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**Minutes of the Extra Ordinary General Meeting of the Members of Patel Engineering Limited held at 3.30 pm on Wednesday, March 19, 2014 at Shree Saurashtra Patel Samaj, Patel Estate Road, Jogeshwari (West), Mumbai- 400102.**

Members in person:	72
Proxies in person:	15
Total	87

The following Directors were present:

Mr. Rupen Patel  
 Mr. K. Kannan  
 Mr. Khizer Ahmed  
 Ms Silloo Patel  
 Mr. Nimish Patel

Mr. Sharad Zalawadia

*IN ATTENDANCE : MS. SHOBHA SHETTY, COMPANY SECRETARY.*

The Directors occupied the podium at 3.20 p.m. sharp.

Mr. Hemant Pamar, Chartered Accountant, was present on behalf of Vatsaraj & Co. Auditors.

**Proceedings:**

Mr. Pravin Patel, Chairman of the Board was unwell and could not attend the meeting. In his absence, the Directors present elected Mr. K. Kannan, Director of the Company to Chair this meeting. Mr. Kannan informed the Members that Mr. Jambunathan, Director was travelling and therefore could not attend the meeting.

**Welcome:**

The Chairman extended a warm welcome to all the Members of the Company.

The Chairman called the meeting to order after ascertaining the quorum.

The Chairman then requested the Members to note the following typographical error in the Notice dated February 14, 2014 convening the Extra Ordinary General Meeting (EGM):

- Page 13, point no. 4 (table) under the heading "Financial Performance", against Sr. no. 4 in column 2 under the head "Particulars", the words "Net Profit as per Section 198(read with Section 349 & 350 of the Companies Act, 1956" be replaced by the words "Maximum permissible limit under Section 309 of the Companies Act, 1956".
- Page 13, point no. 4 (table) under heading "Financial Performance", against Sr. no. 6, in column 3 under the head "year 2008-2009", the figure 0.75 be replaced by the figure 1.75.

With the consent of the Members, the Notice convening the EGM together with Explanatory Statement was taken as read. The following corrigendum to the notice of EGM was published by the Company in Free Press Journal and Nav Shakti on March 12, 2014 and the same was also taken as read by the Members along with the Notice.

Corrigendum : In Item 3 of the Explanatory Statement of the Notice bearing heading "Preferential issue of Optionally Convertible Preference Shares (OCPs)" at page 6, the following changes be noted:

1. In the table under the heading "Identity of the Proposed allottees", a column titled as "Natural Persons who are ultimate beneficial owners of the shares proposed to be allotted" be added after the column titled as "Address" and in the newly added column corresponding to serial no. 1, names of three natural persons are added i.e. Mr. Pravin Patel, Ms. Sonal Patel, and Mr. Rupen Patel. Similarly, corresponding to serial no. 2, names of three natural persons are added i.e. Mr. Pravin Patel, Ms. Sonal Patel, and Mr. Rupen Patel.

HELD AT

ON

TIME

2. Under the heading "Lock- in period", the words "preferential allotment" appearing in the 2<sup>nd</sup> line be replaced by words "trading approval". The words "allotment" appearing on 4<sup>th</sup> and 5<sup>th</sup> line be replaced by words " trading approval". The words "after the receipt of trading approval as mentioned above" be added after the word "Company" and before the word " subject" on the 6<sup>th</sup> line.

Before moving the resolutions mentioned in the Notice, the Chairman explained to the Members in brief the need for issue of Optionally Convertible Preference Shares to promoters and other items of the Notice.

The Chairman requested the Members to raise queries on the agenda item of the Notice. The Chairman after answering the queries of the members, moved resolution no. 1 to vote as an Ordinary Resolution which was proposed by Mr. Bharat Shah and seconded by Mr. Kirit Desai.

