

**THE INDIA CEMENTS LIMITED
CHENNAI**

Proceedings of the Sixtyfifth Annual General Meeting held At 9.30 A.M. on Wednesday, the 24th August, 2011, at Sathguru Gnanananda Hall (Naradha Gana Sabha), 314, T.T.K. Road, Alwarpet, Chennai 600 018.

- I Present in person including representatives : 3062
II Proxy Holders : 139
III Directors:
1. Sri.N.Srinivasan, Vice Chairman & Managing Director, Chairman of the Meeting
2. Mrs.Chitra Srinivasan
3. Ms.Rupa Gurunath, Wholetime Director
4. Dr.B.S.Adityan
5. Sri.Arun Datta
6. Sri.R.K.Das
7. Sri.N.R.Krishnan
8. Sri.A.Sankarakrishnan
9. Sri.N.Srinivasan
10. Sri.K.Subramanian

Sri.G.Balakrishnan, President & Company Secretary

As chosen by the members present, Sri.N.Srinivasan occupied the chair.

After greeting the shareholders, Sri.N.Srinivasan, Chairman of the meeting, informed that quorum was present, called the meeting to order and welcomed all the shareholders and proxies to the Sixtyfifth Annual General Meeting of the Company.

The Notice was taken as read with the permission of members. Thereafter, the Chairman requested the Secretary to read the Auditors' Report on the Accounts of the Company for the year ended 31st March, 2011. The Secretary read the Auditors' Report. The Chairman delivered the following address to the Shareholders.

Ladies and Gentlemen,

I welcome all of you to the Sixty-Fifth Annual General Meeting of your Company. The audited Accounts and the Directors' Report for the year ended 31st March 2011 have been with you for sometime now and with your consent, I shall take them as read.

Introduction

Over the last twelve months the political map of India has witnessed myriad changes. While Janata Dal – United retained power in Bihar, the Congress and its alliance partners successfully re-captured power in West Bengal and Kerala. In Assam, it was Congress all the way, while in Tamil Nadu, AIADMK registered a landslide victory over the DMK-Congress combine.

Economy 2010-11

In 2010-11 the economy grew by 8.5%, a commendable achievement in the backdrop of the world economic situation.

The impressive growth was fuelled by a 7.9% growth in the industrial sector, 6.6% growth in agricultural output and 9.4% growth registered by the services sector. On the external front, there was a surge in demand for imports from emerging markets and developed countries reflecting the diversification of the destinations and the composition of the country's export basket. Exports zoomed past the targeted \$200 billion to around \$245 billion. Imports during 2010-11 crossed \$350 billion, the trade deficit being \$105 billion – significantly less than the earlier forecast of \$130 billion, lessening concerns over the country's overall current account deficit.

High domestic inflation, however, continues to be a cause of grave concern and the Government needs to proactively come out with effective measures to combat the spectre of inflation.

Economic Outlook 2011-12

The Prime Minister's Economic Advisory Council (PMEAC) has, in the backdrop of global economic uncertainty, high domestic inflation and a slump in investment and manufacturing activities revised the GDP growth for 2011-12 to 8.2% from 9% forecast earlier. According to the PMEAC, the industrial sector, weakened by the overall uncertain economic environment at home and abroad, is expected to grow at 7.1% while the country's agricultural output is projected to grow at 3% and the services sector at 10%. As regards the fiscal deficit, the Council expects the Government to achieve its target for 2011-12 at 4.6%. The Council also stressed the need to ensure that GST & Direct Tax Code Bills are enacted on schedule as this would help in boosting Government revenue and reducing tax arrears.

The Government needs to ramp up the reform agenda, accelerate the disinvestment process, liberalise the retail and insurance sectors, speedily implement infrastructural projects, modernize agriculture and frame industry friendly policies on project clearances, land acquisition and labour – as all these will send the right signals to the investors. The prime need is, for the Government, to ensure a time bound Agenda for the above initiatives if India's growth story is to remain intact.

