



KALPATARU POWER TRANSMISSION LIMITED

Regd. Office: Plot No. 101, Part III, G.I.D.C. Estate,
Sector - 28, Gandhinagar - 382 028, India

NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that Thirty-first Annual General Meeting of the Shareholders of **KALPATARU POWER TRANSMISSION LIMITED** will be held on Saturday, 4th August, 2012 at 3.00 p.m. at KALPA-VRIKSHA LEARNING CENTRE, A-1 & A-2, GIDC Electronic Estate, Sector-25, Gandhinagar - 382 016 to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt the Balance Sheet as at March 31, 2012 and Profit and Loss Account for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To declare Dividend.
3. To appoint a Director in place of Mr. Narayan K. Seshadri, who retire by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. Vimal Bhandari, who retire by rotation and being eligible, offers himself for re-appointment.
5. To appoint a Director in place of Mr. Parag M. Munot, who retire by rotation and being eligible, offers himself for re-appointment.
6. To consider and, if thought fit, to pass, with or without modification(s), the following Resolution as an **Ordinary Resolution**:

"RESOLVED THAT M/s. Deloitte Haskins & Sells, Chartered Accountants, Ahmedabad be and are hereby reappointed as Statutory Auditor of the Company under Section 224 and other applicable provisions, if any, of the Companies Act, 1956 to hold office as such from the conclusion of this meeting until the conclusion of the next Annual General Meeting of the Company, at such remuneration, as may be decided by the Board / Audit Committee of the Board, plus reimbursement of out of pocket expenses, as may be incurred in the performance of their duties."

SPECIAL BUSINESS:

7. To consider and, if thought fit, to pass, with or without modification(s), the following Resolution as a **Special Resolution**:
"RESOLVED THAT pursuant to the provisions of Section(s) 198, 269, 309, 310 and 311 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 and subject to such approvals as may be necessary, the Company hereby approves the reappointment of Mr. Pankaj Sachdeva as Managing Director of the Company for a period

beginning from April 01, 2012 to March 31, 2014 upon such terms and conditions including remuneration as set out below:

I. Salary & Allowances:

| | |
|--------------|---------------------------|
| Basic Salary | : ₹ 8,50,000/- per month |
| Allowances | : ₹ 5,25,000/- per month |
| Total | : ₹ 13,75,000/- per month |

The above remuneration is inclusive of Company's contribution towards provident fund.

II. Perquisites:

PART-A :

- i. Housing : Free, hard / semi furnished accommodation, at Ahmedabad owned or hired by the Company.
- ii. Medical Expenses : Reimbursement of actual expenses upto ₹ 15,000/- per annum and premium for mediclaim policy for self and family.
- iii. Club Fee : The Company will arrange for single membership of a club at Ahmedabad.
- iv. Electricity & Water : Actual costs would be paid by the company against bills upto ₹ 42,000/- per annum.
- v. Books / Periodicals : Reimbursement upto ₹ 10,000/- per annum.
- vi. Professional Bodies : Annual membership fees upto ₹ 10,000/- per annum.
- vii. Servant : Reimbursement of ₹ 2,000/- per month.

PART-B :

- (i) Gratuity will be payable as per Payment of Gratuity Act, 1972.

PART-C:

- (i) Company's chauffer driven car will be provided for use of Company's business.
- (ii) Telephone will be provided at residence for business related use at company's expenses. Personal outstation calls shall be on personal account.
- (iii) Working hours/ days and leave rules would be as per company policy.

III. Performance Linked Incentive / Commission:

Such remuneration by way of profit linked incentive/commission, in addition to salary, perquisites and allowances calculated with reference to the net profits of the Company in a particular financial year as may be determined by the Remuneration Committee and /or by the

Board of Directors of the Company, subject to the overall ceiling stipulated in Sections 198, 309 and schedule XIII of the Companies Act, 1956.

Minimum Remuneration

In the event of loss or inadequacy of profits in any Financial Year, Mr. Pankaj Sachdeva shall, subject to the approval of the Central Government, if any required, be paid remuneration by way of Salary and Perquisites as specified above subject to the restriction, if any, set out in Schedule XIII of the companies Act 1956, from time to time.

Termination

The appointment may be terminated by either party giving to the other 3 months notice in writing. However, the appointment may be terminated by less than 3 months notice by mutual agreement between the parties.