**Resolution No. 1: Alteration to capital clause of the Memorandum of Association.**

"RESOLVED that pursuant to Sections 16, 94 and other applicable provisions of the Companies Act, 1956, the Authorised Share Capital of the Company be and is hereby divided into 23,00,00,000 Equity Shares of Re.1 each aggregating to ₹ 23,00,00,000 (Rupees Twenty Three Crore Only) and 2,00,00,000 Redeemable Preference Shares of Re.1 each aggregating to ₹ 2,00,00,000 (Rupees Two Crore Only) and consequently the existing Clause V of the Memorandum of Association of the Company relating to Share Capital be and is hereby altered by substituting in place thereof, the following as new Clause V.

V. The Authorised Share Capital of the Company is ₹ 25,00,00,000 (Rupees Twenty Five Crore Only) divided into 23,00,00,000 Equity Shares of Re.1 each aggregating to ₹ 23,00,00,000 (Rupees Twenty Three Crore Only) and 2,00,00,000 Redeemable Preference Shares of Re.1 each aggregating to ₹ 2,00,00,000 (Rupees Two Crore Only)."

The Chairman then put the resolution to vote and on show of hands declared the same to have been carried as an Ordinary Resolution with requisite majority. Mr. Beruz Pouredahi, one of the shareholder holding 5 shares of the Company dissented on the said resolution. However, no reason for the dissent was given by him.

**Resolution No. 2: Alteration to the Articles of Association.**

The following Special Resolution was proposed by Mr. Mapara and seconded by Mr. Y. M. Clark.

"RESOLVED that pursuant to Sections 31, and other applicable provisions of the Companies Act, 1956, the Authorised Share Capital of the Company be and is hereby divided into 23,00,00,000 Equity Shares of Re.1 each aggregating to ₹ 23,00,00,000 (Rupees Twenty Three Crore Only) and 2,00,00,000 Redeemable Preference Shares of Re.1 each aggregating to ₹ 2,00,00,000 (Rupees Two Crore Only) and consequently the existing Article 4 of the Articles of Association of the Company relating to Share Capital be and is hereby altered by substituting in place thereof, the following as new Article 4.

**"Article 4:**

The Authorised Share Capital of the Company is ₹ 25,00,00,000 (Rupees Twenty Five Crore Only) divided into 23,00,00,000 Equity Shares of Re.1 each aggregating to ₹. 23,00,00,000 (Rupees Twenty Three Crore Only) and 2,00,00,000 Redeemable Preference Shares of ₹ 1 each aggregating to ₹ 2,00,00,000 (Rupees Two Crore Only) with a power to increase or reduce the capital and to divide and sub-divide shares into several classes and to attach thereto respectively such preferential, qualified or special rights, privileges, or conditions as may be determined by or in accordance with the Articles of Association of the Company for the time being and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may be permitted by the Companies Act, 1956 or as provided by the Articles of Association of the Company for the time being.

HELD AT

ON

TIME

The Chairman then put the resolution to vote and on show of hands declared the same to have been carried as a Special Resolution with requisite majority. Mr. Beruz Pouredehi, one of the shareholder holding 5 shares of the Company dissented on the said resolution. However, no reason for the dissent was given by him.

**Resolution No. 3: Preferential issue of Optionally Convertible Preference Shares ("OCPS"):**

The following Special Resolution was proposed by Mr. Kirit Desai and seconded by Mr. Y. M. Clark.

"RESOLVED that pursuant to the provisions of Sections 80, 81, 81(1A) and all other applicable provisions, if any, of the Companies Act, 1956 (hereinafter referred to as the "Companies Act") (including any statutory modification or re-enactment thereof for the time being in force), read with the Memorandum of Association and Articles of Association of the Company and the Listing Agreements entered into with the Bombay Stock Exchange Ltd. and the National Stock Exchange of India Ltd., where the Company's Equity Shares are listed, Regulations for Preferential Issue contained in Chapter VII of the SEBI (Issue of Capital & Disclosure Requirements) Regulations, 2009 and the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as may be modified or re-enacted from time to time (hereinafter referred as "SEBI Regulations") the applicable Rules, Notifications, Regulations issued by the Government of India, Securities and Exchange Board of India ("SEBI") and subject to the approvals, consents, permissions, sanctions of the Stock Exchanges, SEBI or all concerned statutory and other authorities as may be necessary, and subject to such conditions and modifications as may be prescribed, stipulated or imposed by any of them while granting such approvals, consents, permissions, sanctions, the Board of Directors of the Company (hereinafter referred to as "the Board"), which term shall be deemed to include any Committee of the Directors for the time being, exercising the power conferred to the Board, be and is hereby authorised on behalf of the Company to create, offer, issue and allot upto 69,79,131 Zero Coupon Optionally Convertible Preference Shares ("OCPS") of Re. 1 each fully paid-up aggregating upto ₹ 69,79,131 convertible into Equity Shares of the Company on terms and conditions mentioned hereinafter in this Resolution to the Promoters of the Company as set out hereunder on Preferential basis (hereinafter referred to as the "proposed allottees"), with an option to the proposed allottees to convert, either partially or entire OCPS, in one or more tranches, in one or more financial year."

