

IP Rings Ltd.

MINUTES OF THE TWENTIETH ANNUAL GENERAL MEETING

Minutes of the Twentieth Annual General Meeting of the Members of IP Rings Ltd. held on Thursday, July 28, 2011 at 3.15 p.m. at "Rani Seethai Hall", 603, Anna Salai, Chennai 600 006.

Present:

Mr N Venkataramani	Chairman (also Member)
Mr A Venkataramani	Managing Director (also Member)
Dr N Gowrishankar	Whole Time Director (also Member)
Dr R Mahadevan	Director (also Member)
Mr Masaaki Otani	Director
Mr P M Venkatasubramanian	Director
Dr R Natarajan	Director
Mr S R Srinivasan	Director (also Member)
Mr S Ramachandra	Director

Shareholders 912 Registered in Person and 2 in Proxy

Mr S Rangarajan Associate Vice President (Finance) & Secretary

Mr N Venkataramani, Chairman welcomed the members to the Twentieth Annual General Meeting and thanked them for their presence.

Two minute silence was observed in memory of Mr A Sivasailam, former Chairman of the Company.

The Chairman extended a special welcome to Mr Masaaki Otani, Director of Nippon Piston Ring Co. Ltd., Japan, who is also a Director of the Company. He also introduced Mr A Venkataramani, Dr N Gowrishankar, Dr R Mahadevan, Mr P M Venkatasubramanian, Dr R Natarajan, Mr S R Srinivasan and Mr S Ramachandra, Directors attending this meeting.

Mr S Rangarajan, Associate Vice President (Finance) & Secretary read the Notice convening the Meeting.

The Chairman requested the Auditors to read the Auditors' Report and Mr Mahesh Krishnan, Partner, RGN Price & Company, Chartered Accountants, Chennai read the same.

The Chairman delivered his address to the Members thereafter. The Chairman in his address covered the recovery of Indian Economy and its optimistic future prospects. He also spoke of long term prospects of Indian Auto Components Industry as a result of strong showing of Indian Automobile Industry and with most of the auto majors setting up facilities in India. He also cautioned that withdrawal of fiscal stimuli, continuing increase of input costs, power shortage and tightening of the credit policy by the Reserve Bank of India will construe to be the obstacles. He thanked the Collaborators, Promoters, Management, Employees and the Shareholders for their support and confidence.

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Thereafter the Chairman requested Mr Masaaki Otani, Director to deliver his address to the shareholders of the Company. Mr Otani conveyed his message to the Shareholders in Japanese and the same was translated by Mr I Fujita of Nippon Piston Ring Co. Ltd., Japan. Mr Otani in his speech covered the global auto component markets and the future prospects of the industry. He assured the shareholders about the latest technology developments in the auto sector and the role of NPR to help IP Rings in new product developments. He also thanked the shareholders of IP Rings.

Thereafter the Chairman moved the business items, viz.,

ORDINARY BUSINESS:

ADOPTION OF ANNUAL ACCOUNTS:

The Shareholders considered the Audited Balance Sheet as at March 31, 2011 together with the Profit and Loss Account for the year ended on that date and the Report of the Auditors and of the Directors thereon.

The Chairman answered the queries and clarifications sought by the shareholders.

After discussions, the following Ordinary Resolution was proposed by Mr S. Ramanujachari and seconded by Mr M Govindarajan.

"RESOLVED that the Audited Balance Sheet as at March 31, 2011 together with the Profit and Loss Account for the year ended on that date and the Report of the Auditors and of the Directors thereon as placed before the Meeting be and are hereby adopted."

The Resolution was carried unanimously.

DIVIDEND:

The following Resolution was proposed by Mr R Mukundan and seconded by Mr S Jagannathan, which was unanimously passed as an Ordinary Resolution.

"RESOLVED that pursuant to recommendation made by the Board of Directors of the Company, the Dividend of 30% on Equity Shares together with the Dividend Tax, to the Equity Shareholders of the Company, in respect of shares held in physical form, whose names appear in the Register of Members as on July 28, 2011 and in respect of shares held on the Electronic Form to those 'Deemed Members', whose names appear in the Register of Beneficial Owners furnished by NSDL and CDSIL, be and is hereby declared for the year ending March 31, 2011.

RESOLVED FURTHER that the Dividend Warrants be posted within 30 days hereof to all the Shareholders who are entitled to receive the payment."

Dr R Mahadevan, Director, took the Chair and put forth the resolution regarding appointment of Mr N Venkataramani as a Director for adoption.

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APPOINTMENT OF DIRECTOR – Mr N VENKATARAMANI:

Proposed by Dr N Gowrishankar and seconded by Mr R Mukundan, the following Resolution was passed unanimously as an Ordinary Resolution.