8. To consider and, if thought fit, to pass, with or without modification(s), the following Resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Section(s) 198, 269, 309, 310 and 311 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 and subject to such approvals as may be necessary, the Company hereby approves the reappointment of Mr. Manish Mohnot as Executive Director of the Company for a period beginning from April 01, 2012 to March 31, 2015 upon such terms and conditions including remuneration as set out below:

I. Salary & Allowances:

| | |
|--------------|---------------------------|
| Basic Salary | : ₹ 7,75,000/- per month |
| Allowances | : ₹ 4,75,000/- per month |
| Total | : ₹ 12,50,000/- per month |

The above remuneration is inclusive of Company's contribution towards provident fund.

II. Perquisites :

PART - A:

- i. Medical Expenses : Reimbursement of medical expenses upto ₹ 15,000/- per annum and premium for Mediclaim policy for self and family.
- ii. Club Fee : The company shall pay membership fees of club at Mumbai.
- iii. Books/ Periodicals : Reimbursement upto ₹ 10,000/- per annum
- iv. Professional Bodies fees : Reimbursement upto ₹ 10,000/- per annum

PART- B:

- (i) Gratuity will be payable as per Payment of Gratuity Act, 1972.

PART- C:

- (i) Company's chauffeur driven car will be provided for use of company's business.
- (ii) Telephone at residence shall be provided for business related use at company's expenses. Personal outstation calls shall be on personal account.
- (iii) Working hours/days and leaves would be as per company policy.

III. Profit Link Incentive / Commission:

Such remuneration by way of profit linked incentive/commission, in addition to salary, perquisites and allowances calculated with reference to the net profits of the Company in a particular financial year as may be determined by the Remuneration Committee and /or by the Board of Directors of the Company, subject to the overall ceiling stipulated in Sections 198, 309 and schedule XIII of the Companies Act, 1956.

Minimum Remuneration:

In the event of loss or inadequacy of profits in any Financial Year, Mr. Manish Mohnot shall, subject to the approval of the Central Government, if any required, be paid remuneration by way of Salary and Perquisites as specified above subject to the restriction, if any, set out in Schedule XIII of the Companies Act, 1956, from time to time.

Termination

The appointment may be terminated by either party giving to the other 3 months notice in writing. However, the appointment may be terminated by less than 3 months notice by mutual agreement between the parties.

9. To consider and, if thought fit, to pass with or without modifications, the following Resolution as an **Ordinary Resolution**:

Delegation of powers to the Board of Directors for creation of charge:

"RESOLVED THAT in suppression of the resolution passed by the members of the Company through Postal Ballot declared on 21st November, 2009, the consent of the Company be and is hereby granted in terms of Section 293(1)(a) and all other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification or re-enactment thereof, for the time being in force), to the Board of Directors to mortgage and/or charge, in addition to the mortgages and/or charges created/to be created by the Company, in such form and manner and with such ranking as to priority and for such time and on such terms as the Board may determine, all or any of the movable and/or immovable, tangible and/or intangible properties of the Company, both present and future and/or the whole or any part of the undertaking(s) of the Company together with the power to take over the management of the business and concern of the Company in certain event of default, in favour of the lender(s), agent(s), trustee(s)

for securing the borrowing of the Company availed / to be availed by way of loan(s) (in foreign currency and/or rupee currency) and securities (comprising fully/partly convertible debentures and/or non-convertible debentures with or without detachable or non-detachable warrants and/or secured premium notes and/or floating rates notes/bonds or other debt instruments), issued/to be issued by the Company, from time to time, not exceeding an amount of ₹ 7,500 Crore, together with interest at the respective agreed rates, additional interest, compound interest in case of default, accumulated interest, liquidated damages, commitment charges, premia on pre-payment, remuneration of agent(s)/ trustee(s), premium (if any) on redemption, all other costs, charges and expenses, including any increase as a result of devaluation/revaluation/fluctuation in the rates of exchange and all other monies payable by the Company in terms of loan agreement(s), heads of agreement(s), debenture trust deed or any other document entered into/to be entered into between the Company and the lender(s) / agent(s) / trustee(s), in respect of the said loans / borrowings / debentures and containing such specific terms and conditions and covenants in respect of enforcement of security as may be stipulated in that behalf and agreed to between the Board of Directors or Committee thereof and the lender(s)/agent(s)/ trustee(s).

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board or any Committee thereof be and is hereby authorized to finalise, settle and execute such documents/deeds/writings/papers/agreements as may be required and to do all acts, deeds, matters and things, as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in regard to creating mortgage/charge as aforesaid."