S.No.	Name	Address	Maximum No. of OCPS proposed to be issued
1	Praham India LLP	201, Hamara Building, opp. Gurunanak Park, Off Turner Road, Bandra (W), Mumbai - 400050.	26,17,174
2	Patel Corporation LLP	201, Hamara Building, opp. Gurunanak Park, Off Turner Road, Bandra (W), Mumbai - 400050.	43,61,957
	<b>TOTAL</b>		<b>69,79,131</b>

"RESOLVED FURTHER that OCPS shall be issued by the Company on Preferential basis on the following terms and conditions:

- (i) The proposed allottees may opt, by giving in writing 2 days advance notice to the Company, to convert OCPS, partially or fully, into Equity Shares of Re. 1 each, within a period of 18 months from the date of allotment of OCPS, in one or more tranches, in one or more financial year, at a price of ₹ 57.50 each (including securities premium of ₹ 56.50) determined as per Regulation 76 of the SEBI (ICDR) Regulations, 2009. The balance remaining, if any after exercise of all the options before the expiry of 18 months, shall be redeemed after a period of 10 years from the date of allotment or earlier at the option of the Company but not earlier than 7 years from the date of allotment.

HELD AT

ON

TIME

- (ii) OCPS / Equity shares to be issued on conversion of OCPS, to be issued as above, shall be locked-in for a period as prescribed in the SEBI (ICDR) Regulations. On conversion of any OCPS into Equity Shares, such shares shall also be locked-in for a period of 3 years / 1 year as prescribed under the SEBI (ICDR) Regulations. However, the lock-in period, of such Equity Shares allotted pursuant to the conversion of OCPS issued on Preferential Basis, shall be reduced to the extent OCPS have already been locked-in.
- (iii) The Equity Shares issued on opting for conversion, shall rank pari passu in all respects with the then existing Equity Shares of the Company.
- (iv) The entire amount of consideration payable towards subscription of OCPS shall be appropriated out of the amount already brought-in by the proposed allottees by way of unsecured loan.
- (v) Upon receipt of the conversion notice, the Board/ Committee shall allot appropriate number of Equity Shares to the proposed allottees.
- (vi) Subject to applicable statutes, in the event of the proposed allottees not opting to convert, OCPS will be redeemed after a period of 10 years from the date of allotment or earlier at the option of the Company but not earlier than 7 years from the date of allotment.
- (vii) OCPS by itself do not give to the proposed allottees any rights of the Equity Shareholders of the Company unless converted into Equity Shares of the Company."

"RESOLVED FURTHER that the Relevant Date for the purpose of calculating the minimum price for OCPS under Chapter VII of the SEBI (ICDR) Regulations, 2009 will be February 17, 2014, being the date 30 days prior to the date of passing of this Resolution."

"RESOLVED FURTHER that the Equity Shares, if allotted on the conversion of OCPS, shall rank pari passu in all respects with the then existing Equity Shares of the Company."

