PROCEEDINGS OF THE 64TH ANNUAL GENERAL MEETING OF THE SHAREHOLDERS OF COROMANDEL ENGINEERING COMPANY LIMITED HELD ON SATURDAY, THE 28TH DAY OF JULY, 2012 AT 2.00 PM AT CONFERENCE ROOM, 3RD FLOOR, "PARRY HOUSE", NO.43, MOORE STREET, CHENNAI 600 001

PRESENT

1. Mr M M Venkatachalam - Chairman & Managing Director & Member
2. Mr J Srinivasan - Director
3. Mr V Venkiteswaran - Director
4. Mr Sridhar Ganesh - Director
5. Mr N V Ravi - Director

Other Members Present

1. Mr A N Umayal
2. Mr RM Annamalai
3. Mr M C Gokul
4. Mr A R Nagappan
5. Ms PL Valliammai
6. Mr S M Palaniappan
7. Mr Dilip Kumar Surana
8. Mrs. Santosh D Surana
9. M/s. Sugal & Damani Share Brokers Ltd
10. Mr V V Josi
11. Mr N Kalyanam
12. Ms V Uma
13. Ms S Elakkiya
14. Ms S Janani Sri
15. Ms. S Kokila
16. Mr S Areebuvasan
17. Ms S Thilagavathy
18. Mr Ramanathan
19. Mr S Ramanathan
20. Mr Ramakrishnan
21. Mr Maliram Sharma
22. Ms Pinni Srinivasulu
23. Mr Pinni Nagamani
24. Ms SP VE Valliammai
25. Mr. AL Muthuraman
26. Mr Vijaya Alagappan
27. Mr VE Alagappan
28. Mr J Abhishek
29. Mr Manohar raj Harish Kumar
30. Mr. Harishkumar
31. Mr PR Subbunarayanan
32. Ms S Dheivanai
33. Mr G Nandalal
34. Mr Kamal Prabu A C Parekh
35. Ms Sheetal M Parekh
36. Mr M Ashok Kumar
37. Ms Sheela Ashok

CHAIRMAN

38. Mr K Vivekanandan
39. Mr M Chidambaram
40. Mrs M Rajalakshmi

Mr. M M Venkatachalam represented the following members as their proxy.

1. Mr. M V Murugappan
2. Mrs. M V Valli Murugappan
3. M/s. Ambadi Investments Pvt Ltd
4. Mr. J Sundaram
5. M/s. Murugappa Management Services Ltd
6. Mrs. Meyyammai Venkatachalam
7. Mrs. AR. Meenakshi
8. M/s. A M M Vellayan Sons Pvt Ltd
9. M/s. M M Muthiah Sons Pvt Ltd
10. M/s. M M Muthiah Research Foundation Pvt Ltd
11. Mr. M M Muthiah
12. Mr. M M Veerappan
13. M/s. Murugappa Educational & Medical Foundation
14. Mr. A Venkatachalam
15. Mr. A Vellayan
16. Mr. V Arunachalam
17. Mr. V Narayanan
18. M/s. E I D Parry (I) Ltd
19. M/s. Carborundum Universal Ltd
20. M/s. A M M Arunachalam & Sons Pvt Ltd
21. Mr. M M Venkatachalam
22. Mr. M V Muthiah
23. Mrs. M M Seethalakshmi
24. Mrs. Lakshmi Venkatachalam
25. Mr. S Vellayan
26. Mr. M M Murugappan
27. Mrs. A A Alagammai
28. M/s. AR Lakshmi Achi Trust
29. Mr. M A Alagappan
30. Mr. Arun Alagappan
31. Mr. M A M Arunachalam
32. Mrs. A M Meyyammai
33. M/s. Kartik Investments Trust Limited
34. Mrs. Lalitha Vellayan
35. Mr. M.V Subbiah
36. Mrs. M.V. Seetha Subbiah
37. Mrs. Lakshmi Ramaswamy
38. Mrs. Meenakshi Murugappan
39. M/s. Tube Investments of India Limited

ALSO PRESENT

Mr. M. Padhmanabhan Chartered Accountant	M/s. Sundaram & Srinivasan Statutory Auditor
Mr. R Narayanan	Company Secretary

CHAIRMAN'S INITIALS

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Ph : 28111516 / 28113950

Mr. M M Venkatachlam, Chairman & Managing Director, occupied the Chair.

1. The Chairman welcomed the members to the Company's 64th Annual General Meeting.

   The Chairman introduced the Directors and senior executives of the Company to the Members.

   After ascertaining that the requisite quorum for the meeting was present, the Chairman called the meeting to order.

