

MINUTES of the proceedings of the 94th Annual General Meeting held on Friday, 23 September, 2011 at 10.30 a.m. at Ghaushyam Das Birla Sabhagar, 29, Ashutosh Chondhury Avenue, Kolkata- 700 019.

Present

Shri S K Mukherjee, Chairman & Managing Director in the Chair
Shri VLVSS Subba Rao, Government Nominee Director
Shri V N Sharma, Director (Manufacturing Businesses)
Shri K Subramanyan, Director (Finance)
Shri V. Sinha, Director (Service Businesses)
Shri M P Bezbaruah, Independent Director &
Chairman of the Audit Committee

Shri P K Bora, Independent Director
Smt Abha Chaturvedi, Independent Director
Shri P Kalyanasundaram being the Representative of Balmer Lawrie Investments Ltd, the Holding Company under Section 187 of the Companies Act, 1956.

1813 Members in person (excluding 4 Wholetime Directors present at the meeting who are also shareholders), 7 Members being Bodies Corporate (excluding Balmer Lawrie Investments Ltd.) represented by their Authorized Representatives & 177 Members by proxy.

In Attendance

Shri Amit Ghosh, Company Secretary

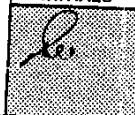
Chairman

Shri S K Mukherjee took the Chair in accordance with Article 58 of the Articles of Association of the Company.

Quorum

The requisite quorum being present, the Chairman declared the 94th Annual General Meeting as properly constituted. The Chairman welcomed the Members to the 94th Annual General Meeting of the Company and introduced the Directors on the dais.

CHARMANS
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Notice

The Notice dated 11 August 2011 convening the 94th Annual General Meeting, which had been mailed to the Members on 31 August 2011 pursuant to the provisions of the Companies Act, 1956, was taken as read with the consent of the Members present.

Register of Directors' Shareholding

The Register of Directors' Shareholding maintained under Section 307 of the Companies Act, 1956, was placed on the table and kept open and accessible to the Members for inspection during the Meeting.

Auditors' Report

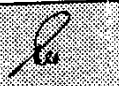
The Auditors' Report along with the Comments of the Comptroller and Auditor General of India on the accounts and financial statements of the Company for the financial year ended 31 March 2011 was read out by the Company Secretary. The said Report and the Comments were kept open for inspection by the Members at the venue.

Chairman's Address

The Chairman addressed the Members present before taking up for consideration the items of business listed in the Notice of the Meeting. In his address, the Chairman highlighted the salient aspects of the prevailing business environment in the country and mentioned that notwithstanding the sectoral scenario of the Indian economy, the Company, which was broadly structured into eight independent Strategic Business Units [SBUs], delivered record performance. He presented a brief synopsis of the performance of each of the SBUs against the backdrop of the smart recovery which had characterized the global economy in 2010-11 and outlined the overall financial performance of the Company during the year. He stated that in comparison with the previous year, the net sales and profit before tax of the Company had increased by 23% and 19% respectively. He opined that this achievement is *inter alia* attributable to greater emphasis on cost management, higher productivities, better utilization of productive resources and enhancement of the overall production capacities in the manufacturing business.

The Chairman then took the opportunity to brief the Members on the future outlook of the Company. He shared his happiness over the Company recording impressive results in the first quarter of 2011-12 in terms of gross income, profit-before-tax and profit-after-tax.

Referring to the Corporate Governance Report published with the Annual Report 2010-11, Chairman re-affirmed the sincerity of the Company in driving Corporate Governance in the Company to ensure that it is focused on the bedrock of accountability to the members, transparency in the recording system, maintenance of high ethical standards and enhancement of shareholder value. He affirmed that during 2010-11, the Company

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instituted the Fraud Prevention Policy and the Whistle Blower Policy to further reinforce the Corporate Governance framework in the Company. He also outlined the two schemes initiated by the Company in the ambit of Corporate Social Responsibility.

He concluded his address by thanking the Shareholders, other Stakeholders, the Holding Company and also the Ministry of Petroleum & Natural Gas, Government of India being the Administrative Ministry for their valuable support.

The Chairman then took up the Agenda items listed in the Notice *ad seriatim*.

