

COROMANDEL INTERNATIONAL LIMITED

MINUTES OF THE PROCEEDINGS OF THE 50TH ANNUAL GENERAL MEETING HELD AT 10.30 AM ON JULY 23, 2012 AT HOTEL MINERVA GRAND, CMR COMPLEX, SAROJINI DEVI ROAD, SECUNDERABAD 500003

PRESENT

Directors

Mr A Vellayan	:	Chairman. Also, Representative appointed under Sec.187 of the Companies Act, 1956 by EID Parry (India) Ltd.	
Mr V Ravichandran	:	Vice Chairman	
Mr K Balasubramanian	:	Director	
Dr B V R Mohan Reddy	:	Director	
Mrs Ranjana Kumar	:	Director	
Mr R A Savoor	:	Director	
Mr M K Tandon	:	Director	
Mr M M Venkatachalam	:	Director	
Mr Kapil Mehan	:	Managing Director	
Mr M R Rajaram	:	Company Secretary	
Mr Ganesh Balakrishnan	:	Representatives, Deloitte Haskins & Sells	- do -
Mr Sumit Trivedi	:	- do -	- do -
Mr Vinodh Srinivasan	:	- do -	- do -

506 Members including 94 through proxies duly appointed by them were present when the meeting commenced.

Mr A Vellayan took the chair in accordance with Article 82 of the Company's Articles of Association.

The Chairman, before calling the meeting to order, introduced the Members of the Board and also the Management Team of Coromandel. He then stated that the requisite quorum being present he would commence the Meeting. The Chairman stated that the Registers required to be placed before the Meeting under the provisions of Companies Act, 1956, were so placed and available for inspection of members.

The Chairman then sought the consent of the members to take the Notice convening the Meeting as read. Such consent being given, he requested the Company Secretary to read the Report of the Auditors to the Members.

The Secretary read the Report of the Auditors to the Members.

The Chairman then addressed the Meeting, the text of which is annexed to this Minutes.

1.0 ADOPTION OF ANNUAL ACCOUNTS AND DIRECTORS' REPORT:

i) The Chairman stated that the Directors' Report and the Accounts for the financial year ended March 31, 2012 had been with the members for some time and with their consent took these documents as read.

ii) Mr Rohinton F Batiwala proposed the following resolution as an Ordinary Resolution:

"RESOLVED that the Balance Sheet as at March 31, 2012 and the Statement of Profit and Loss for the financial year ended on that date, together with the Report of the Auditors and the Report of the Directors for the relevant period, now submitted to this Meeting be and are hereby received and adopted."

Mr C S Naidu seconded the resolution.

Before putting the resolution to vote, the Chairman invited comments / questions, if any, from the Members on the accounts.

7 Members spoke and raised queries/sought clarifications on the Annual Report and the Company's Performance. Mr A Vellayan, Chairman, Mr Kapil Mehan, Managing Director and Dr G Ravi Prasad, President (Fertilisers & Organic) replied to the queries and provided necessary clarifications to the Members. Thereafter, the Chairman put the resolution to vote and declared it carried by requisite majority.

2.0 DECLARATION OF DIVIDEND

Mr T D Bhagwandass proposed the following resolution as an Ordinary Resolution:

"RESOLVED that a Final Dividend of ₹3.00 per equity share be and is hereby declared on the equity share capital of the Company for the financial year 2011-12 and the said dividend be paid to those shareholders who are on the Register of Members of the Company as on July 23, 2012 and in respect of shares held in dematerialized form to the beneficial owners as per the list provided by the depositories.

FURTHER RESOLVED THAT the Interim Dividend of ₹4.00 per equity share paid to the shareholders for the year 2011-12 be and is hereby ratified."

Mr T A Parameswaran seconded the resolution, which was then put to vote by the Chairman and declared it carried by requisite majority.

3.0 RETIREMENT BY ROTATION OF MR M M VENKATACHALAM AS DIRECTOR

Mr S K Ramchander proposed the following resolution as an Ordinary Resolution:

"RESOLVED THAT Mr M M Venkatachalam be and is hereby elected as a Director of the Company".

