

THE MINUTES OF THE PROCEEDINGS OF THE SECOND MEETING OF THE AUDIT COMMITTEE OF MADHAV COPPER LIMITED FOR FINANCIAL YEAR 2018-19 HELD ON SATURDAY, 4<sup>TH</sup> AUGUST, 2018 AT 01:00 P.M. AT THE REGISTERED OFFICE OF THE COMPANY SITUATED AT PLOT NO. 2107/D, OFFICE NO. 203, 2<sup>ND</sup> FLOOR, D & I EXCELUS, WAGHAWADI ROAD, BHAVNAGAR - 364001

**Following members were present:**

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|-------------------------|----------|
| 1. Shri Manish Makodia  | Chairman |
| 2. Shri Chaitanya Doshi | Member   |
| 3. Shri Nilesh Patel    | Member   |

**In attendance of:**

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

**1. CHAIRMAN**

Mr. Manish Makodia was elected as the Chairman of the meeting. He took the chair and welcomed the members present to the meeting of the committee and declared that the required quorum is present and the agenda could be taken up for discussion.

**2. MINUTES OF PREVIOUS COMMITTEE MEETING**

Minutes of the previous meeting held on 28<sup>th</sup> May, 2018 were placed before the committee and the same is signed by the Chairman.

**3. REVIEW OF SIGNIFICANT RELATED PARTY TRANSACTIONS:**

The Committee reviewed details of related parties transactions entered into during the first quarter ended on 30<sup>th</sup> June, 2018.

The Chairman stated that pursuant to Pursuant to Section 177(4) of the Companies Act, 2013 and Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR-2015), the Audit Committee has to approve related party transactions.

The Chairman tabled related party transactions occurred during first quarter of FY 2018-19.

Name of related party	Nature of relationship	Duration of Contract	Salient terms	Amount in INR
<b><u>Nature of Contract</u></b>				
1. Madhav Metcast Pvt. Ltd. (Sales on 17/05/2018)	Associate Concern	Not Applicable	Sold machinery fabricated waste at arm's length price basis	3,61,458
2. Madhav Metcast Pvt. Ltd. (Sales on 15/06/2018)	Associate Concern	Not Applicable	Sold machinery fabricated waste at arm's length price basis	66,632

The Chairman further stated that in the above contracts / arrangements, Mr. Divya Monpara and Mr. Nilesh Patel, Director of the Company are considered to be interested.

It was further explained that that pursuant to Regulation 23(1) of the SEBI LODR-2015, a transaction with a related party shall be considered material if the transaction / transactions to be entered into individually or taken together with previous transactions during a financial year, exceeds ten percent of the annual consolidated turnover of the company as per the last audited financial statements of the company. Considering the total turnover of the Company for the FY ended on 31.03.2018, none of the related party transactions with individual party falls in the category of "material related party transaction".

The Committee took note of the same and discussed at length the nature and duration as well as terms and conditions governing the aforesaid contracts / arrangements. The Committee also discussed on manner of determining the pricing and other commercial terms and thereafter accorded its consent to the above contracts by passing the following resolution:

**"RESOLVED THAT** pursuant to Section 177(4) of the Companies Act, 2013 and Regulation 23 of The SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015, the approval of the Audit Committee be and is hereby accorded to the Company for continuing Contracts / Arrangements with related parties in which directors are interested, for the period commencing from concluding of this meeting till the date of the next meeting, the details whereof are furnished herein below:

Madhav Metcast Pvt. Ltd. - Associate Concern – The Company has sold machinery fabricated waste to Madhav Metcast Pvt. Ltd. on 17.05.2018 and 15.06.2018 at arm's length price.

**4. TAKING NOTE OF THE STATUS OF ASSESSMENT COMPLETED AND NOTICES, IF ANY RECEIVED FROM STATUTORY AUTHORITIES AND STATUS OF PENDING LEGAL MATTERS INCLUDING INSURANCE CLAIMS, IF ANY AT THE END OF THE FIRST QUARTER ENDED ON 30.06.2018:**

The Committee took note of the status of Sales Tax / Vat Assessment, Status of Income Tax Assessment, Status of Central Excise / Service Tax matters, Status of Pending legal cases in respect of Debtors / Creditors / Employees and other recoveries and status of insurance claims.

The Committee also took note of Inter Corporate Loan/ Investments, secured loan from banks/ Financial Institutions. There were nil significant adjustments in the financial statements arising out of audit findings.

**VOTE OF THANKS**

There being no other business to transact, the meeting was concluded with the Vote of thanks to the Chair at 02:00 P.M.

**Date:**

**Place: Bhavnagar**

  
**CHAIRMAN**