2. The Chairman announced that the Register of Directors' shareholdings maintained by the Company pursuant to Section 307 of the Companies Act, 1956 was on the table and was available for inspection by the Members present at any time during the meeting.

3. The Chairman announced that 39 proxies for 24,73,676 equity shares were received and duly recorded.

4. The Voluntary Compliance Certificate issued by Mr.R.Sridharan, M/s.R.Sridharan & Associates, Company Secretaries for the financial year ended 31.03.2012, was laid before the Annual General Meeting.

5. With the permission of the shareholders present, the Notice convening the Meeting as circulated among Members was taken as read.

6. Mr. R.Narayanan, Company Secretary read out the Report of the Auditors to the Members.

7. The Chairman briefly reviewed the performance of the Company for the year ended 31st March 2012 and explained about various measures taken by the Company to move back to profitability. He also covered the performance of the company during the first quarter ended 30th June 2012.

   Before taking up the first item on the Agenda, namely adoption of Accounts for the Financial Year ended 31st March, 2012, the Chairman invited questions regarding the performance of the company.

   The Chairman then proceeded to transact the business as set out below.

8. **ADOPTION OF ACCOUNTS**

   The Directors' Report, the Audited Balance Sheet and the Profit & Loss Account for the financial year ended 31st March, 2012 and the Auditor's Report thereon were laid before the Meeting.



CHAIRMAN'S INITIALS

The Chairman then invited questions, if any, or clarification on the details provided in the annual report, from shareholders present.

Amongst the shareholders present, the following queries were raised and answered by the Chairman.

a. Mr Srinivasulu raised questions about the reasons for increase in staff welfare and also salary cost. He also requested the broad breakup for Capex incurred during the financial year. He also expressed concern over the losses made by the company and enquired about the preventive actions taken by the Company.

   The Chairman explained about the steps taken by Company for turnaround. It was also explained that headcount and volume increase resulted in higher payout to employees. It was further explained that due to loss situation, manpower strength of the Company had been been rationalized. The capex was mainly at site to improve productivity and in the nature of Batching plant, cranes etc.

b. Mr. Chidambaram queried about redemption of Preference Capital within 18 months. He wanted to know whether the Company was confident of meeting the redemption obligation in such a short time.

   The Chairman explained about the measures taken to improve the cash flow and build up for redemption needs. He further expressed that while the situation was challenging, the Company is confident of being able to redeem the preference capital as per the terms.

There being no further questions raised from the shareholders, Chairman requested a member to propose he following resolution as an Ordinary Resolution.

Mr. K Vivekanandan, Shareholder proposed the following resolution as an Ordinary Resolution.

ORDINARY RESOLUTION

RESOLVED THAT the Directors' Report, the Audited Profit and Loss Account for the financial year ended 31st March 2012 and the Balance Sheet as at that date and the Auditors' Report thereon as published and circulated to the members and now submitted to this meeting be and are hereby received, considered and adopted.

Ms.PL Valliammai, shareholder seconded the resolution.

CHAIRMAN'S INITIALS

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The Chairman put the resolution to vote and the same was carried unanimously.

9. RE-APPOINTMENT OF MR. M A M ARUNACHALAM AS DIRECTOR

The Chairman said that the next item of the agenda in the notice related to re-appointment of Mr. M A M Arunachalam as Director of the Company and requested a shareholder to propose the resolution.

Mrs. M Rajalakshmi, shareholder proposed the following resolution as an Ordinary Resolution.

ORDINARY RESOLUTION

RESOLVED THAT Mr. M A M Arunachalam, who retires by rotation be and is hereby re-appointed as a Director of the Company.

Mr. S Ramanathan, shareholder seconded the resolution.

The Chairman put the resolution to vote and the same was carried unanimously.

10. RE-APPOINTMENT OF MR SRIDHAR GANESH AS DIRECTOR

The Chairman said that the next item of the agenda in the notice related to re-appointment of Mr. Sridhar Ganesh as Director of the Company and requested a shareholder to propose the resolution.

Mr. M Chidambaram, shareholder proposed the following resolution as an Ordinary Resolution.

ORDINARY RESOLUTION

RESOLVED THAT Mr. Sridhar Ganesh, who retires by rotation be and is hereby re-appointed as a Director of the Company.

Ms. V Uma , shareholder seconded the resolution.

The Chairman put the resolution to vote and the same was carried unanimously.

11. RE-APPOINTMENT OF M/s. SUNDARAM & SRINIVASAN AS AUDITORS

The Chairman said that the next item in the Notice related to the re-appointment of Messrs. Sundaram & Srinivasan as auditors of the Company. He also mentioned that Mr.Padhmanabhan, partner of the firm was present at the meeting.