Mrs V Nagamani seconded the resolution, which was then put to vote by the Chairman and declared it carried unanimously.

4.0 RETIREMENT BY ROTATION OF MR M K TANDON

Mr N Paramshwar proposed the following resolution as an Ordinary Resolution:

“RESOLVED THAT the vacancy caused by the retirement by rotation of Mr M K Tandon who has conveyed in writing to the Company his unwillingness to offer himself for reappointment, be not filled up.”

Mr N Visweswara Rao seconded the resolution, which was then put to vote by the Chairman and declared it carried unanimously.

5.0 RETIREMENT BY ROTATION OF MR R A SAVOOR

Mr Praful Chawda proposed the following resolution as an Ordinary Resolution:

“RESOLVED THAT the vacancy caused by the retirement by rotation of Mr R A Savoor who has conveyed in writing to the Company his unwillingness to offer himself for reappointment, be not filled up.”

Ms Patricia Lancelot seconded the resolution, which was then put to vote by the Chairman and declared it carried unanimously.

6.0 APPOINTMENT OF AUDITORS

Mr Tumuluru Krishna Murthy proposed the following resolution as an Ordinary Resolution:

“RESOLVED THAT M/s Deloitte Haskins & Sells, Chartered Accountants, bearing Registration No.008072S with the Institute of Chartered Accountants of India, be and they are hereby appointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting on a remuneration of ₹40.00 lakhs (Rupees forty lakhs only) plus reimbursement of out of pocket expenses and applicable taxes.”

Mr N Ganesh seconded the resolution, which was then put to vote by the Chairman and declared carried by requisite majority.

7.0 AMENDMENT TO CLAUSE 7(B) OF THE EMPLOYEE STOCK OPTION SCHEME (ESOP)

Mr P Varadarajan proposed the following resolution as an Special Resolution:

““RESOLVED THAT in partial modification of the special resolution passed at the 45th Annual General Meeting of the Company held on July 24, 2007 (‘said resolution’) and pursuant to Section 81(1A) of the Companies Act, 1956 and Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and any other applicable regulatory requirement, approval of the Company be and is hereby accorded for extending the exercise period of options granted under the Employee

Stock Option Scheme 2007 ('ESOP Scheme') constituted pursuant to the said resolution from the earlier approved three years to six years.

RESOLVED FURTHER THAT the amendment to Clause 7(b) of the Employee Stock Option Scheme 2007, for enhancing the exercise period to six years (with such exceptions as considered necessary or appropriate) be and is hereby approved.

RESOLVED FURTHER THAT the Board of Directors or any Committee thereof, be and is hereby authorised to do all such acts, deeds, matters and things as it may in its absolute discretion deem fit, necessary or desirable for the purpose of giving effect to this resolution with power to settle any issues, questions, difficulties or doubts that may arise in this regard."

Mr P V Srinivas seconded the Special Resolution, which was then put to vote by the Chairman and declared it carried by requisite majority.

8.0(A) CONSTITUTE A NEW SCHEME CALLED "EMPLOYEE STOCK OPTION PLAN 2012" (ESOP 2012)

Mr Mohan Madhav Mulay proposed the following resolution as a Special Resolution:

"RESOLVED THAT in accordance with the applicable provisions of the Companies Act, 1956, as amended from time to time ("the Act"), the Memorandum and Articles of Association of the Company and the applicable provisions of the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 ("the Guidelines") (including any statutory modification(s) or re-enactment of the Act or the Guidelines, for the time being in force) and subject to all other applicable rules, regulations and guidelines of the Securities and Exchange Board of India, the Listing Agreement entered into with the Stock Exchanges where the securities of the Company are listed and / or such other approvals, consents, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions which may be agreed to by the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include any committee including the Remuneration & Nomination Committee which the Board may, at its discretion authorize to exercise certain or all of its powers, including the powers, conferred by this resolution), the consent of the members be and is hereby accorded to the Board to constitute at any time a scheme called "Employee Stock Option Plan 2012" or "ESOP 2012" (hereinafter referred to as "the Plan/the Scheme"), to create, offer and grant such number of Stock Options to the permanent employees of the Company, existing and future, from time to time, as may be decided solely by the Board, exercisable into fully paid up Equity Share of ₹1/- each, which shall be acquired from the secondary market through an ESOP Trust set-up by the Company, at such price or prices, in one or more tranches and on such terms and conditions, as may be determined by the Board in accordance with the provisions of the ESOP - 2012 and the applicable laws and regulations, provided that such outstanding options arising out of the current ESOP Scheme and/or the earlier ESOP Scheme(s) shall in aggregate not exceed 5% of the paid up Equity Capital of the Company as at March 31, 2012, being 14128477 Equity Shares of ₹1/- each.