"RESOLVED FURTHER that for the purpose of giving effect to this Resolution, the Board of Directors/ Committee thereof be and is hereby authorised, on behalf of the Company, to take all actions and do all such deeds and things as it may, in its absolute discretion, deem necessary, desirable or expedient with respect to the issue or allotment of the aforesaid OCPS and Equity Shares, if allotted upon exercise of rights attached to such OCPS and to list such Equity Shares with the Stock Exchanges, as may be appropriate, and to resolve and settle all questions or difficulties or doubts that may arise in connection with the proposed offer, issue and allotment of the said OCPS and / or Equity Shares, if allotted upon exercise of rights attached to such OCPS and to do all acts, deeds and things in connection therewith and incidental thereto as the Board 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 they shall be deemed to have given their approval thereto expressly by the authority of this resolution."

"RESOLVED FURTHER that the Board of Directors of the Company be and is hereby authorized to delegate any or all the powers conferred upon it by this Resolution, to any Committee or to any individual so authorized by the Board."

The Chairman then put the resolution to vote and on show of hands declared the same to have been carried as a Special Resolution with requisite majority. Mr. Beruz Pouredehi, one of the shareholder holding 5 shares of the Company dissented on the said resolution. However, no reason for the dissent was given by him.

**Resolution No. 4: Increase in the Borrowing powers of the Board of Directors:**

The following Special Resolution was proposed by Ms. Smifa Shah and seconded by Ms. Nalini Lakhani.

"RESOLVED that in supersession of all the earlier resolution passed in this regard, consent of the Company be and is hereby accorded, pursuant to Section 180(1)(c) and (2) and other applicable provisions, if any, of the Companies Act, 2013, to the Board of Directors of the Company or any Committee thereof as may be authorised by the Board in this behalf for borrowing from time to time, any sum or sums of money for the purposes of the Company, upon such terms and conditions and with or without security, in Indian/Foreign Currency, as the Board of Directors or any Committee thereof as

HELD AT

ON

TIME

may be authorised by the Board in this behalf for borrowing from time to time, any sum or sums of money for the purposes of the Company, upon such terms and conditions and with or without security, in Indian/Foreign Currency, as the Board of Directors or any Committee thereof as may be authorised by the Board in this behalf may in its absolute discretion think fit, notwithstanding that the money or monies to be so borrowed by the Company (apart from temporary loans obtained or to be obtained from time to time from the Company's Bankers in the ordinary course of business) together with the sums already borrowed, may 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 however that the sums so borrowed and remaining outstanding on account of principal shall not, at any time, exceed ₹ 7,500 crores (Rupees seven thousand five hundred Crores only)."

The Chairman then put the resolution to vote and on show of hands declared the same to have been carried as a Special resolution with requisite majority. Mr. Beruz Pouredehi, one of the shareholder holding 5 shares of the Company dissented on the said resolution. However, no reason for the dissent was given by him.

**Resolution No. 5: Payment of Minimum Remuneration to Mr. Rupen Patel, Managing Director for the FY 2013-14 :**

The following Special Resolution was proposed by Mr. Kirit Shah and seconded by Mr. Mahendra Kumar Agrawal.

"**RESOLVED** that pursuant to the provisions of Sections 198 and 309 read with Schedule XIII and all other applicable provisions of the Companies Act, 1956, including the rules made there under and any amendments thereto or any statutory modification or re-enactment thereof for the time being in force ("the Act") and subject to the approval of the Central Government and all other sanctions, approvals and permissions as may be required and subject to such conditions and modifications as may be imposed or prescribed by any of the authorities while granting such sanctions, approvals and permissions, the Company hereby accords its approval for the payment of Minimum Remuneration, as set out below, to Mr. Rupen Patel, Managing Director, for financial year 2013-14;

(Amount in ₹)

Financial Year	Salary (p.a.)	Perquisites & Allowances (p.a.)	Total (p.a.)
2013 - 14	53,62,500	68,55,063	1,22,17,563

**RESOLVED FURTHER** that the Board of Directors of the Company (hereinafter referred to as the 'Board' which term shall be deemed to include any duly authorized Committee thereof, for the time being exercising the powers conferred on the Board by this Resolution, including the Remuneration Committee) be and is hereby authorized to revise, amend, alter and/or vary the terms and conditions in relation to the above Minimum Remuneration in such manner as may be permitted in accordance with the provisions of the Act and/or to the extent as may be required, by the Central Government while according their approval;

**RESOLVED FURTHER** that or the purpose of giving effect to this resolution, the Board be and is hereby authorized to do all such acts, deeds, matters and things as it may, in its absolute discretion deem necessary, proper or desirable including but not limited to making of an application to regulatory authorities, execution of necessary documents and to settle any questions, difficulties and/or doubts that may arise in this regard in order to implement and give effect to the foregoing resolution."

