed the following as a Special Resolution which was seconded by Mr. A. N. Dubey :

**“RESOLVED THAT** pursuant to the provisions of Section 81(1A) and all other applicable provisions, if any, of the Companies Act, 1956 and any other laws, rules and regulations (including any amendments thereto or re-enactments thereof for the time being in force) as may be applicable and subject to the provisions of the Memorandum and Articles of Association of the Company and subject to such approvals, consents, permissions and sanctions of such statutory and/or regulatory authorities, including of the Reserve Bank of India and/or stock exchanges in terms of the Listing Agreements entered into by the Company with the Stock Exchanges where the shares of the Company are listed, as may be applicable, and subject to such conditions and modifications, as may be prescribed by any of them in granting such approvals, consents,



permissions and sanctions which may be agreed to by the Board of Directors of the Company (the '**Board**' which term shall include any Committee which the Board of Directors may have constituted or may hereafter constitute for the time being for exercising the powers conferred on the Board of Directors by this Resolution) the consent of the members be and is hereby accorded to the Board to create, offer, issue and allot in any security including Global Depository Receipts (GDRs), American Depository Receipts (ADRs) convertible into equity shares, preference shares whether cumulative / redeemable / convertible at the option of the Company and / or the option of the holders of the security and / or securities linked to equity shares / preference shares and /or any other instrument or securities representing convertible securities such as Foreign Currency Convertible Bonds (FCCBs) debentures or warrants convertible or like instruments of a type issued in international jurisdictions in offerings of this nature, whether convertible into or exchangeable with depository-receipts for underlying equity shares/ equity shares /preference shares, (the "**Securities**") to be subscribed by foreign/domestic investors/ institutions and/or corporate bodies/entities including mutual funds, banks, insurance companies and / or individuals or otherwise, whether or not such persons/entities/investors are members of the Company whether in one or more currency, such issue and allotment to be made at such time or times in one or more tranche or tranches, at par or at such price or prices, and on such terms and conditions and in such manner as the Board may, in Its absolute discretion think fit, in consultation with the lead managers, underwriters, advisors or other intermediaries provided that the issue of Securities as aforesaid shall not result in increase of the issued subscribed and paid-up capital of the Company by more than 25% (twenty five per cent) of the then post-issued, subscribed and paid-up equity share capital of the Company;

**RESOLVED FURTHER THAT** without prejudice to the generality of the above, the issue of Securities may have all or any terms or combination of terms including conditions in relation to payment of interest, additional interest, premium on redemption, prepayment and any other debt service payments whatsoever, and all such other terms as are provided in securities offerings of this nature including terms for issue of the Securities or variation of the conversion price of the Securities during the duration of the Securities;

**RESOLVED FURTHER THAT** the "relevant date" for pricing of the Securities, under the GDR/ADR/FCCB or any other mode shall be as per the Issue of Foreign Currency Convertible Bonds and Ordinary Shares (through Depository Receipt Mechanism) Scheme, 1993 for the time being in force, will be the date thirty days prior to the date of the holding of the general meeting at which this resolution is considered and approved;

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to appoint and enter into and execute all such arrangements/agreements, as the case may be, with lead managers, managers, underwriters, bankers, financial

institutions, solicitors, advisors, guarantors, depositories, custodians and other aforesaid intermediaries in such offerings of Securities and to remunerate all such agencies/ intermediaries as may be required including the payment to such agencies/ intermediaries of commission, brokerage, fees, remuneration for their services or the like and expenses incurred in relation to the issue of Securities and also to seek the listing of such Securities on one or more stock exchanges, including international stock exchanges, wherever permissible;

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to enter into any arrangement with any agency or body for the issue of Securities in registered or bearer form with such features and attributes as are prevalent in capital markets for instruments of this nature and to provide for the tradability or free transferability thereof as per the domestic and/or international practice and regulations, and under the norms and practices prevalent in securities markets in overseas jurisdictions;

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all such acts, deeds, matters and things as it may at its absolute discretion deem necessary or desirable for such purpose with power to the Board to settle all questions, difficulties or doubts that may arise in regard to the issue, offer or allotment of Securities and utilization of proceeds including but without limitation to the creation of such mortgage/charge under Sec. 293(1)(a) of the said Act in respect of the aforesaid Securities either on *pari passu* basis or otherwise, as it may in its absolute discretion deem fit without being required to seek any further consent or approval of the Members or otherwise to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution;

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to delegate all or any of the powers herein conferred to any Committee of Directors or the Chairman or any other officers/authorized representatives of the Company to give effect to this resolution.”