Cement Industry Scenario

During the year under review, the Cement Industry which recorded a double digit growth in the last fiscal, entered a phase of deceleration with demand growth slumping to a meagre 4.7% - the lowest in a decade. The steep fall in demand has been attributed to a general slowdown in the real estate and infrastructure sectors coupled with rising cost of finance owing to Reserve Bank of India's tight monetary policy.

Based on information given by CMA, the overall production of cement was 168.23 million tonnes, with the industry operating at 76% compared to 85% capacity in the previous year. The domestic consumption of cement in the country was of the order of 165.63 million tonnes.

The South – the main market of your Company registered a negative growth of 3.4%. This was mainly due to the steep fall in demand in Andhra Pradesh by 17% and a nil growth in Kerala while Tamil Nadu and Karnataka registered a growth of only 4%. The capacity utilization in the South was 66% as against the overall capacity utilization of the Industry at 76%.

With the commissioning of substantial additional capacities in the South and the negative demand growth in Andhra Pradesh, cement prices were depressed but recovered in the second half of the fiscal year 2010-11.

Industry Outlook 2011-12

In the backdrop of the record capacity additions over the past three years and the likelihood of further capacities materializing, the outlook for the Cement Industry is indeed challenging. Given the consistent economic growth over the past few years and the Government's determination to speed up development in the infrastructure sector, the Industry can be expected to recover and improve capacity utilization over the next two years. The real challenge for the Industry lies in reaching the product to deficit areas in the North and East which will help the Industry to operate at relatively higher capacity.

With GDP growth projected to grow at 8.2%, the demand growth of the Cement Industry can be expected to improve in the current fiscal.

Company Performance 2010-11

In the backdrop of the industry's demand growth slumping to 4.7%, sudden burst in capacity expansion, fierce competition for market share resulting in prices dropping to unremunerative levels in the second quarter, a negative growth in the markets catered to by the Company's plants, increase in power tariff in Tamil Nadu and Andhra Pradesh and various operational problems, the performance of the Company riding on better prices in the second half of the year, can be considered as fairly satisfactory.

Cement production in 2010-11 was 99.80 lakh tonnes, while the gross turnover of the Company was Rs.4011.34 crores as against Rs.4221.69 crores in the previous year. The operating profit was lower at Rs.473.29 crores as compared to Rs.863.51 crores in the previous fiscal, while net profit, after providing for interest, depreciation and tax, declined to Rs.68.10 crores as against Rs.354.34 crores in the previous year.

Performance of the Company in the current fiscal

During the first quarter of the current fiscal, the cement production was 23.24 lakh tonnes, while cement sales was 23.11 lakh tonnes. The profit after tax rose four fold to Rs.102.03 crores, riding on the back of a smart recovery in the selling prices and sustained efforts on cost reduction through better blending and reduction of power and fuel consumption.

Your Company has completed measures to enhance the capacity to 14.3 million tonnes and given its Pan India presence and improved financials, is well equipped to meet the challenges of future growth. In order to offset uncertainty in power supply in Andhra Pradesh and Tamil Nadu, your Company has setup a 50 megawatt power plant in Tirunelveli, Tamil Nadu and orders have been placed for a similar power plant

in Andhra Pradesh – both of which will provide energy security at economic cost. Work is also progressing fast on the coal mines in Indonesia and it is expected that coal raising will commence in the last quarter of the current fiscal.

Your Company is taking all necessary measures at the operational level to significantly enhance the working results in the remaining part of the fiscal year 2011-12.

On behalf of the Company, I would like to acknowledge with gratitude the help and co-operation received by us from the Central Government, the Governments of Tamil Nadu, Maharashtra and Andhra Pradesh, the Financial Institutions and our bankers. I wish to commend the Management Team and the employees of the Company for their dedicated endeavours during the year.

Thank you.

After completing his address, the Chairman (DP Id: IN301313 & Client Id: 20785347) moved the following resolution as an Ordinary Resolution.