The Chairman then put the resolution to vote and on show of hands declared the same to have been carried as a Special resolution with requisite majority.

HELD AT

ON

TIME

**Resolution No. 6 : Payment of Minimum Remuneration to Mr. Nimish Patel, Whole time Director for the FY 2013-14:**

The following Special Resolution was proposed by Mr. Mapara and seconded by Mr. Kirit Shah

"**RESOLVED** that pursuant to the provisions of Sections 198 and 309 read with Schedule XIII and all other applicable provisions of the Companies Act, 1956, including the rules made thereunder and any amendments thereto or any statutory modification or re-enactment thereof for the time being in force ("the Act") and subject to the approval of the Central Government and all other sanctions, approvals and permissions as may be required and subject to such conditions and modifications as may be imposed or prescribed by any of the authorities while granting such sanctions, approvals and permissions, the Company hereby accords its approval for the payment of Minimum Remuneration, as set out below, to Mr. Nimish Patel, Whole time Director, for financial year 2013-14;

(Amount in ₹)

Financial Year	Salary (p.a.)	Perquisites & Allowances (p.a.)	Total (p.a.)
2013 - 14	39,93,000	53,04,035	92,97,035

**RESOLVED FURTHER** that the Board of Directors of the Company (hereinafter referred to as the 'Board' which term shall be deemed to include any duly authorized Committee thereof, for the time being exercising the powers conferred on the Board by this Resolution, including the Remuneration Committee) be and is hereby authorized to revise, amend, alter and/or vary the terms and conditions in relation to the above Minimum Remuneration in such manner as may be permitted in accordance with the provisions of the Act and/or to the extent as may be required, by the Central Government while according their approval;

**RESOLVED FURTHER** that for the purpose of giving effect to this resolution, the Board be and is hereby authorized to do all such acts, deeds, matters and things as it may, in its absolute discretion deem necessary, proper or desirable including but not limited to making of an application to regulatory authorities, execution of necessary documents and to settle any questions, difficulties and/or doubts that may arise in this regard in order to implement and give effect to the foregoing resolution."

The Chairman then put the resolution to vote and on show of hands declared the same to have been carried as a Special resolution with requisite majority. Mr. Beruz Pouredehi, one of the shareholder holding 5 shares of the Company dissented on the said resolution. However, no reason for the dissent was given by him.

**Resolution 7 : Payment of Minimum Remuneration to Ms. Silloo Patel, Whole time Director for the FY 2013-14:**

The following Special Resolution was proposed by Ms. Smita Shah and seconded by Mr. Motiram Vakil.

"**RESOLVED** that pursuant to the provisions of Sections 198 and 309 read with Schedule XIII and all other applicable provisions of the Companies Act, 1956, including the rules made thereunder and any amendments thereto or any statutory modification or re-enactment thereof for the time being in force ("the Act") and subject to the approval of the Central Government and all other sanctions, approvals and permissions as may be required and subject to such conditions and modifications as may be imposed or prescribed by any of the authorities while granting such sanctions, approvals and permissions, the Company hereby accords its approval for the payment of Minimum Remuneration, as set out below, to Mr. Silloo Patel, Whole time Director, for financial year 2013-14;

HELD AT

ON

TIME

(Amount in ₹)			
Financial Year	Salary (p.a.)	Perquisites & Allowances (p.a.)	Total (p.a.)
2013 - 14	39,93,000	33,07,535	73,00,535

