

Proceedings of the
37th Annual General Meeting
of the Shareholders held on 26th September, 2012
at 3.00 p.m. at Hotel Ambassador Pallava,
30, Montieth Road, Chennai - 600 008

As per the attendance Slips received, 170 Shareholders and 2 Proxies attended the Meeting. The following were also present at the Meeting.

Directors:

1. Mr Hari Eswaran, Chairman
2. Mr Raj H Eswaran, Managing Director
3. Mr J D N Sharma, Director
4. Mr R Ravi Kumar, Alternate Director to Dr. W S Jones, Chairman Audit Committee

Auditors:

1. Mr N Srikrishna, Partner
M/s.Brahmayya & Co.
Statutory Auditors
Chennai 600 001
2. Mr R Subramanmanian, Partner
M/s. R Subramanian & Co.
Statutory Auditors
Chennai - 600 004

In Attendance:

Mr K N Nagesha Rao, Secretary and VP (Corporate Finance)

Mr Hari Eswaran took the Chair

I. Preliminary

- a) After ascertaining availability of quorum for the meeting, Mr Hari Eswaran, Chairman called the Meeting to order. He invited all the Shareholders and Proxy holders for the Meeting.
- b) While inviting the persons on the dais, Mr Hari Eswaran informed Shareholders that Mr R Ravi Kumar, Alternate Director to Dr. W S Jones, Chairman of Audit Committee Meeting is present at the Meeting.
- c) Chairman mentioned that the Register of Directors' Shareholdings under Section 307 of the Companies Act, 1956 was available at the Meeting. Accordingly, the Directors' Shareholding Register was produced at the commencement of the Meeting and remained open and accessible throughout the Meeting.

II. Meeting Notice and Auditors' Report

With the permission of the Shareholders, the notice of the Annual General Meeting was taken as read.

The Secretary and VP (Corporate Finance) read the Auditors' Report.

III. Voting on Agenda Items

1. Adoption of Directors' Report, the Audited Profit and Loss Account for the year ended 31st March, 2012, the Balance Sheet as at 31st March, 2012 and the Auditors' Report thereon

Mr Hari Eswaran moved the motion for adoption and invited Members to seek clarification on Annual Report and Accounts for the Financial Year 2011-2012.

- 1.1. The members present sought queries and clarifications on the annual accounts and operations / prospects of the Company.

- 1.2. Mr Hari Eswaran answered all the queries and gave clarifications to the Members.
- 1.3. After answering all the queries and giving clarifications to the Members, the Chairman put the above motion for voting. The motion was carried unanimously by show of hands.

2. Declaration of Dividend

- 2.1. Mr S Padmanabhan proposed that a final dividend of 10% (Re.0.20 per Equity Shares of Rs.2 each) for the financial year ended 31st March, 2012 and the same be paid from the net profits of the Company for the financial year ended 31st March, 2012 to those eligible Shareholders whose names appear on the Register of Members as on 17th September, 2012 and Depository Beneficial Owners as on 17th September, 2012.
- 2.2. The motion was seconded by Mr N Ramesh Kumar Jain
- 2.3. The Chairman put the motion to vote and by show of hands the same was carried unanimously.

3. Appointment of Dr W S Jones as Director of the Company

- 4.1. The proposal put forth by Mr S Ramamoorthy to re-appoint Dr W S Jones as Director of the Company was seconded by Mr Chandrabhan
- 4.2. The Chairman put the motion to vote and the same was carried unanimously by show of hands.

4. Appointment of Mr Hari Eswaran as Director of the Company

- 4.1. At the request of Mr Hari Eswaran, Mr JDN Sharma, Director took the Chair and conducted the proceedings of this agenda.
- 4.2. Mr J Nagarajan's proposal for appointment of Mr Hari Eswaran as Director of the Company was seconded by Mr R R Trivedi.
- 4.3. The Chairman put the motion to vote and the same was carried unanimously by show of hands.
- 4.4. Thereafter Mr JDN Sharma requested Mr Hari Eswaran to occupy the Chair and conduct the remaining business of the Meeting. Accordingly, Mr Hari Eswaran chaired the Meeting for further proceedings.