RESOLVED FURTHER THAT in case of any corporate action (s) such as rights issues, bonus issues, merger and sale of division and others, if any additional equity shares are issued by the Company to the Option Grantees for the purpose of making a fair and reasonable adjustment to the options granted earlier, the above ceiling of 14128477 equity shares shall be deemed to be increased to the extent of such additional equity shares issued.

RESOLVED FURTHER THAT in case the equity shares of the Company are either sub-divided or consolidated, then the number of shares to be allotted and the price of acquisition payable by the option grantees under the schemes shall automatically stand augmented or reduced, as the case may be, in the same proportion as the present face value of ₹1/- each per equity share bears to the revised face value of the equity shares of the Company after such sub-division or consolidation, without affecting any other rights or obligations of the said allottees.

RESOLVED FURTHER THAT the Company be and is hereby authorised to constitute an employee welfare trust, namely, "Coromandel ESOP 2012 Trust" ("the Trust") for the purpose of giving effect to the Scheme, which shall hereby be authorised to acquire equity shares of the Company from the open market for the benefit of the Employees in accordance with the Scheme / the Plan and hold the shares till the settlement of options.

RESOLVED FURTHER THAT the Company be and is hereby authorised to provide financial assistance to the Trust (including without any interest), as may be deemed fit, to enable the Trust to acquire or purchase the equity shares of the Company subject to compliance with the applicable provisions of the Act, including any statutory modification(s) or amendment(s) thereof.

RESOLVED FURTHER THAT the Board be and is hereby authorised to make modifications, changes, variations, alterations or revisions in the Scheme, from time to time or to suspend, withdraw or revise the Scheme from time to time and settle all questions, queries, difficulties or doubts that may arise in relation to the implementation of the Scheme and incur expenses in relation thereto, as it may deem fit, from time to time in its sole and absolute discretion in conformity with the provisions of the Companies Act, 1956, the Memorandum and Articles of Association of the Company, SEBI Guidelines and any other applicable laws."

Ms P Usha Rani seconded the Special Resolution, which was then put to vote by the Chairman and declared it carried unanimously.

8.0(B) EXTENSION OF THE BENEFITS OF THE ESOP 2012 TO THE PERMANENT EMPLOYEES OF THE SUBSIDIARY COMPANIES

Mr Bathula Venkata Ratnam proposed the following resolution as a Special Resolution:

"RESOLVED THAT in accordance with the applicable provisions of the Companies Act, 1956, as amended from time to time ("the Act") ,the Memorandum and Articles of Association of the Company and the applicable provisions of the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 ("the Guidelines") (including any statutory modification(s) or re-enactment of the

Act or the Guidelines, for the time being in force) and subject to all other applicable rules, regulations and guidelines of the Securities and Exchange Board of India, the Listing Agreement entered into with the Stock Exchanges where the securities of the Company are listed and / or such other approvals, consents, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions which may be agreed to by the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include any committee including the Remuneration & Nomination Committee which the Board may, at its discretion authorize to exercise certain or all of its powers, including the powers, conferred by this resolution), the consent of the members be and is hereby accorded to the Board to extend the benefits of the said ESOP Scheme referred to in the resolution under Item No.8(A) of this Notice to the benefit of such person(s) who are in permanent employment of the Subsidiary Companies including any Managing Director or Wholetime Director of the Subsidiary Company, by way of grant of options exercisable into fully paid up Equity Share of ₹1/- each provided that such outstanding options arising out of the current ESOP Scheme and/or the earlier ESOP Scheme(s) shall in aggregate not exceed 5% of the paid up Equity Capital of the Company as at March 31, 2012, being 14128477 Equity Shares of ₹1/- each prescribed in the resolution under Item No.8(A) of this Notice, which shall be acquired from the secondary market through an ESOP Trust set-up by the Company, at such price or prices, in one or more tranches and on such terms and conditions, as may be determined by the Board in accordance with the provisions of the ESOP -2012 and the applicable laws and regulations.

