

**ZENITH COMPUTERS LIMITED**

**MINUTES OF THE 34<sup>TH</sup> ANNUAL GENERAL MEETING OF THE COMPANY HELD AT 11.30 A.M. ON SATURDAY, 23<sup>RD</sup> AUGUST, 2014 AT THE AUDITORIUM OF HOTEL ABBOTT, SECTOR 2, NEAR VASHI BUS STAND, VASHI, NAVI MUMBAI 400 703.**

**DIRECTORS PRESENT : MR. RAJKUMAR SARAF  
CHAIRMAN & MANAGING DIRECTOR (IN THE CHAIR)  
MR. VIJAY RAM MUKHI  
MR. VIPIN M. SHAH**

Members Present in Person / Through Proxy							
Promoter Group		Institutional Members		Public		Total	
Present in Person (No.)	Present by Proxy (Shares)	Present in Person (No.)	Present by Proxy (Shares)	Present in Person (No.)	Present by Proxy (Shares)	Present in Person - No. & (Shares)	Present by Proxy (Shares)
3 (38,31,541)	NIL	NIL	NIL	83 (10,846 )	NIL	86 (38,42,387)	NIL (NIL)
Members Present through Video Conferencing							
Promoter Group		Institutional Members		Public		Total	
Present in Person (Shares)		Present in Person (Shares)		Present in Person		Present in Person	
NIL		NIL		NIL		NIL	

MEMBERS PRESENT IN PERSON : 86 (Representing 38,42,387 Shares)  
MEMBERS PRESENT BY PROXY : NIL  
TOTAL : 86 (Representing 38,42,387 Shares)

**1. CHAIRMAN'S OPENING REMARKS**

The Chairman and Managing Director, Mr. R K Saraf, welcomed the members to the 34<sup>th</sup> Annual General Meeting of the Company and stated that the requisite quorum of 30 members present in person as per the new Companies Act, 2013 was present and called the meeting to order.

The Chairman stated that the Notice of this Meeting was already circulated to the members. On the suggestion of the members, the Notice dated 10<sup>th</sup> July, 2014 convening the 34<sup>th</sup> Annual General Meeting was taken as read.

**2. REGISTER OF DIRECTORS' SHAREHOLDINGS**

The Chairman announced that the Register of Directors' shareholdings maintained under Section 171(1)(b) of the Companies Act, 2013 was open for inspection of the members.

**3. PROXIES**

The Chairman informed the meeting that the Company has not received any Proxies; the Company has however received Representations from 2 Corporate Shareholders holding 16,92,224 Equity Shares along with the certified copies of the Resolutions of the respective Boards of Directors pursuant to Section 113 of the Companies Act, 2013, appointing 2 Authorized Representatives for attending this Meeting and for voting thereat. The Combines Register containing the Proxy

**FOR ZENITH COMPUTERS LTD.**

*R. S. Sankar*

Company Secretary

Register and the Register of Corporate Representatives was placed on the table. The Chairman announced that any Member desiring to inspect the said Registers may do so during the meeting.

The Chairman requested Mr. Ramesh Sanghvi, Company Secretary, to read the Auditors' Report to the Shareholders for the year ended 31<sup>st</sup> March, 2014. Mr. Ramesh Sanghvi read out the 'Independent Auditors Report' of the Auditors. On the suggestion of some members the Annexure to the said Report was taken as read.

#### 4. AUDITORS' REPORT

Mr. Ramesh Sanghvi, the Company Secretary, read out the 'Independent Auditors Report'. On the suggestion of some members, the Annexure to the Report was taken as read.

#### 5. CHAIRMAN'S STATEMENT

The Chairman then addressed the members of the Company on the current year's performance of the Company and the future prospects in the light of the world economic and political scenario and the Indian markets.

The Scrutinizer appointed for the e-Voting conducted from 17<sup>th</sup> August, 2014 to 19<sup>th</sup> August, 2014, Mr. Mohan Akella, Practising Company Secretary, submitted his Report on the Results of the e-Voting to the Chairman.

The Chairman announced that he has appointed, *suo motto*, Mr. Mohan Akella, Company Secretary in Practice, as the Scrutinizer for conducting the Poll process also.

The Chairman announced that in view of the electronic Voting having already taken place from 17<sup>th</sup> August, 2014 to 19<sup>th</sup> August, 2014 and the exercise of casting the votes by paper Ballots by the Members who have not exercised their votes by the e-Voting module of CDSL is now under way, the Ordinary Resolution regarding the adoption of audited accounts for the year ended 31<sup>st</sup> March, 2014 will be read out by Mr. Ramesh Sanghvi, the Company Secretary, for the benefit of the Members.