5. Appointment of and payment of remuneration to Auditors

- 5.1. Mr K Anandan proposed that the retiring Auditors, M/s. Brahmayya & Company, Chennai and M/s. R Subramanian & Company, Chennai be appointed as Auditors of the Company to hold office from the conclusion of the Annual General Meeting till the conclusion of the next Annual General Meeting on a remuneration as may be fixed by the Board of Directors.
- 5.2. The proposal was seconded by Mrs V Jayalakshmi. The Chairman put the motion to vote and by show of hands the same was carried unanimously.

IV. Special Business

6. Appointment of Mr JDN Sharma as Director

- 6.1. Mr C D Swaminathan proposed that Mr JDN Sharma be appointed as Director of the Company. Mr Bablibai Babulal seconded the proposal.

6.2. The motion put forth by the Chairman to vote was carried unanimously by show of hands.

7. Appointment of Mr Raj H Eswaran as Managing Director

7.1. Mr B J Kanthimathinathan, a member proposed the following Resolution as an Ordinary Resolution.

RESOLVED THAT pursuant to the provisions of Sections 198, 269, 309, 310, 314 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 and all guidelines for managerial remuneration issued by the Central Government from time to time, and such other consents and approvals as may be required, consent of the Company be and is hereby accorded for the appointment of Mr. Raj H Eswaran EswaHH, as Managing Director of the Company, with substantial powers of management to be exercised by him, subject to the superintendence, control and direction of the Board of Directors of the Company for a period of 5 (five) years with effect from 1st April, 2012, and for payment of remuneration to him, on the terms and conditions set out below, with liberty to the Board of Directors to alter and vary the terms and conditions, not exceeding the limits specified under Schedule XIII of the Companies Act, 1956 or any statutory modification or re-enactment thereof.

RESOLVED FURTHER that for the services agreed to be rendered by Mr. Raj H Eswaran, he shall be remunerated in the manner following subject to overall ceiling of 5% of net profit of the Company in terms of Section 198, 309 and Schedule XIII to the Act, computed in the manner laid down in Section 349 and 350 of the Act.

(i) **Salary:** Rs.4,25,000 per month.

(ii) **Commission on profit, perquisites and other terms of contract:**

- (a) Commission at 1% (*one percent*) of net profit of the Company in addition to salary. The amount of commission payable based on the net profits of the Company in a particular year shall be subject to the overall ceiling laid down in Section 198 and Section 309 of the Companies Act, 1956.
- (b) The Company would provide to the Managing Director a car for use on Company's business and telephone at residence. Personal long distance calls on telephone and use of car for private purpose shall be billed by the Company to the Managing Director.
- (c) The Managing Director shall not be paid any sitting fee for attending the meeting of the Board of Directors or Committee thereof from the date of his appointment.

RESOLVED FURTHER that in the event of the Company incurring loss or inadequacy of profits if any during the tenure of service of the financial year, the payment of salary, commission and perquisites to Mr Raj H Eswaran, Managing Director shall be regulated by payment of minimum remuneration prescribed under Section II of Part II of Schedule XIII to the Companies Act, 1956.

RESOLVED FURTHER that the scope and quantum of remuneration specified hereinabove, may be enhanced, enlarged or varied by the Board of Directors, in the light of and in conformity with any amendments to the relevant provisions of the Companies Act, 1956 and / or the rules and regulations made thereunder and /or such guidelines as may be announced by Government of India, from time to time.

RESOLVED FURTHER that as Managing Director of the Company, Mr Raj H Eswaran shall, subject to the supervision, control and directions of the Board of Directors of the Company, exercise substantial powers of management and manage the business and affairs of the Company.

RESOLVED FURTHER that subject to the provisions of the Act, and Article 102 of the Articles of Association of the Company, Mr. Raj H Eswaran, Managing Director shall not while he continues to hold office

of the Managing Director be subject to retirement by rotation of Directors and he shall not be reckoned as a Director for the purpose of determining the rotation or retirement of Directors on in fixing the number of Directors to retire.

RESOLVED FURTHER that for purpose of giving effect to the foregoing resolution, the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, matters and things, as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in the said regard.

7.2. Mr R Balakrishnan, a member seconded the resolution.

7.3. The Resolution was then put to vote and on a show of hands, the Chairman declared the same as passed unanimously.

IV. Vote of thanks

Mr N Narayanan proposed a vote of thanks to the Chair.

***There being no other subjects for discussions,
the Meeting terminated.***

**Sd/-
Hari Eswaran
Chairman**