

THE MINUTES OF THE PROCEEDINGS OF THE FOURTH MEETING OF THE BOARD OF DIRECTORS OF MADHAV COPPER LIMITED FOR THE FINANCIAL YEAR 2018-19 HELD ON FRIDAY, SEPTEMBER 28, 2018 AT 04:00 P.M. AT THE REGISTERED OFFICE OF THE COMPANY SITUATED AT PLOT NO. 2107/D, OFFICE NO. 203, 2ND FLOOR, D & I EXCELUS, WAGHAWADI ROAD, BHAVNAGAR - 364001

Following directors were present :

- | | |
|--------------------------|----------------------------------|
| 1. Mr. Nilesh Patel | Chairman and Whole time Director |
| 2. Mr. Rohitbhai Chauhan | Managing Director |
| 3. Mr. Divyabhai Monpara | Non Executive Director |
| 4. Mr. Manish Makodia | Independent Director |
| 5. Mr. Chaitnya Doshi | Independent Director |

In attendance of:

- | | |
|------------------------|-------------------------|
| 1. Mr. Kush Bhatt | Company Secretary |
| 2. Mr. Kamlesh Solanki | Chief Financial Officer |

CHAIRMAN

Mr. Nileshbhai Patel was elected as the Chairman of the meeting. He took the chair and welcomed the Directors present to the meeting of the Board and declared that the required quorum was present and the agenda could be taken up for discussion.

LEAVE OF ABSENCE:

Mrs. Rakshaben Chauhan had expressed her inability to attend the Board Meeting and requested to grant leave of absence. Board has granted Leave of absence for not attending the Board Meeting

MINUTES OF PREVIOUS BOARD MEETING

Minutes of the previous meeting held on 7th September, 2018 were placed before the board and the same were signed by the Chairman.

Further the proceedings of the meeting were held as under.

1. AVAILING & SECURING CREDIT FACILITIES

The Chairman informed the Board that Bank of Baroda, Main Branch, Bhavnagar has agreed, at the Request of the company, to grant/continue the company a Following facilities as under:-

(Rs. In crore)



Chairman's Initial

Nature of facilities	Existing limit	Proposed Limit
Fund Based:	0.21	0.00
Term Loan – I (Existing)		
Term Loan - II (Existing)	0.30	0.22
Term Loan - III (Existing)	0.75	0.58
Term Loan - IV (Fresh)	-	3.50
Sublimit:		
One Time Foreign LC(DP/DA 90 Days)		(2.75)
Line of Credit –	8.00	8.00
Sub Limit-I CC/FLC/BC	(8.00)	(8.00)
Sub Limit-II ILC/FLC/Buyer Credit (usance up to -120- days)/ Bank Gurantee	(8.00)	(8.00)
Sub Limit –III EPC/PCFC cum FBP/FBD/FCBP/FCBD(Usance up to -90- days)	(1.00)	(0.50)
TOTAL EXPOSURE	9.26	12.30

Inter alia against the following securities and on the terms and on the terms and condition as contained in the banks letter of sanction No. MSME/ADV/SANC/25/2018-19 dated 7th, September, 2018 and after noting that it was:

“RESOLVED THAT sanction be is hereby given to the Company to avail / continue to avail from Bank of Baroda, Bhavnagar Main Branch the facilities upto the limits mentioned above inter alia against the following securities namely :

1. Demand Promissory Note.
2. Supplemental Hypothecation Agreement of stock of raw materials , Finished Goods, SIP , spares and receivables ,entire Machineries, Electrical installations, furniture & fixtures, office equipments and other movable fixed assets, present & future, situated at the factory of the company . (Present & Future).
3. Letter of Continuing Security.
4. General Undertaking.
5. Stamped CIBIL undertaking to be signed by the Company and Guarantors
6. Power of attorney for Book debt.
7. Letter of undertaking for book debts.



Chairman's Initial

8. Letter of installments with acceleration clause signed by the company.
9. Authority to make direct payment.
10. Personal guarantee of 1) Shri. Jivrajbhai Patel, 2) Shri. Rohitbhai Chauhan, 3) Nilesh N. Patel, 4) Divya A. Monpara & 5) Smt. Mithiben Natubhai Patel
11. Letter of acknowledgement debt
12. Letter of Cost.
13. Undertaking cum declaration Environmental Protection.

and the Company do execute the relevant documents therefore and create a Mortgage over the fixed/ immovable properties of the Company situate at **village Ukharlla, Taluka Ghogha, Dist. Bhavnagar** in favour of Bank of Baroda to secure the due repayment of the outstanding in the various credit facilities.