ORDINARY BUSINESS

1. ADOPTION OF AUDITED ACCOUNTS, DIRECTORS' REPORT & AUDITORS' REPORT FOR THE YEAR ENDED 31ST MARCH 2011

The Directors' Report to the Members and the Audited Accounts for the year ended 31st March 2011 already circulated among the Members were taken as read with the consent of the Members.

Shri B N Kundu, a Member, proposed the following Ordinary Resolution:

"RESOLVED THAT the Audited Profit and Loss Account of the Company for the financial year ended on 31st March 2011 and Balance Sheet as on that date, together with Reports of the Board of Directors and Auditors thereon along with the Comments of the Comptroller & Auditor General of India on the Accounts of the Company, already circulated to the members, be and are hereby received, considered and adopted."

Shri S.L. Rathi, a Member, seconded the Resolution.

The Chairman, thereafter, invited the Members to raise their queries arising out of the Directors' Report and the Audited Accounts placed before the Meeting. Some Members raised a few questions *inter alia* relating to the Accounts of the Company, the operations of the SBU and on the Joint Venture Company, Transafe Services Limited. Relevant queries of the Members pertaining to the item under consideration were suitably replied to and/or clarified by the Chairman. During his reply, he informed that the SBUs of the Company were in the process of developing their own website with the objective of maintaining better communication. He also explained that the Company was working on reduction of debtors as part of working capital management. As regards the suggestion from some members for creation of CSR reserve, it was clarified that the matter would require further examination. Replying to a query, the Chairman mentioned that inorganic expansion through the acquisition route was under consideration as part of business strategy of the Company.

The above Resolution was, thereafter, put to vote upon a show of hands. A majority of the Members present voted in favour of the Resolution and no Member voted against the Resolution.

The Chairman, thereafter, declared the Resolution as having been carried by requisite majority.

2. DECLARATION OF DIVIDEND FOR THE YEAR ENDED 31ST MARCH, 2011

The Chairman stated that the Board of Directors had recommended a dividend of ₹ 26 per share, i.e. 260% for the year 2010-11 on the paid-up Equity Share capital of the Company.

Thereafter, Shri K Das, a Member, proposed the following Ordinary Resolution:

“RESOLVED THAT in accordance with the recommendation of the Board of Directors a dividend on 1, 62, 86,081 Equity shares of ₹ 10/- each of the Company at the rate of ₹26.00 (Rupees Twenty six only) per share for the financial year ended 31 March 2011 be and is hereby declared on all the issued Equity shares of the Company and be paid out of the profits of the Company for the financial year as mentioned above to those Members whose names appear on the Company's Register of Members at the close of business hours on 12 September 2011 or whose names are placed on the Register of Members based on valid share transfers lodged with the Company or the Registrar and Share Transfer Agent on or before the close of business hours on the said 12 September 2011 as the Registered Holders of the said shares and to those “Deemed members” whose names appear in the statement of Beneficial ownership furnished by the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) as at the close of business hours on 12 September 2011, without deduction of Tax at source.”

The Resolution was seconded by Shri B N Kundu, a Member.

The above Resolution was, thereafter, put to vote upon a show of hands. A majority of the Members present voted in favour of the Resolution and no Member voted against the Resolution.

The Chairman, thereafter, declared the Resolution as having been carried by requisite majority.

3. REAPPOINTMENT OF DIRECTOR RETIRING BY ROTATION- SHRI VLVSS SUBBA RAO

The Chairman mentioned that pursuant to the provisions of the Companies Act 1956, Shri VLVSS Subba Rao retired by rotation and being eligible, he had offered himself for re-appointment as Director.

Thereafter, Shri B N Kundu, a Member, proposed the following Ordinary Resolution:

“RESOLVED THAT Shri VLVSS Subba Rao, a Director retiring under Section 256 of the Companies Act, 1956 be and is hereby reappointed a Director of the Company.”

Shri S L Rathi, a Member, seconded the Resolution.

The above Resolution was, thereafter, put to vote upon a show of hands. A majority of the Members present voted in favour of the Resolution and no Member voted against the Resolution.

The Chairman, thereafter, declared the Resolution as having been carried by requisite majority.