NOTES:

- a) A MEMBER ENTITLED TO ATTEND AND VOTE AT A MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER. THE INSTRUMENT APPOINTING PROXY SHOULD HOWEVER BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
- b) The Register of Members and Share Transfer Books of the Company will be closed from July 30, 2012 to August 03, 2012 (both days inclusive).
- c) The dividend on Equity Shares, if declared at the Meeting, will be credited / dispatched between August 06, 2012 and August 10, 2012 to those members whose names shall appear on the Company's Register of Members on July 30, 2012. In respect of the shares held in dematerialized form, the dividend will be paid to members whose names are furnished by National

Securities Depository Limited and Central Depository Services(India) Limited as beneficial owners as on that date.

Pursuant to Section 205C of the Companies Act, 1956, all unpaid or unclaimed dividend, remaining unpaid or unclaimed for a period of seven years from the date they become due for payment, have been transferred to the Investor Education & Protection Fund (IEPF) established by the Central Government.

- d) Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to advise any change of address immediately to the Company/Registrars and Transfer Agents, M/s. Link Intime India Pvt. Ltd., Unit No.303, 3rd Floor Shoppers Plaza V, Opp. Municipal Market, Behind Shoppers Plaza II, Off C. G. Road, Ahmedabad - 380 009.
- e) For any further information regarding the Annual Accounts, advance intimation be given at the Registered Office of the Company and the members should ensure that it reaches the Company at least seven days before the date of ensuing annual general meeting.
- f) The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company / Registrars and Transfer Agents, M/s. Link Intime India Pvt. Ltd., Unit No.303, 3rd Floor Shoppers Plaza V, Opp. Municipal Market, Behind Shoppers Plaza II, Off C. G. Road, Ahmedabad - 380 009.
- g) Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to M/s. Link Intime India Pvt. Ltd., Unit No.303, 3rd Floor Shoppers Plaza V, Opp. Municipal Market, Behind Shoppers Plaza II, Off C. G. Road, Ahmedabad - 380 009, for consolidation into a single folio.

By Order of the Board

For **KALPATARU POWER TRANSMISSION LIMITED**

Sd/-

Place : Gandhinagar

Bajrang Ramdharani

Date : June 25, 2012

AVP-Finance & Company
Secretary

ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT PURSUANT TO THE PROVISIONS OF SECTION 173 OF THE COMPANIES ACT, 1956

ITEM NO. 7

The Board of Directors of the Company considered it appropriate and in the best interest of the Company to re-appoint Mr. Pankaj Sachdeva as the Managing Director of the Company for a period effective from 1st April, 2012 to 31st March 2014 upon the terms and conditions including the remuneration as set out in the agreement dated 1st April, 2012, entered into between the Company and Mr. Pankaj Sachdeva, subject to the approval of the Shareholder's of the company, is placed before this meeting. The appointment and remuneration payable to Mr. Pankaj Sachdeva as the Managing Director requires the approval of the Company in General Meeting in terms of Part III of Schedule XIII of the Companies Act, 1956.

The salary payable and other perquisites to Mr. Pankaj Sachdeva was communicated to the Members vide the Abstract and Memorandum under Section 302 of the Companies Act, 1956 dated 16th April, 2012 and is outlined in the Resolution before the Members.

The appointment of Mr. Pankaj Sachdeva on the terms proposed satisfies the conditions laid down in Schedule XIII of the Companies Act, 1956. The Resolution is set out at item no.7 of the Notice convening Annual General Meeting and accordingly, the Board recommends the same for your approval.

Except Mr. Pankaj Sachdeva, none of the other Directors of the Company is in any way concerned or interested in the said Resolution.

ITEM NO.8

The Board of Directors of the Company considered it appropriate and in the best interest of the Company to reappoint Mr. Manish Mohnot as an Executive Director of the Company for a period effective from 1st April, 2012 to 31st March, 2015 upon the terms and conditions including the remuneration as set out in the agreement dated 1st April, 2012, entered into between the Company and Mr. Manish Mohnot, subject to the approval of the Shareholder's of the company, is placed before this meeting. The appointment and remuneration payable to Mr. Manish Mohnot as the Executive Director requires the approval of the Company in General Meeting in terms of Part III of Schedule XIII of the Companies Act, 1956.

The salary payable and other perquisites to Mr. Manish Mohnot was communicated to the Members vide the Abstract and Memorandum under Section 302 of the Companies Act, 1956 dated 16th April, 2012 and is outlined in the Resolution before the Members.

The appointment of Mr. Manish Mohnot on the terms proposed satisfies the conditions laid down in Schedule XIII of the Companies Act, 1956. The Resolution is set out at item no. 8 of the Notice convening Annual General Meeting and accordingly, the Board recommends the same for your approval.