RESOLVED FURTHER THAT the documents be executed by the company and the common seal of the Company be affixed to the Demand Promissory Note / Letter of continuing security / letter of instrument of Hypothecation of goods / movable machinery / Book debts / Instrument of power of Attorney and other documents (Except personal guarantee documents) in the presence of Mr. Nilesh Natubhai Patel, Chairman & Whole Time Director of the Company who do sign the same in token thereof and other documents, Such as letter of depositing fixed/ Short deposit /Receipt cum undertaking, L/c application etc executed by any one of the directors for the time being of the Company.

RESOLVED FURTHER THAT company do create a mortgage / extension of mortgage by deposit of title deeds in favour of Bank of Baroda, by giving an oral consent to B.O.B to continue to hold and retain the title deeds, documents, evidences, writing in respect of the company's immovable properties situate at 1. Plot No. 5B/B, R.S. No. 346p & 347p, Block No. 226 & 227p, village Ukharlla Near Kobadi, Tal. Ghogha, Dist. Bhavnagar 2. Factory Land admeasuring 4181.68 sq. mtrs. & proposed Factory building situated at Block No. 226 & 227 paiki (S. No. 346 & 347 paiki), Plot No. 5/B/A, Vill. Ukharlla, Tal. Ghogha, Dist. Bhavnagar together with all building and structure thereon and all plant and machinery attached to the earth or permanently fastened to anything attached to the earth to secure the due payment by the company of outstanding due under the facilities indicated above together with interest, additional interest, further interest by way of liquidated damagers, compound interest, commitment charges , premia on repayment or on redemption, guarantee commission / L.C commission, costs, charges, expenses and other money including any increase as a result of devaluation / revaluation / functions in the rates of Exchange of Foreign Currencies involved payable by the company to B.O.B under their Heads of Agreements / Loan Agreements / Letters of section / Memo of terms and conditions amended from time to time.

RESOLVED FURTHER THAT Mr. Nilesh Natubhai Patel, Chairman & Whole Time Director of the Company, be and is hereby authorized to deliver to and deposit either Bank of Baroda the various title deeds, writing and evidences and to give oral consent as aforesaid for and on behalf of the



Chairman's Initial

Company with an intention to create a mortgage / extend the mortgage over the said immovable properties belonging to the Company.

RESOLVED FURTHER THAT Mrs. Mithiben Natubhai Patel be requested to create/extend mortgage over her personal property situated at Plot no 927/A 1/C admeasuring 87.81 Sq. meters in Patel park, New Aerodram Road, Bhavnagar within City Survey Ward No. 5, Sheet No. 213 and City Survey No. 5316/B Paiki.

RESOLVED FURTHER THAT Mr. Nilesh Natubhai Patel director of the Company, be and is hereby authorised to state on behalf of the company that the said title deeds so deposited are the only document of title in the possession, power and control of the company and that the company has a clear and marketable title to the said immovable properties and that the security in favour of Bank of Baroda shall ensure in respect of the company's said immovable properties both present and future and also to give a declaration on oath the satisfaction of Bank of Baroda.

RESOLVED FURTHER THAT any of the Directors of the company be and by hereby authorised to execute Letters of a Acknowledgement of debt/Balance Confirmation letters favouring Bank of Baroda for and on behalf of the company acknowledging the liabilities of the company to Bank of Baroda in respect of the various credit facilities availed by the company from time to time as and when called upon to do so by Bank of Baroda.

RESOLVED FURTHER THAT 1) Shri. Jivrajbhai Patel, 2) Shri. Rohitbhai Chauhan, 3) Nilesh N. Patel, 4) Divya A. Monpara & 5) Smt. MithibenNatubhai Patel be and are hereby requested to execute letter of guarantee and letters of Acknowledgement of debt / balance confirmation letters in their respective personal capacity as guarantors favoring Bank of Baroda to secure the various credit facilities availed/ to be availed by the company from bank of Baroda and acknowledgement their liability as guarantors to the said facilities.

RESOLVED FURTHER THAT Bank of Baroda be and is hereby authorised to debit the cash credit or any other account or open any separate account for the purpose of debiting the amounts of bills purchase by the bank which have not been paid on due dates by the drawee/s, amounts paid by the bank under letters of credit facilities and to apply and recover interest at applicable rates.