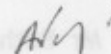
RESOLVED FURTHER THAT the Board be and is hereby authorised to make modifications, changes, variations, alterations or revisions in the Scheme, from time to time or to suspend, withdraw or revise the Scheme from time to time and settle all questions, queries, difficulties or doubts that may arise in relation to the implementation of the Scheme and incur expenses in relation thereto, as it may deem fit, from time to time in its sole and absolute discretion in conformity with the provisions of the Companies Act, 1956, the Memorandum and Articles of Association of the Company, SEBI Guidelines and any other applicable laws."

Mr M R Rao seconded the Special Resolution, which was then put to vote by the Chairman and declared it carried unanimously.

The Chairman then declared the meeting concluded and thanked the members for attending the meeting.

8(B)(i) EXTENSION OF THE BENEFITS OF THE ESOP 2012 TO THE PERMANENT EMPLOYEES OF THE SUBSIDIARY COMPANIES

whereas the Board proposed the following resolution as a Special



Chairman

"RESOLVED THAT in accordance with the applicable provisions of the Companies Act, 1956, as amended from time to time ("the Act"), the Memorandum and Articles of Association of the Company and the applicable provisions of the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 ("the Guidelines"), including any modification(s) or re-enactment of the

COROMANDEL INTERNATIONAL LIMITED
ANNUAL GENERAL MEETING – JULY 23, 2012
SPEECH BY CHAIRMAN

Ladies and Gentlemen!

It gives me great pleasure to welcome you all to the Fiftieth Annual General Meeting of your Company Coromandel International Limited. Our special thanks to the representatives of Foskor who have travelled all the way to be present here today.

It is indeed my proud privilege to be part of this great Company, built over five decades of dedication and commitment of all the stakeholders, who were associated with the Company. Coromandel started its journey five decades ago with a manufacturing unit at single location at Visakhapatnam and has since then grown from strength to strength and today the Company's manufacturing units are located in the states of Andhra Pradesh, Tamil Nadu, Gujarat and Jammu & Kashmir and dealer network spread through-out the country. The Company had indeed crossed many a milestones successfully through these years. I would like to thank each and every one of the stakeholder who had contributed to this growth story from inception of the Company.

I must make a special mention of the unstinted support the shareholders had given to the Board of Directors which had led to the growth of this Company. In order to reward the shareholders, the Board of Directors had approved issue of Bonus Debentures through a Scheme of Arrangement. I am glad to inform you today that the Company has received the necessary approvals for the proposed issue and would be issuing the said Debentures soon.

The Indian Economy after growing at 8.5% to 9% in past two years, had seen a downward trend during the year 2011-12, recording a growth of 6.5%. Despite this downtrend, India continues to be a frontrunner in the global arena. The Nutrient Based Subsidy Policy which was introduced by the Government had created a win win situation for the Government, Industry and, more importantly, for the farmers. The policy had helped not only the Government to save in subsidy outgo but also the farmers in ensuring judicious use of fertilisers. There is a need for Nutrient Based Subsidy Policy to be extended to Nitrogenous Fertilisers, the Urea, otherwise a serious nutrient use imbalance will develop leading to lower agricultural productivity in the next 2 to 3 years. The demand for Fertilisers is growing by the day with the supply of it being stagnant for want of fresh Investments resulting in increased import of Fertilisers which should be addressed by the authorities.

I had stated in my last year's address that your Company's strategy is to expand in non subsidy based businesses. In line with this strategy, your Company is focused in achieving it through growth in Crop Protection, Specialty Nutrients and Rural Retailing. In this direction, the Company had during the year completed the acquisition of Sabero Organics Gujarat Limited and has taken over complete control of the company in December 2011 and deputed Mr G Veera Bhadram to Head Sabero. With the completion of this acquisition, your Company has consolidated itself firmly in the crop protection business. I am confident that the integrated team of both Sabero and Coromandel would turnaround Sabero soon. In the Rural Retail Business, your Company had during the year, set its footprints in the neighbouring state of Karnataka. Through these Mana Gromor Centers the Company provides value added products and services to the farming community.