1. ADOPTION OF DIRECTORS' REPORT, ACCOUNTS AND THE AUDITORS' REPORT

RESOLVED THAT the Directors' Report, the Balance Sheet as at 31st March, 2011, the Accounts of the Company for the year ended 31st March, 2011 and the Auditors' Report thereon be and are hereby adopted.

The resolution was seconded by Sri.L.Sabaretnam (DP Id:IN301313 & Client Id:20329890).

After the resolution was duly proposed and seconded, the Chairman invited the shareholders to express their views and comments, if any, on the accounts and seek any clarifications, if required.

Sri.S.Padmanabhan (DP Id: IN301774 & Client Id: 10308922) expressed that the performance of the Company was not encouraging compared to other cement players in the Southern States. He required information on the Return on Capital Employed (ROCE) and wanted to know the total number of employees working in the Company.

While congratulating the Chairman on Chennai Super Kings winning consequently for two seasons, Sri.S.Padmanabhan wanted to know the income the franchise had generated.

On cement export, Sri.S.Padmanabhan commended the Management for the current year's earnings of Rs.33.54 lakhs compared to Rs.1.68 lakhs in the previous year and requested the Management to concentrate more on export performance. While welcoming the efforts taken to reduce the manpower, he cautioned the Management to see that the envisaged expansion programmes of the plants would not get hampered in the process.

On the Madras Stock Exchange (MSE) listing fee, Sri.S.Padmanabhan suggested delisting of Company's shares from MSE, as there was no trading of the Company's shares in that Exchange.

On the pledge of the promoter shareholdings Sri.S.Padmanabhan stated that the pledge was getting reflected in the value of shares in the Bourses and requested the Board to devote special attention to reduce the pledge percentage. He wanted to know the reasons for the drop in the Company's share price compared to the other major players in the industry.

Commenting on the Corporate Governance Report, Sri.S.Padmanabhan made a mention on the Company reporting the whistle blower policy against non-mandatory requirements and suggested that the same be brought under mandatory fold. In particular, he wanted to know the income generated by the ships that the Company had acquired for the transportation of coal and the steps proposed to be taken to import coal at a discounted rate in the event of Indonesian Government nationalizing the coal industry. On the payment of salary and commission to the Managing Director and the Wholetime Director, he suggested that the same be reduced substantially. He concluded his speech by requesting the Board to consider issuing bonus shares and progressively increasing the dividend.

Sri.B.Venkataratnam (DP Id: IN300610 & Client Id: 10312507) introduced himself and commended the dedication of the Chairman and the efficiency of the Management, staff and the Company's administration. The reasons for the lower profitability, he said, were the downtrend in the construction activity in Andhra Pradesh, increase in excise duty and a hike in diesel price and requested the Board to take serious steps to reduce the cost of production and increase sales by intensive programmes. He wanted an opportunity to be given for visiting the Vishnupuram factory of the Company.

Sri.A.R.Venkitaraman (Folio No.V03857) congratulated the Board for steering the Company to the 65th year. He referred to the bonus shares issued by the Company in 1969 and 1996 and requested the Board to consider issuing bonus shares at the 65th year. He also complimented the Chairman on the fourth generation taking over the Management of the Company. Referring to the timing of the Annual general meeting, he requested the Chairman to convene the meeting after 12 Noon or at a convenient time.

Sri.T.Raman (DP Id: IN301313 & Client Id: 21048367) referred to the decline in sales and other income by Rs.210.36 crores and the dip in the profit before tax from Rs.531.32 crores to Rs.89.87 crores. He felt that the Company, on the whole, had underperformed, which was reflected by the Company's lower cash generation of Rs.331.58 crores against Rs.720.87 crores. He also suggested issue of bonus shares considering the huge reserves and surplus of the Company.