RESOLVED FURTHER THAT the cash credit accounts and other accounts with Bank of Baroda be operated by any two of the directors of the company for and on behalf of the company.

RESOLVED FURTHER THAT Bank of Baroda be and is hereby requested to honor all cheques, Bills of exchange, promissory notes drawn, endorsed, accepted or made by the company and to act on the instruction given by any one/two of the directors relating to the above accounts whether the same be overdrawn or not and whether or not relating to the transaction of the Company.



Chairman's Initial

RESOLVED FURTHER THAT the Company do file the requisite particulars of charge / modification of charge to be created by the Company with the Registrar of Companies.

RESOLVED FURTHER THAT Mr. Rohit Bhikhabhai Chauhan (Managing Director), and Mr. Nilesh Natubhai Patel (Chairman & WTD) and/or Mr. Divya Monpara (Director) be and are hereby severally authorized to provide certified true copies of the foregoing resolutions to Bank of Baroda and they be requested to act thereon."

2. BORROWING OF MONEY

The Chairman informed the Board that the Company intends to avail loan / financial Assistance from Aditya Birla Finance Ltd ("ABFL" or the "Lender") to the extent of Rs. 3,00,00,000/- (Rupees Three Crore only) on the terms and conditions as provided for in Sanction Letter bearing reference number ABF/CFA/SEP18/R0059 dated 11/09/2018 and/or as may be subsequently mutually agreed to by the Company and ABFL. After discussions the following resolution were passed unanimously:

"RESOLVED THAT

- 1) Pursuant to Section 179 of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force) and subject to the approval of the Members, wherever necessary, the Company does borrow and avail loan/financial assistance to the extent of Rs. 3,00,00,000/- (Rupees Three Crore only) from Aditya Birla Finance Ltd. ("ABFL" or the "Lender") on the terms and conditions provided for in Sanction Letter bearing reference number ABF/CFA/SEP18/R0059 dated 11/09/2018 and/or as may be subsequently mutually agreed to by the Company and ABFL from time to time.
- 2) The draft loan documentation, Agreement(s), Hypothecation Deed, Mortgage Deed, Deed of Pledge, Undertakings, Demand Promissory Note, Request Letters and/or any other agreements, deeds, documents and other writings as placed before the Board and initialled by the Chairman for the purposes of identification, for availing loan / financial assistance received from Lender, be and are hereby approved.
- 3) Mr. Nilesh Patel is hereby authorized to accept and finalise the terms and conditions including modifications, amendments, revisions, if any and sign and execute the aforesaid agreements, Bill of Exchange, documents, deeds and take necessary actions to create security / security documents in favour of Lender for availing the aforesaid facilities and wherever required the Common Seal of the Company be affixed in the presence of Mr. Nilesh Patel in accordance with the Memorandum and Articles of Association of the Company.



Chairman's Initial

- 4) The Company do request Nilesh Patel, Divya Monpara, Rohit Chauhan and Sanjaybhai Natubhai Dabhil, to provide personal guarantee, as required by the Lender, in favour of Lender as security for the loan / financial assistance provided / agreed to be provided by the Lender to the Company, in the form and manner as may be required by Lender in this regard.
- 5) The necessary resolution(s) as required under section 180(1)(c) of the Companies Act, 2013 have been passed and the aforesaid borrowing(s) is within limits so specified.
- 6) The Company do create and establish new accounts, operate such accounts, issue instructions for operation of such accounts and create escrow over such accounts.
- 7) The aforesaid signatory is also authorized to grant / withdraw authority to the officials of the Company to sign day to day documents viz. request letter, invoices etc, as may be required by the Lender in connection with availing of the above loan/financial assistance from the Lender.

RESOLVED FURTHER THAT with respect to the post-dated / undated cheque(s) given to the Lender for the repayment of the loan/financial assistance so availed from it, the following Authorised Signatory (ies) acting individually authorised to operate the bank accounts in accordance with the terms of the loan documentation, on behalf of the Company:

Mr. Nilesh Patel

And any change in the signatory (/ies) will be intimated to the Lender."

RESOLVED FURTHER THAT a copy of the resolution certified to be true by any one of the Directors or the Company Secretary be submitted to the Lenders and they be requested to act upon the same."

VOTE OF THANKS

There being no other business to transact, the meeting was concluded with the vote of thanks to the Chair at 05:15 p.m.

Date:

Place: Bhavnagar


CHAIRMAN