#### 6. ADOPTION OF DIRECTORS' REPORT AND AUDITED ACCOUNTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2014 - ORDINARY RESOLUTION

Mr. Ramesh Sanghvi read out the following ORDINARY RESOLUTION:-

"RESOLVED THAT the Profit and Loss Account for the year ended 31<sup>st</sup> March 2014 and the Balance Sheet as at that date and the Reports of the Directors and the Auditors thereon be and are hereby received and adopted".

The Chairman invited the members to raise any questions they might have on and pertaining to the Accounts of the Company for the year ended 31<sup>st</sup> March, 2014.

Mr. Prakash Vijaykar, Mr. Gautam Tiwari, Mr. Dharmesh Gosalia, Mr. P.K. Agnihotri, Mr. Aloysius Mascarenhas, Mr. Yusuf Rangwala, Mrs. Homayun Beruz Pouredehi, Mr. Kersi Bhot, Ms. Nafisa Rangwala, Mr. Mahesh Makhija and Mr. Vinod Agarwal, members of the Company addressed the meeting regarding their queries and comments on the audited Accounts for the year ended 31.3.2014:-

For ZENITH COMPUTERS LTD.

R. S. Sankhvi

Company Secretary

1. What are the prospects of the Company?
2. Is the Company bringing in any new products for enhancing the turnover and profitability?
3. We have not received the printed Annual Report – we have only received a e-mail with attachments of Annual Report (AR) – please send by post / courier the printed AR to us in addition to the e-mail.
4. Why does not the Company manufacture I-Pads, Mobiles accessories etc?
5. When will the Company become profitable?
6. How does the Company plan for future expansion?
7. When will the Company start paying dividends to shareholders?
8. How does the Company plan to take advantage of the Government's Digitization policy?

The Chairman addressed the queries raised and gave clarifications on the comments of the shareholders in the manner following:-

1. The Company does not intend to continue with the business of manufacture of Computers as the import duties at 13% make these products commercially unviable. In fact large Companies like WIPRO and HCL have already exited these businesses.
2. The Company is focusing on the areas of providing maintenance services and has presently taken over this space vacated by the large Companies - this segment shows promise of generating sustained revenues over longer periods of time.
3. The Company has sent e-mails with the Annual Report as an attachment in accordance with the 'Go Green' policy of the Government, as ordained in the new Companies Act, 2013 and the Rules brought into force in April, 2014, in order to conserve the environment – Annual Reports were sent by courier to those shareholders who do not have or have not furnished their e-mail IDs to the Company / Registrar and Transfer Agents / Demat Participants. Any shareholder desiring a printed copy of the Annual Report may write to the Company / RTA.
4. The Courier Company has furnished the list of Annual Reports with Proof of Delivery, and any shareholder desiring to check / verify the same from the RTA representatives present at the meeting. The RTA has also given a certificate of having sent 5,840 e-mails to the shareholders having e-mail IDs.
5. The Company's operations in the April – June 2014 Quarter have generated a Profit of Rs. 12.01 Lakhs as against a Loss of Rs. 923.27 Lakhs in the corresponding quarter of the previous year. This has become possible mainly due the Annual Maintenance Contracts for maintenance of Computers of various Corporate Entities, Banks and other Commercial Establishments and the Company expects increased revenues from this segment. The Company's efforts are geared to increase revenues to make sufficient Profits to be able to be on the Dividend Paying List.
6. The Company is of the view that while the replacement of PCs and Laptops is about 6 – 7 years – the time-line for replacing the I-Pads and Mobile Phones is about 2 – 3 years and as such the obsolescence of technology is at a faster of say 5 -6 months – hence it makes no virtue of doing business in these segments, Also the Software used in these businesses needs to be up-graded every 3 months to be of relevance in the market place which mainly consists of many small players.
7. The Government's road map for Digitization has not yet been made public, except for a policy announcement and it is premature to speculate on this area of business and the Company's plan.

For ZENITH COMPUTERS LTD.

R. S. Saubhik

Company Secretary

## 7. APPOINTMENT OF AUDITORS

The Chairman announced that in view of the electronic Voting having already taken place from 17<sup>th</sup> August, 2014 to 19<sup>th</sup> August, 2014 and the exercise of casting the votes by paper Ballots by the Members who have not exercised their votes by the e-Voting module of CDSL is now under way, the Ordinary Resolution regarding the adoption of audited accounts for the year ended 31st March, 2014 will be read out by Mr. Ramesh Sanghvi, the Company Secretary, for the benefit of the Members.