While expressing that he had no objection to the payment of salaries and other benefits to the Managing Director and the Wholetime Director, Sri.T.Raman suggested reduction of the commissions paid to the two managerial personnel, keeping in mind the poor performance of the Company. Referring to the sundry debtors of Rs.46.99 crores outstanding for more than six months, he wanted to know the steps taken to reduce the same. In particular, he suggested settlement of tax liabilities in dispute through arbitration proceedings instead of court proceedings.

Sri.Narendran (DP Id: IN301151 & Client Id: 23151431) stated that despite difficult conditions, the Company had performed moderately well. He wanted the shareholders to be educated on the uses of cement and requested an opportunity to be given to the shareholders for visiting the Company's factory. He also sought clarifications on the profit on sale of Bharathi Cement Corporation Limited.

Sri.V.Nageswara Rao (DP Id: IN302269 & Client Id: 13601277) was happy to attend the 65th Annual General Meeting of the Company and wanted to know the reasons for the advancement in the timing of the meeting. He also sought an explanation on the drop in share price of the Company. On the recent policy of the Government to import cement from foreign countries, he wanted to know the steps taken by the Company to meet the recent challenges. He also referred to a big fall in the profit before tax, despite consumption of huge quantities of cement by the infrastructure industries. He felt that the increase in the sundry debtors compared to the previous year was not a good development and requested the Management to ensure that the outstandings were brought down. He expressed that he did not believe in the issue of bonus shares and concluded his speech by requesting the Chairman to give a special dividend.

Sri.M.Chakrapani (Folio No.M05838) thanked the Management for the courtesy and gesture extended to the shareholders. On the green initiative circular, he explained in detail the difficulties involved in obtaining the soft copy of the Annual Report and requested the Management to send physical copy of the Annual Report to the shareholders. He wanted to know the Company's market share in the South and concluded his speech by requesting the Management to consider increasing the interest rates on fixed deposits accepted by the Company on par with scheduled banks.

Sri.Vijay Prabhu (DP Id: IN301637 & Client Id: 60026878) stated that it was uncivilized to hold the meeting at 9.30 a.m. He suggested furnishing minutes of the meeting of the previous Annual General Meeting (AGM) either in the Annual Report or alternatively, read in the next AGM, in order to enable the shareholders to keep abreast of the action taken by the Company on the queries made by them at the earlier meeting. On the green initiative circular, he requested that a survey of the shareholders be conducted, before the circular was being sent. He further requested the Chairman to inform the Government that the Company was not in agreement with such directives.

On the performance of the Company, Sri.Vijay Prabhu wanted the Chairman to throw some light on why the figures were so bad. Referring to the Salaries and Commissions paid to the Managing Director and the Wholetime Director, he suggested the remuneration to be proportionate to the profitability of the Company during the year instead of a standard figure every year. On the huge outstandings with various Government authorities since 1974, he wanted to know the steps taken by the Company to reduce the dues.

Mr.Subramaniam Pabbisetty (Client Id: 1203840000140012) stated that the Company's performance could be compared to that of a Twenty20 Match. He suggested postponing the timing of the meeting to afternoon. He complimented the Chairman for furnishing financial information for a decade in the balance sheet. The reason for the market share to come down, he said, was the drop in earnings per share from the peak level of Rs.23.97 in 2008 to Rs.2.22 in 2011. On the green initiative, he requested the Chairman to send the annual report to

all shareholders in physical form irrespective of those, who had exercised their option for receiving the same by email. He further requested the Chairman to offload 50% of the holdings of the Chennai Super Kings and utilize the resultant proceeds for the payment of a special dividend.

Sri.P.Sreenivasulu (DP Id: IN301549 & Client Id: 14710889) was not happy to note the drop in net profit after taxation to Rs.68.10 crores from Rs.354.34 crores in the previous year. He suggested issue of bonus shares to the shareholders considering the huge reserves and surplus of Rs.3,782.58 crores and a share capital of only Rs.307.17 crores. He was happy at the hospitality extended and the arrangements made to receive the shareholders at the Annual General Meeting. He sought clarifications on the increase in the salaries and wages to Rs.186.83 crores from Rs.177.66 crores. He concluded his speech by complimenting the Management on reducing the cost of own generation of electricity to Rs.3.83 from Rs.4.71 per unit.

