

**Proceedings of the 26<sup>th</sup> Annual General Meeting of SPEL Semiconductor Limited held at 2.30 pm on Wednesday, Jul 27, 2011 at the Registered office of the Company at 5 CMDA Industrial Estate, Maraimalai Nagar 603 209**

#### **Present**

1. Mr. Ar Rm Arun : Chairman of the Meeting
2. Dr. T. S. Vijayaraghavan : Director
3. Dr. A. Besant C. Raj : Director
4. Mr. N. Sivashanmugam : Whole Time Director

#### **Members Present**

- In Person : 62  
By Proxy : 324

#### **In Attendance**

1. Mr. S. S. Arunachalam : Head Corporate Affairs & Company Secretary (HCA&CS)

Mr. Ar Rm Arun, Chairman of the Meeting presided over the Meeting. Chairman announced that the Register of Directors' Shareholdings and other statutory Registers were available for inspection.

#### **Quorum**

Necessary quorum being present as prescribed under Section 174 of the Companies Act, 1956 and the Articles of Association of the Company. Chairman proceeded with the business of the Meeting.

#### **1. Notice of the Meeting**

With the permission of the Members, the Notice calling the 26<sup>th</sup> Annual General Meeting of the Company and the annual report for the year ended on Mar 31, 2011 except the auditors report, were taken as read.

2. Mr. S. S. Arunachalam, HCA&CS read the report of the Auditors for the year ended on Mar 31, 2011
3. **To receive, consider and adopt the Audited Balance Sheet of the Company as at Mar 31, 2011 and the Profit & Loss Account for the year ended on that date and the Reports of the Directors and Auditors thereon**

The Chairman addressed the Members and thereafter moved for adoption of the Audited Balance Sheet as at Mar 31, 2011 and the Profit & Loss Account for the year ended on that date and the reports of the Directors and Auditors thereon.

The subject motion was proposed by Mr. Mehar Ali Khan, Member and seconded by Mr. B. Sachithanandam, another Member. Chairman invited questions, if any, from the Members. The questions raised / clarifications sought were satisfactorily answered.

Thereafter, the following Ordinary Resolution was passed unanimously :

"Resolved that the audited Balance Sheet as at Mar 31, 2011 and the Profit & Loss Account for the year ended on that date and the schedules attached thereto together with the reports of the Directors and Auditors thereon, be and are hereby adopted."

#### **4. To elect Directors**

##### **a. Re-appointment of Mr. S. R. Vijayakar, a Director retiring by rotation**

Proposed by Mr. W. P. Murali, Member and seconded by Mr. D. Srinivasan, another Member, the following Ordinary Resolution was passed unanimously :

“Resolved that Mr. S. R. Vijayakar, Director retiring by rotation, be and is hereby re-appointed as Director of the Company, who shall be liable for retirement by rotation.”

**b. Re-appointment of Dr. A. Besant C. Raj, a Director retiring by rotation**

Proposed by Mr. R. V. Manoharan, Member, and seconded by Mr. G. Bala Badri Narayan, another Member, the following Ordinary Resolution was passed unanimously:

“Resolved that Dr. A. Besant C. Raj, Director retiring by rotation, be and is hereby re-appointed as Director of the Company, who shall be liable for retirement by rotation.”

**5. To consider and approve the re-appointment of Natarajan & Co., Chartered Accountants, as Auditors of the Company**

The Chairman stated that the next item of the Agenda related to re-appointment of Natarajan & Co., Chartered Accountants, as Auditors of the Company.

Proposed by Mr. P. Balamurugan, a Member and seconded by Mr. P. T. Suresh, another Member, the following Ordinary Resolution was passed unanimously :

“Resolved that Natarajan & Co., Chartered Accountants, the retiring Auditors, be and are hereby re-appointed as the Auditors of the Company to hold Office until the conclusion of the 27<sup>th</sup> Annual General Meeting on a remuneration of Rs.1,50,000/- including of out of pocket expenses.”

**Special Business**

**6. To consider extension of term of office and payment of revised remuneration to Mr. N. Sivashanmugam, Whole Time Director**

The Chairman stated that next item of agenda related to extension of term of office and payment of revised remuneration to Mr. N. Sivashanmugam, Whole Time Director

Proposed by Mr. N. J. Chandrasekar, a Member and seconded by Mr. S. Raghupathyraj, another Member, the following Special Resolution was passed unanimously:

“Resolved that pursuant to the provisions of Sections 198, 269, 309, and other applicable provisions, if any, read with schedule XIII of the Companies Act, 1956, including any statutory modification(s) or re-enactment(s) thereof, for the time being in force, subject to the Shareholders approval, the term of office of Mr. N. Sivashanmugam as a Whole Time Director be and is hereby extended from Apr 1, 2012 to Mar 31, 2013”

“Resolved further that pursuant to the provisions of Sections 198, 269, 309, and other applicable provisions, if any, read with schedule XIII of the Companies Act, 1956, including any statutory modification(s) or re-enactment(s) thereof, for the time being in force, and subject to the approval of the Central Government, approval of the Company be and is hereby granted for paying the following remuneration to Mr. N. Sivashanmugam, as Whole Time Director, with effect from July 31, 2011 to Jul 31, 2012 on the following terms and conditions and as per the terms of the agreement entered into between the Company and Mr. N. Sivashanmugam. The cost to Company will be Rs.31 lakhs p.a., of which Rs.18 lakhs p.a. will be performance based incentive. Following are the breakup of salary.

**Remuneration**

- a. Basic salary : Rs.6,60,000 /- p.a (Rupees six lakhs sixty thousand only)
- b. Special Allowance : Rs.1,29,000/- p.a (Rupees one lakh twenty nine thousand only)
- c. Performance linked Incentive : Rs.18,00,000/- p.a (Rupees Eighteen lakhs only).



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- Perquisites** : This will be in addition to the above
- a. Conveyance Reimbursement : At actual subject to a maximum of Rs.5,04,000/- p.a including chauffer for official purpose.
- b. Medical Reimbursement : Rs.15,000/- p.a
- Other benefits** : This will be in addition to the above
- a. Provident Fund : As per the rules of the Company
- b. Gratuity : As per the rules of the Company
- c. Telephone : Mobile expenses at actual and use of telephone at residence for official purposes to the extent of Rs.12,000/- p.a.

“Resolved further that Mr. S. S. Arunachalam, Head Corporate Affairs & Company Secretary be and is hereby authorized to do such acts, to sign and filed the necessary documents with statutory authorities”

Mr. Venugopalan, a Member, proposed vote of thanks to the Chair.

The Chairman replied to the vote of thanks and there being no other business to transact, the meeting concluded.

**Ar Rm Arun**  
**Chairman of the Meeting**