Mr. Ramesh Sanghvi read out the following ORDINARY RESOLUTION:-

“RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder, as amended from time to time, M/s. C. L. Khanna & Company, Chartered Accountants (Membership No. 004988) be and are hereby re-appointed as the Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the Thirty Seventh AGM of the Company to be held in the year 2017 (subject to ratification of their appointment at every AGM) at such remuneration plus service tax, out of pocket expenses, travelling and living expenses, etc., as may be mutually agreed between the Board of Directors of the Company and the Auditors.”

## 8. ELECTION OF DIRECTORS – APPOINTMENT OF MR. VIPIN M. SHAH AS AN INDEPENDENT DIRECTOR

The Chairman announced that in view of the electronic Voting having already taken place from 17<sup>th</sup> August, 2014 to 19<sup>th</sup> August, 2014 and the exercise of casting the votes by paper Ballots by the Members who have not exercised their votes by the e-Voting module of CDSL is now under way, the Ordinary Resolution regarding the adoption of audited accounts for the year ended 31st March, 2014 will be read out by Mr. Ramesh Sanghvi, the Company Secretary, for the benefit of the Members.

Mr. Ramesh Sanghvi read out the following ORDINARY RESOLUTION:-

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 a and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder, read with Schedule IV to the Act; as amended from time to time, Mr. Vipin Maneklal Shah (DIN 00453645), a non-executive Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company with effect from August 23, 2014 to August 22, 2019.”

The Chairman announced that the Poll has ended and that the Results of the electronic Voting as well as the Paper Ballot Voting will be announced at 11.30 A.M. on Monday, 25<sup>th</sup> August, 2014 at the Registered Office of the Company and will be published in 'The Free Press Journal' in English and in 'Navshakti' in Marathi on or before 27<sup>th</sup> August, 2014.”

For ZENITH COMPUTERS LTD.

R. S. Saulekh  
Company Secretary

The Summary of the Results of the e-Voting and of the Poll is as under:-

Item No. of the Notice	Voting Method	Category of Shareholders	Votes in Favour of the Resolution		Votes Against the Resolution		Invalid Votes
			Number of Votes	Percentage (%)	Number of Votes	Percentage (%)	
Item No. 1 of the Notice (As An Ordinary Resolution)	E-Voting	Promoters	8409755	98.27	Nil	Nil	Nil
		Public	148245	1.73	Nil	Nil	Nil
	Poll	Promoters	Nil	Nil	Nil	Nil	Nil
		Public	3256	99.8161	6	0.1839	205
	TOT	Promoters	8409755	98.27	Nil	Nil	Nil
		Public	151501	99.9960	6	0.0040	205
	<b>Whether Resolution Carried</b>			<b>YES - Carried with requisite majority</b>			
Item No. 2 of the Notice (As An Ordinary Resolution)	E-Voting	Promoters	8409755	98.2677	Nil	Nil	Nil
		Public	148244	1.7322	1	0.0001	Nil
	Poll	Promoters	Nil	Nil	Nil	Nil	Nil
		Public	3261	99.9693	1	0.0307	205
	TOT	Promoters	8409755	98.2677	Nil	Nil	Nil
		Public	151505	99.9987	2	0.0013	205
	<b>Whether Resolution Carried</b>			<b>YES - Carried with requisite majority</b>			
Item No. 3 of the Notice (As An Ordinary Resolution)	E-Voting	Promoters	8409755	98.2677	Nil	Nil	Nil
		Public	148244	1.7322	1	0.0001	Nil
	Poll	Promoters	Nil	Nil	Nil	Nil	Nil
		Public	3261	99.9693	1	0.0307	205
	TOT	Promoters	8409755	98.2677	Nil	Nil	Nil
		Public	151505	99.9987	2	0.0013	205
	<b>Whether Resolution Carried</b>			<b>YES - Carried with requisite majority</b>			

No of shareholders who cast their votes by e-voting is 15 – no Invalid votes

No of shareholders who cast their votes on Poll is 67- 3467 shares : Votes of 5 shareholders holding 205 shares were invalid.

All the Resolutions were passed under e-voting and Poll with requisite majority.

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

For ZENITH COMPUTERS LTD.

*R. S. Saubhik*

Company Secretary

*all*  
CHAIRMAN