The resolution was put to vote and on a show of hands was declared as passed *nem con.*

**Item No. 11:**

Mr. G.P. Reddy proposed the following as a Special Resolution which was seconded by Mr. Vinod Chavare:

**“RESOLVED THAT** in accordance with the provisions of Sections 80, 81 (1A) and all other applicable provisions, if any, of the Companies Act, 1956, and Article 8 and all other enabling provisions of the Articles of Association of the Company and the applicable laws, rules, regulations, guidelines, clarifications

and approvals issued by any statutory body or regulatory authority and subject to such approvals/consents/permissions/sanctions as may be required in accordance with applicable laws, rules, regulations and guidelines and subject to such conditions as such bodies or authorities may impose at the time of granting their approvals/consents/permissions/sanctions and which may be agreed to by the Board of Directors of the Company ( the '**Board**' which term shall include any Committee which the Board of Directors may have constituted or may hereafter constitute for the time being for exercising the powers conferred on the Board of Directors by this Resolution), consent of the members be and is hereby accorded to the Board to roll over on existing terms and conditions 1,50,00,000 ( One crore fifty lakhs) Redeemable Non-cumulative Preference Shares of face value Re. 1/- (Rupee One only) each of the Company issued at a price of Rs. 1,000/- (Rupees One thousand only) each i.e. at a premium of Rs. 999/- (Rupees Nine hundred and ninety- nine only) per Share and allotted on 26.11.2007 to certain members of the Promoter Group which are due for redemption on 25.11.2009 to the intent that the said Preference Shares will be redeemed at a later date as hereafter stated;

**RESOLVED FURTHER THAT** the said Preference Shares shall continue to carry a preferential right to dividend of 1% (one per cent) per annum;

**RESOLVED FURTHER THAT** the said Preference Shares shall in respect of capital, on a winding-up or repayment of capital, carry a preferential right for repayment in priority to the equity shares to the Company but shall not carry any further or other right to participate either in the profits or assets of the Company;

**RESOLVED FURTHER THAT** the said Preference Shares shall be redeemable on the expiry of 2 (two) years from the date of roll over (i.e. two years from 25.11.2009) with an option to the Company / the preference shareholder (s) to redeem the same earlier but not before the expiry of one year from the said date of roll over;

**RESOLVED FURTHER THAT** the redemption of the said Preference Shares shall be at a premium of 6% (six per cent) per annum from the date of allotment over and above the total issue price of Rs.1000/- per share and the premium will be proportionate to the period of holding of these shares;

**RESOLVED FURTHER THAT** for the purpose of giving effect to the above , the Board be and is hereby authorized to take all actions and do all acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, proper, desirable or expedient to the issue and allotment of the said shares and to resolve and settle all questions, difficulties or doubts that may arise in regard to the issue, offer or allotment of shares and utilization of proceeds, as it may in its absolute discretion deem fit without being required to seek any further consent or approval of the Members or otherwise to the end and intent that the

members shall be deemed to have given their approval thereto expressly by the authority of this Resolution;

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to delegate all or any of the powers herein conferred in such manner as they may deem fit.”

The resolution was put to vote and on a show of hands was declared as passed *nem con.*

**Item No. 12:**

Mr. D.K. Lunawat proposed the following as a Special Resolution which was seconded by Mr. A. Datta:

**“RESOLVED THAT** in supercession of all resolutions passed in this regard and pursuant to applicable provisions of the Companies Act, 1956 , the Registers and Records of the Company that are available for inspection by the members of the Company be kept open for inspection, at the Registered Office of the Company, by the persons entitled thereto and in the manner provided under the respective provisions of the Companies Act, 1956 (hereafter referred to as the **“Act”**) between 12:00 noon and 2:00 pm. on any working day unless the same be closed under the provisions of the Act or the Articles of Association of the Company or on account of being declared a public holiday or otherwise by law.”

The resolution was put to vote and on a show of hands was declared as passed *nem con.*

**8. Vote of Thanks:**

Mr. Gaurav Jain proposed a vote of thanks to the Chair which was seconded by Mr. A. Datta. Thereafter, the Chairman declared the meeting as concluded.

Place: Mumbai,  
Dated: 25<sup>th</sup> September, 2009.

**K.M.Doongaji**  
**Chairman**