The Chairman, in his reply, thanked the shareholders for their active participation and proceeded to give his reply to the various points raised.

The Chairman, at the outset, explained that the cement industry started to pick up from the year 2005. He stated that the increase in reserves and surplus was due to the accumulation of profits over the years and various other factors coupled with better price and capacity additions at the right time and at the right place. He opined that in the last 2-3 years, there was an increase of 115-120 million tonnes of additional capacity, resulting in the installed capacity of the industry increasing to about 300 million tonnes, in the backdrop of a slackening demand.

The Chairman explained that the growth in demand of the cement in the recent past suddenly slumped to 4% from a double digit number and there was a negative trend in the South. He further explained that the growth in demand of 24% in Andhra Pradesh became a negative 15% and that the prices dropped by almost Rs.70-80 a bag. In particular, he pointed out the drop in price to Rs.150 a bag resulted in a huge loss in the month of August 2010. He stated that the loss incurred in the second quarter was offset to some extent by recovery of prices in the third quarter of 2010-11 and the generation of income from the sale of assets and as a result, the Company registered a net profit of Rs.68.10 crores for the whole of 2010-11. The reasons for the Company being able to report a profit after tax of Rs.102.03 crores in the first quarter of 2011-12 were better price and better cost control.

About the reduction of manpower, the Chairman informed that the Company had introduced a tight control and had employed the best talented people and that there was no need for the shareholders to be concerned. He compared the Company's current installed capacity of 14.05 million tonnes with manpower of 3200 to that of 1.2 million tonnes with manpower of 5000 almost two decades ago, when the Company had only two plants - Sankarnagar and Sankari and emphasized that, in the absence of the tight cost control measures, it would not have been possible for the Company to report excellent results in the first quarter of the current year.

On the question relating to Indonesian coal, the Chairman stated that the Indonesian Government had not nationalized anything and further stated that the mining of the coal would be done through the Company's 100% owned

subsidiary and the difference of profits, if any, would remain within the group and that the Company would not be a loser.

Referring to the shareholders query on the timing of the Annual General Meeting, the Chairman informed that the point was well taken by the Board of Directors.

To a query, the Chairman informed that the Return on Capital Employed (ROCE) was furnished on page 22 of the Annual Report and that the return was 8.96% for 2010-11 and expressed his confidence that it would be better for 2011-12.

Replying to the shareholders' query on Chennai Super Kings (CSK), the Chairman clarified that CSK was not a subsidiary and was part and parcel of the Company and it contributed positively to cash flow. He explained that the franchise fee paid was back into the Company in the form of share of media rights, sponsorship income and other sponsorships. In particular, he stated that the sponsorship income had gone up during the last season (2011). He further explained that the value of the franchise had gone up multifold. He reiterated that there was no intention to sell CSK and that there was a huge value in CSK franchise. He also made a mention that an amount of Rs.1500 crores spent by the latest entrants – 9th and 10th franchise had only vindicated the judgment of the Company that it was a very good investment. He added that on account of the intangible benefit, thanks to the franchise, the Company was able to penetrate the cement market in Rajasthan on the commissioning of a new factory owned by its subsidiary.

About the litigations relating to pending cases at various forums, the Chairman categorically declined to settle the cases through arbitration proceedings. He assured that the Company had every option to succeed and emphasized that there was no need for the Company to seek out of court settlement and whatever was possible was being done to reduce the overall amount.

On the suggestion made to delist the Company's shares from Madras stock Exchange (MSE), the Chairman stated that the listing fee paid to MSE at Rs.2 lakhs was nominal.