**RESOLVED FURTHER** that the Board of Directors of the Company (hereinafter referred to as the 'Board' which term shall be deemed to include any duly authorized Committee thereof, for the time being exercising the powers conferred on the Board by this Resolution, including the Remuneration Committee) be and is hereby authorized to revise, amend, alter and/or vary the terms and conditions in relation to the above Minimum Remuneration in such manner as may be permitted in accordance with the provisions of the Act and/or to the extent as may be required, by the Central Government while according their approval;

**RESOLVED FURTHER** that for the purpose of giving effect to this resolution, the Board be and is hereby authorized to do all such acts, deeds, matters and things as it may, in its absolute discretion deem necessary, proper or desirable including but not limited to making of an application to regulatory authorities, execution of necessary documents and to settle any questions, difficulties and/or doubts that may arise in this regard in order to implement and give effect to the foregoing resolution."

The Chairman then put the resolution to vote and on show of hands declared the same to have been carried as a Special resolution with requisite majority. Mr. Beruz Pouredehi, one of the shareholder holding 5 shares of the Company dissented on the said resolution. However, no reason for the dissent was given by him.

**Resolution No. 8 : Re-Appointment of Mr. Rupen Patel as the Managing Director :**

The following Special Resolution was proposed by Mr. Rajendra Seth and seconded by Mr. Joseph Martin.

"**RESOLVED** that subject to the provisions of Section 198, 269, 309, Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 (the Act) and any amendment, re-enactment thereof, the Rules, Regulations, Guidelines and Circulars thereto, Mr. Rupen Patel be re-appointed as Managing Director of the Company for a period of five years effect from April 1, 2014, upon the terms and conditions as set out in the Explanatory Statement annexed to this Notice convening the meeting, including remuneration to be paid in the event of no profit or inadequacy of profits in any financial year, with a liberty to Directors to alter and vary the terms and conditions of the said appointment in such manner as may be agreed to between the Board of Directors and Mr. Rupen Patel."

The Chairman put the resolution to vote by show of hands and declared the same to have carried unanimously as a Special Resolution.

**Resolution No. 9 : Re-Appointment of Mr. Nimish Patel as a Whole time Director :**

The following Special Resolution was proposed by Mrs. Smita Shah and seconded by Mr. Motiram Vakil.

"**RESOLVED** that subject to the provisions of Section 198, 269, 309, Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 (the Act) and any amendment, re-enactment thereof, the Rules, Regulations, Guidelines and Circulars thereto, Mr. Nimish Patel be appointed as a Whole-Time Director of the Company for a period of three years effect from April 1, 2014, upon the terms and conditions as set out in the Explanatory Statement annexed to this Notice convening the meeting, including remuneration to be paid in the event of no profit or inadequacy of profits in any financial year, with a liberty to Directors to alter and vary the terms and conditions of the said appointment in such manner as may be agreed to between the Board of Directors and Mr. Nimish Patel."

The Chairman put the resolution to vote by show of hands and declared the same to have carried unanimously as a Special Resolution.

HELD AT

ON

TIME

**Resolution No. 10: Appointment of Mr. Ashwin Parmar as a Whole time Director :**

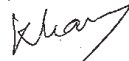
The following Special Resolution was proposed by Mr. Joseph Martin and seconded by Mr. Nitin Gandhi.

**"RESOLVED** that subject to the provisions of Section 198, 269, 309, Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 (the Act) and any amendment, re-enactment thereof, the Rules, Regulations, Guidelines and Circulars thereto, Mr. Ashwin Parmar be appointed as a Whole-Time Director of the Company for a period of three years effect from April 1, 2014, upon the terms and conditions as set out in the Explanatory Statement annexed to this Notice convening the meeting, including remuneration to be paid in the event of no profit or inadequacy of profits in any financial year, with a liberty to Directors to alter and vary the terms and conditions of the said appointment in such manner as may be agreed to between the Board of Directors and Mr. Ashwin Parmar."

The Chairman put the resolution to vote by show of hands and declared the same to have carried unanimously as a Special Resolution.

There being no other business to transact, the meeting terminated with a vote of thanks to the Chair by Mr. Motiram Yakil, a shareholder of the Company.

Mumbai  
March 31, 2014

**CHAIRMAN**