CHAIRMAN'S INITIALS

The Chairman then requested a shareholder to propose the following resolution as an Ordinary Resolution.

Mr. K Vivekanandan, Shareholder proposed the following resolution.

ORDINARY RESOLUTION

RESOLVED THAT Messrs. Sundaram & Srinivasan, Chartered Accountants, Chennai, bearing registration no. 004207S, be and are hereby re-appointed as the Statutory Auditors of the Company from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting on a remuneration of Rs.2,30,000/- (Rupees Two Lakhs and Thirty Thousand only) plus the applicable taxes and reimbursement of travelling and out of pocket expenses actually incurred by them.

Mr. S M Palaniappan, shareholder seconded the resolution.

The Chairman put the resolution to vote and the same was carried unanimously.

12. APPOINTMENT OF MR. N V RAVI AS A DIRECTOR

The Chairman said that the next item in the Notice related to the appointment of Mr N V Ravi as a Director of the Company.

The Chairman then requested a shareholder to propose the following resolution as an Ordinary Resolution.

Mr. K Vivekanandan, Shareholder proposed the following resolution.

ORDINARY RESOLUTION

RESOLVED THAT Mr. N V Ravi who was appointed as an Additional Director of the Company pursuant to Section 260 of the Companies Act, 1956 and whose term of office as Director expires at this Annual General Meeting and in respect of whom the Company has received a notice under Section 257 of the Companies Act, 1956 from a member proposing his candidature for the office of the Director and who has consented to such appointment, be and is hereby appointed as a Director of the Company liable to retire by rotation.

Mr. AR Nagappan, shareholder seconded the resolution.

The Chairman put the resolution to vote and the same was carried unanimously.

CHAIRMAN'S INITIALS

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13. APPOINMENT OF MR. M M VENKATACHALAM, CHAIRMAN AS MANAGING DIRECTOR

The Chairman said that the next item in the Notice related to his own appointment as Managing Director of the Company. As a matter of good governance practice, he requested Mr.J.Srinivasan, Director to occupy the Chair as protem Chairman and transact the said item.

Accordingly, Mr J. Srinivasan, Director occupied the Chair as protem Chairman. He explained that due to increase in paid up share capital, there was a regulatory requirement to appoint a Managing Director for the Company. He explained the Board's recommendation for appointment of Mr.M.M.Venkatachalam, Chairman, as the Managing Director.

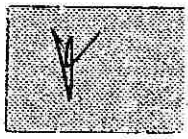
The proposed Resolution stated that the said appointment would be without remuneration. But the Shareholders expressed that in view of the strenuous responsibility the role carried, in reviving the Company's operations, the Managing Director must be remunerated. It was finally convinced that in view of the financial situation of the Company, currently Mr.M.M.Venkatachalam, be appointed as the Managing Director without remuneration. But as and when Company's overall performance improves and the Company returns to profit, payment of remuneration should be considered. Accordingly the shareholders requested modification in the proposed resolution and thereafter the modified resolution was placed for approval of the shareholders.

The protem Chairman, then requested a member to propose the resolution

Mr. K Vivekanandan, shareholder proposed the following resolution, with modification, as an Ordinary Resolution.

ORDINARY RESOLUTION

RESOLVED THAT pursuant to the provisions of Section 198, 269, 309, 310 and other applicable provisions, if any, read with Schedule XIII of the Companies Act, 1956 (including any statutory modification or re-enactment thereof for the time being in force) and such other approvals as may be required, the Company hereby approves and ratifies the appointment, by the Board of Directors ("the Board"), of Mr.M.M.Venkatachalam, as Managing Director of the Company, for a period of five years with effect from 26th April 2012 without remuneration.



CHAIRMAN'S INITIALS

RESOLVED FURTHER THAT upon the Company becoming profitable, the Board of Directors be and are hereby authorised to fix such remuneration to the Managing Director during his tenure, as may be considered appropriate in accordance with the provisions of Companies Act, 1956, for the time being in force with such approvals from concerned authorities.

RESOLVED FURTHER that the Board of Directors be and is hereby authorised for the purpose of giving effect to the resolution, to do all such acts, deeds, matters and things as they may in their absolute discretion deem necessary, expedient, usual and proper in the best interest of the Company.

Mrs.M Rajalakshmi, shareholder seconded the resolution.

The Resolution having been duly proposed and seconded, the Protem Chairman put the resolution to vote and the same was declared carried unanimously.

Mr. J Srinivasan vacated and Mr M M Venkatachalam, thanked the members and resumed the Chair.

14. VOTE OF THANKS

There being no other business to transact, the Chairman declared the meeting as closed.

CHAIRMAN

CHAIRMAN'S INITIALS

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