As regards pledging of promoters shareholdings, the Chairman clarified that there was no need for the shareholders to be concerned about the pledges. He explained that the loans availed were repaid and added that the percentage of pledge would come down, which would get reflected in the coming quarters.

About the governance issues, the Chairman explained that the Company was complying with the mandatory and non-mandatory requirements as classified by Securities and Exchange Board of India (SEBI).

To a query of the shareholders on the increase in the outstandings, he stated that the Company had about Rs.212.85 crores outstanding, after adjusting security deposits of stockists from the sundry debtors against the total outstandings and added that in the prevailing market conditions, some element of credit was also a tool to sell our product and that the outstanding debt was good. He further stated that with the improvement in the industry condition in the coming years, the level of outstandings would also come down.

On the issue of market price, the Chairman agreed that the Company's share price in the bourses had come down and stated that he was not an expert and did not know why it was low.

On the demand for issue of bonus shares, the Chairman endorsed the views of a shareholder that he did not believe in bonus and would look at a better dividend.

To a query of the shareholders on salaries and wages, he explained that there was an agreement with the labour for a 5-year period and that the wages were revised in 2010, which came into effect from April 2010 and the increase of about Rs.3,500 per employee over a 4 year period was getting reflected under the head 'salaries and wages'.

About the Company's market share in the South, the Chairman informed that it was 18% in the South.

On the salaries and commissions paid to the Managing Director and Wholtime Director, the Chairman replied that the views of the shareholders were taken note of.

Referring to the query on ships, the Chairman recalled the observations made by him at the earlier Annual General Meeting. He gave details of raw materials required for the manufacture of cement. He further explained that one of the most important fuels to produce cement was coal and that it was not possible to get the required quantity of coal in the domestic market and in order to meet the requirements, the Company was to import close to 7-8 lakh tonnes of coal every year. The decision to acquire ships, he stated, was to import coal and ensure its safety.

On the sale of shares of Bharathi Cement Corporation Limited, the Chairman informed that the Company made a profit of over Rs.24-25 crores.

The Chairman thereafter put the resolution to vote by show of hands. Since all the members present voted in favour, the Chairman declared that the resolution was carried unanimously.

2. DECLARATION OF DIVIDEND ON EQUITY SHARES

The following resolution was proposed by Sri.R.Sankaran (DP Id: IN301080 & Client Id: 13414940) as an Ordinary Resolution.

RESOLVED THAT a dividend Rs.1.50 per Equity share of Rs.10/- each, fully paid up on 30,71,74,910 equity shares be and is hereby declared by the Company for the year ended 31st March, 2011.

The resolution was seconded by Sri.S.Sivaguru (DP Id: IN301080 & Client Id: 22001625)

Sri.S.Padmanaban (DP Id: IN301774 & Client Id: 10308922) expressed his disappointment that the dividend payout was not adequate and commensurate with the paid-up capital and the reserves. He wanted to know the dividend policy of the Company and requested the Management to recommend higher dividend.

Sri.A.R.Venkitaraman (Folio No.V03857) felt that the dividend declared was meagre and requested the Management to reward the shareholders by increasing the dividend.

Sri.T.Raman (DP Id: IN301313 & Client Id: 21048367) was appreciative of the Management for having declared a dividend, though not attractive, in view of the dismal performance.

Sri.V.Nageswara Rao (DP Id: IN302269 & Client Id: 13601277) requested the Management to declare a special dividend.

Sri.Vijay Prabhu (DP Id: IN301637 & Client Id: 60026878) expressed that the dividend including tax of Rs.53.73 crores was not satisfactory compared to the remuneration paid to the two key managerial personnel.

Mr.Subramaniam Pabbisetty (Client Id: 1203840000140012) opined that the dividend payout ratio was comparatively good and requested the Management to be more liberal in their distribution in the event of the Company reporting higher profitability.

As regards the dividend policy, the Chairman replied that the Board had been looking at dividend on a yearly basis. Detailing the dividend paid by the Company since beginning, the Chairman stated that the parameters in the fixation of dividend ratio were the financial position, performance of the Company and the expected performance in the coming year.