4. **REAPPOINTMENT OF DIRECTOR RETIRING BY ROTATION-
SHRI K C MURARKA**

The Chairman mentioned that pursuant to the provisions of the Companies Act 1956, Shri K C Murarka retired by rotation and being eligible, he had offered himself for re-appointment as Director.

Shri B.N. Kundu, a Member, proposed the following Ordinary Resolution:

“RESOLVED THAT Shri K C Murarka, a Director retiring under Section 256 of the Companies Act, 1956 be and is hereby reappointed a Director of the Company.”

Shri B C Roy, a Member, seconded the Resolution.

The above Resolution was, thereafter, put to vote upon a show of hands. A majority of the Members present voted in favour of the Resolution and no Member voted against the Resolution.

The Chairman, thereafter, declared the Resolution as having been carried by requisite majority.

5. **REAPPOINTMENT OF DIRECTOR RETIRING BY ROTATION-
SHRI ARUN SETH**

The Chairman mentioned that pursuant to the provisions of the Companies Act 1956, Shri Arun Seth, retired by rotation and being eligible, he had offered himself for re-appointment as Director.

Shri K Das, a Member, proposed the following Ordinary Resolution:

“RESOLVED THAT Shri Arun Seth, a Director retiring under Section 256 of the Companies Act, 1956 be and is hereby reappointed a Director of the Company.”

Shri S L Rathi, a Member, seconded the Resolution.

The above Resolution was, thereafter, put to vote upon a show of hands. A majority of the Members present voted in favour of the Resolution and no Member voted against the Resolution.

The Chairman, thereafter, declared the Resolution as having been carried by requisite majority.

**6. REAPPOINTMENT OF DIRECTOR RETIRING BY ROTATION-
SHRI M P BEZBARUAH**

The Chairman mentioned that pursuant to the provisions of the Companies Act 1956, Shri M P Bezbaruah, retired by rotation and being eligible, he had offered himself for re-appointment as Director.

Shri B N Kundu, a Member, proposed the following Ordinary Resolution:

“RESOLVED THAT Shri M P Bezbaruah, a Director retiring under Section 256 of the Companies Act, 1956 be and is hereby reappointed a Director of the Company.”

Shri S L Rathi, a Member, seconded the Resolution.

The above Resolution was, thereafter, put to vote upon a show of hands. A majority of the Members present voted in favour of the Resolution and no Member voted against the Resolution.

The Chairman, thereafter, declared the Resolution as having been carried by requisite majority.

7. FIXATION OF REMUNERATION OF THE AUDITORS

Presiding over the deliberations on the item, Shri S K Mukherjee observed that in terms of Sections 224(8) (aa) and 619 of the Companies Act, 1956, in case of a Government Company, the Comptroller and Auditor General of India appoints the Auditors but the remuneration or the manner of fixation of remuneration requires to be determined by the Company at a general meeting.

Shri S K Sukhani, a member, thereafter, proposed the following Ordinary Resolution:

“RESOLVED THAT pursuant to Section 619, read with Section 224 (8) (aa) of the Companies Act, 1956 (“the Act”), the Board of Directors be and is

hereby authorized to determine the amount of remuneration payable to the Auditors appointed under Section 619 of the Act, by the Comptroller and Auditor General of India including the cost of reimbursement of out-of-pocket expenses incurred in connection with the audit of accounts of the Company for the financial year 2011-12 by the said Auditors.”

The Resolution was seconded by Shri B C Roy, a Member.

The above Resolution was, thereafter, put to vote upon a show of hands. A majority of the Members present voted in favour of the Resolution and no Member voted against the resolution.

The Chairman, thereafter, declared the Resolution as having being carried by requisite majority.

Vote of Thanks

There being no other business to transact, the Meeting concluded with a hearty vote of thanks offered by Shri P. Kalyanasundaram -- representative of Balmer Lawrie Investments Ltd., the Holding Company -- to the Chair. The Meeting concluded with a standing ovation accorded to the Chairman who would be laying down his office at the close of business hours of 31 December 2011 consequent upon his attaining the age of superannuation as an employee of the Company.

CHAIRMAN: 

DATED: 19-10-2011