Except Mr. Manish Mohnot, none of the other Directors of the Company is in any way concerned or interested in the said Resolution.

ITEM NO.9

Presently your Company is in the business of providing integrated design, testing, fabrication, erection and

construction serves to the Power Transmission Industry in India as well as overseas. Your Company, in addition to the transmission industry also constructs cross-country oil and gas pipeline networks in India, generates biomass based energy and executing railway contracts.

Being an EPC Contracting Company, your Company will always need higher credit facilities to sustain the growth and execute high value contracts. Apart from regular working capital, Company has and will need long term debts for its ongoing capex requirement from time to time. These all credit facilities are secured by way of charge/ mortgage over the assets of the Company.

Members of the Company had given their permission under Section 293(1)(a) for creation of charge / mortgage / hypothecation on the Company's assets in favour of the lenders upto an amount of ₹ 5,000 crores through postal ballot on November 21, 2009. This limit is expected to fall short as increased business requirements warrants higher credit facilities from Banks and Financial Institutions from time to time and therefore new limit of ₹ 7,500 crores is sought for.

For securing the further borrowings of the company, the company will need to create charge/mortgage/hypothecation over the assets of the Company in their favour of the lenders. As per the provisions of Section 293(1)(a) of the Companies Act, 1956 to increase the limit for the creation of charge/ mortgage/ hypothecation, an approval of the members is required. Accordingly, the resolution at Item No.9 is proposed to seek your approval for the increasing the limit from ₹ 5,000 crore to ₹ 7,500 crores.

In accordance with the provisions of Section 293(1)(a) of the Companies Act,1956, the resolution for giving effect to the creation of Charge on the properties of the Company, is to be passed as an ordinary resolution.

None of the Directors of the Company is, in any way, concerned or interested in the said resolution.

By Order of the Board

For KALPATARU POWER TRANSMISSION LIMITED

Sd/-

Place : Gandhinagar

Bajrang Ramdharani

Date : June 25, 2012

AVP-Finance & Company

Secretary

Important Communication to Members

The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the companies and has issued circulars stating that service of notice/ documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government, members who have not registered their e-mail address, so far, are requested to get their e-mail addresses, in respect of electronic holding with Depository through their concerned Depository Participants. Members who hold shares in Physical form, are requested to get their shares dematerialized.


KALPATARU POWER TRANSMISSION LIMITED

 REGISTERED OFFICE : 101, PART - III, GIDC ESTATE,
 SECTOR - 28, GANDHINAGAR - 382 028

I/We _____
 of _____ in the district of _____
 being member(s) of the above named Company, hereby appoint _____
 of _____ or failing him _____
 of _____

as my/our proxy to vote for me/us on my/our behalf at the THIRTY FIRST ANNUAL GENERAL MEETING of the Company to be held at 3.00 p.m. on Saturday, August 4, 2012 at KALPA-VRIKSHA LEARNING CENTRE, A-1 & A-2, GIDC Electronic Estate, Sector - 25, Gandhinagar - 382 016 and at any adjournment thereof.

Signed at _____ (Place) this _____ day of _____, 2012.

 DP ID*

 Folio No.

 Client ID*

 Affix
 15 paise
 revenue
 Stamp

 No. of Shares held

Note : This form in order to be effective should be duly stamped and signed and must be deposited at the Registered Office of the Company not less than 48 hours before the meeting.

* Applicable for investor holding shares in electronic form.

✂-----✂ **TEAR HERE** -----✂

ATTENDANCE SLIP

KALPATARU POWER TRANSMISSION LIMITED

 REGISTERED OFFICE : 101, PART - III, GIDC ESTATE,
 SECTOR - 28, GANDHINAGAR - 382 028

To be handed over at the entrance of the Meeting Hall.

| | |
|---|----------------------|
| NAME OF THE ATTENDING MEMBER (in Block Letters) | DP ID* |
| | Client ID* |
| NAME OF PROXY (in Block Letters) | Membership Folio No. |
| (To be filled in the Proxy attends instead of the member) | |
| | NO. OF SHARES HELD |

I hereby record my presence at the THIRTY FIRST ANNUAL GENERAL MEETING of the Company at 3.00 p.m. on Saturday, August 4, 2012 at KALPA-VRIKSHA LEARNING CENTRE, A-1 & A-2, GIDC Electronic Estate, Sector - 25, Gandhinagar - 382 016.

 Member's/Proxy's Signature
 (To be signed at the time of handing over this Slip)

* Applicable for investors holding shares in electronic form.