On demand for higher dividend, the Chairman informed that it would be a considered decision taken by the directors, keeping in view various aspects and was hopeful that the Board of Directors would take appropriate decisions in the matter of dividend in future years in the light of Company's performance.

The Chairman thereupon put the resolution to vote by show of hands. Since all the members present voted in favour, the Chairman declared that the resolution was carried unanimously.

3. REAPPOINTMENT OF DR.B.S.ADITYAN RETIRING BY ROTATION AS A DIRECTOR

The Chairman (DP Id: IN301313 & Client Id: 20785347) moved the following resolution as an Ordinary Resolution.

RESOLVED THAT Dr.B.S.Adityan, who retires by rotation and is eligible for reappointment, be and is hereby reappointed as a Director of the Company subject to retirement by rotation.

The resolution was seconded by Sri.L.Sabaretnam (DP Id: IN301313 & Client Id: 20329890).

The Chairman thereafter put the resolution to vote by show of hands. Since all the members present voted in favour, the Chairman declared that the resolution was carried unanimously.

4. REAPPOINTMENT OF SRI.K.SUBRAMANIAN RETIRING BY ROTATION AS A DIRECTOR

Sri.S.Sivaguru (DP Id: IN301080 & Client Id: 22001625) moved the following resolution as an Ordinary Resolution.

RESOLVED THAT Sri.K.Subramanian, who retires by rotation and is eligible for reappointment, be and is hereby reappointed as a Director of the Company subject to retirement by rotation.

The resolution was seconded by Sri.N.Kadirvelu (DP Id: IN301549 & Client Id: 15826795).

The Chairman thereafter put the resolution to vote by show of hands. Since all the members present voted in favour, the Chairman declared that the resolution was carried unanimously.

5. REAPPOINTMENT OF SRI.R.K.DAS RETIRING BY ROTATION AS A DIRECTOR

Sri.R.Sankaran (DP Id: IN301080 & Client Id: 13414940) moved the following resolution as an Ordinary Resolution.

RESOLVED THAT Sri.R.K.Das, who retires by rotation and is eligible for reappointment, be and is hereby reappointed as a Director of the Company subject to retirement by rotation.

The resolution was seconded by Sri.S.Sivaguru (DP Id: IN301080 & Client Id: 22001625).

The Chairman thereafter put the resolution to vote by show of hands. Since all the members present voted in favour, the Chairman declared that the resolution was carried unanimously.

6. REAPPOINTMENT OF AUDITORS AND FIXATION OF THEIR REMUNERATION

Sri.L.Sabaretnam (DP Id:IN301313 & Client Id:20329890) proposed the following resolution as an Ordinary Resolution.

RESOLVED THAT M/s.Brahmayya & Co., (Registration No.000511S) and M/s.P.S.Subramania Iyer & Co., (Registration No.004104S) Chartered Accountants, Chennai, be and are hereby appointed Auditors of the Company including its branch offices to hold office from the conclusion of the sixtyfifth Annual General Meeting until conclusion of the sixtysixth Annual General Meeting and that their remuneration be and is hereby fixed at Rs.40,00,000/- each, exclusive of service tax and all travelling and out of pocket expenses, which shall be reimbursed to them.

The resolution was seconded by Sri.N.Kadirvelu (DP Id: IN301549 & Client Id:15826795).

Sri.S.Padmanabhan, (DP Id: IN301774 & Client Id: 10308922) felt that the remuneration paid to the Statutory Auditors was on the high side and stated that he was not in favour of their reappointment.

The Chairman thereafter put the resolution to vote by show of hands. Since all the members present, excepting Sri.S.Padmanabhan, voted in favour, the Chairman declared that the resolution was carried with all those present, except one member, voting in favour and the lone member against.

There being no other business, the Chairman thanked the members for their cooperation and declared the meeting closed.

CHAIRMAN