Coming to our performance, the Report of the Directors and the Accounts of the Company for the year ended March 31, 2012 have been circulated to you and I am sure, the continued good performance of the Company must have delighted you. The Company achieved total revenue of Rs 9940 crore. The

Profit Before Tax was Rs.970 crore and the Profit After Tax was Rs.693 crore. Let us together congratulate the Management Team for this continued record of good results.

Based on the above performance, the Board has recommended a Final Dividend of Rs. 3/- per share of Re.1/- each (a total of 700%, including the Interim Dividend of 400% already paid during the year), for your approval, at this meeting. I am sure you will appreciate the Company's efforts in sustaining the good returns to the shareholders.

The year gone by was yet another eventful year for Coromandel with an all time high sale of 32.73 lakh MT fertilisers. The Plant Protection Business performed well and registered a turnover of Rs.441 crore despite a sudden ban imposed by the Supreme Court on Endosulfan at the beginning of the year. The Specialty Nutrient Division consisting of Water Soluble Fertilisers, Micro Nutrients and Municipal Compost registered 31% growth during the year despite difficult seasonal and market conditions. Your Company's pioneering effort in improving the soil health and increasing the Carbon Content through use of Municipal Compost continues to receive the patronage of the farming community and has registered a growth of 33% over the previous year.

The Rural Retail initiative continues to receive good and encouraging response. During the year the Company added 200 agri retail outlets in Andhra Pradesh and Karnataka and is in the process of entering Maharashtra and expand its operations in the State of Karnataka. The Farming community has recognized this initiative of your Company, as Mana Gromor brand has built very good brand equity. The Farmers get a number of agri products/services as well as select non agri products from Mana Gromor Centers. The direct interface with the customers through Mana Gromor Centers continues to strengthen the Company's bondage with the farmers.

The commissioning of the new phosphoric acid project being put up by TIFERT, the joint venture company set up in Tunisia in collaboration with

Group Chimique Tunisien (GCT), Campagne Des Phosphates De Gafsa (CPG) of Tunisia and Gujarat State Fertilisers Corporation Limited (GSFC), has got delayed due to social and political unrest in Tunisia since January 2011. The Project is now going through pre-commissioning trials and is expected to begin commercial production before end of 2012. Phosphoric Acid supplies, as a result, remained affected in the 1st quarter. However, the availability is improving as we move into the 2nd quarter and further.

I am pleased to inform you that the JV Company, Coromandel SQM (India) Pvt. Ltd. incorporated for manufacturing different grades of Water Soluble Fertilisers in Kakinada has commenced operations during the year.

Coromandel continued to receive number of awards/accolades from Industry forums. Some of the important awards received during the year include:

- **Significant Achievement for the Company in the CII-Exim Bank Business Excellence Award – 2011.**
- **National Award for Excellence in Water Management received by Visak Plant from the CII**
- **Kakinada Plant received FAI Award for best overall performance of an Operating Fertiliser Unit for Complex Fertilisers**
- **Business Excellence Award by "Industrial Economist" a Business Magazine**
- **"Godavari Gold" received the Award for Best Brand from FICCI**

I am sure you would join me in congratulating the team on the accolades and wish them many more in the future.

Mr M K Tandon and Mr R A Savoor, Directors, are retiring from the Board. The Board wishes to place on record its sincere appreciation to both Mr Tandon and Mr Savoor for their contribution to the growth of the Company during their tenureship.

I would also like to take this opportunity to thank all the shareholders for reposing unstinted faith in the Company by extending wholehearted support to all the initiatives. I would also like to thank the Central and State Governments, the suppliers, the Banks and Financial Institutions, employees at all levels, and the Customers who have contributed to the successful operations of the Company.

I would like to place on record my gratitude to the Board Members for contributing to the progress of the Company and extending their utmost cooperation in the discharge of my functions as the Chairman of the Board.

Thank you.