"RESOLVED that Mr N Venkataramani, who retires by rotation and being eligible for reappointment be and is hereby reappointed as a Director of the Company."

Mr N Venkataramani, Chairman reassumed the Chair.

APPOINTMENT OF DIRECTOR – Dr R MAHADEVAN:

Proposed by Mr Suresh A Pai and seconded by Mr A Krishnamoorthy, the following Resolution was passed unanimously as an Ordinary Resolution.

"RESOLVED that Dr R Mahadevan, who retires by rotation and being eligible for reappointment be and is hereby reappointed as a Director of the Company."

APPOINTMENT OF DIRECTOR – Mr P M VENKATASUBRAMANIAN:

Proposed by Mr A Krishnamoorthy and seconded by Mr S Ramanujachari, the following Resolution was passed unanimously as an Ordinary Resolution.

"RESOLVED that Mr P M Venkatasubramanian, who retires by rotation and being eligible for reappointment be and is hereby reappointed as a Director of the Company."

APPOINTMENT OF AUDITORS:

Proposed by Mr R Mukundan and seconded by Mr S Rajagopal, the following Resolution was passed unanimously as an Ordinary Resolution.

"RESOLVED that the retiring auditors Messrs. R G N Price & Co., Chartered Accountants, Chennai be and are hereby re-appointed as auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the Company on such remuneration as may be fixed in this behalf by the Board of Directors of the Company."

SPECIAL BUSINESS:

APPOINTMENT OF DIRECTOR – Mr A VENKATARAMANI:

Proposed by Mr S V Ramani and seconded by Mr S Jagannathan, the following Resolution was passed unanimously as an Ordinary Resolution.

"RESOLVED that Mr A Venkataramani, whose term of office as an Additional Director, pursuant to Section 260 of the Companies Act, 1956, 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, proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company."


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APPOINTMENT OF Mr A VENKATARAMANI AS MANAGING DIRECTOR:

Proposed by Dr. N Gowrishankar and seconded by Mr V Gautam, the following Resolution was passed unanimously as an Ordinary Resolution.

"RESOLVED that pursuant to Sections 198, 269, 309, 310, 311, 316, Schedule XIII and all other applicable provisions of the Companies Act, 1956, and subject to such approvals as may be required, including from Central Government, Mr A Venkataramani be and is hereby appointed as the Managing Director of the Company for a period of three years from 01.11.2010 to 31.10.2013 under Article 46 of the Articles of Association of the Company on the terms and conditions as set out hereunder based on the recommendation of the Remuneration Committee or such other remuneration as the Board of Directors may revise / increase / vary from time to time and duly recommended in that behalf by the Remuneration Committee.

Salary : Basic Salary of ₹ 2,50,000/- per month.

Commission : Upto 2.5 % of the Net Profits as may be decided by the Board of Directors / Committee of Directors, specified as per Section 309(5) of the Companies Act, 1956.

Perquisites:

(i) Housing:

Either

Free furnished residential accommodation, owned or leased out by the Company.

or

House Rent Allowance subject to a ceiling of 60 % of the Salary.

The expenditure incurred on gas, electricity, water and furnishing shall be borne by the Company.

(ii) Medical Reimbursement:

Reimbursement of expenses incurred for self and family restricted to one month's basic salary. Premium for Mediciam Insurance at actual.

(iii) Leave Travel Assistance:

One month's basic salary per annum

(iv) Club Membership:

Fee of Clubs subject to a maximum of two clubs. This will not include Admission and Life Membership Fee.

(v) Personal Accident Insurance:

Personal Accident Insurance – Premium shall not exceed ₹ 10,000/-

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(vi) Entertainment Expenses:

Reimbursement of entertainment expenses actually and properly incurred for the business of the Company.

(vii) Other perquisites:

Company's contribution towards Provident Fund as per the Rules of the Company.

Gratuity at one half month's salary for each completed year of service, as per Company's Gratuity Rules.

Company's contribution towards Superannuation Fund as per Rules of the Company.

Leave:

One month's annual privilege leave of absence in India. Leave accumulated shall be encashable at the end of the tenure.

Telephone & Car:

Provision of Telephone at residence. Provision of Mobile Phone and all communication facilities for official use. Facility of Car with Driver.

Minimum Remuneration:

In the event of loss or inadequacy of profit, in any financial year during the tenure, the Managing Director shall be paid remuneration by way of salary and perquisites as specified above.

Termination:

Either party may terminate the Agreement by giving to the other party six months' notice or six months' salary in lieu thereof.

PAYMENT OF EXCESS MANGERIAL REMUNERATION TO Dr N GOWRISHANKAR, WHOLE TIME DIRECTOR FOR THE YEAR 2010-11:

Proposed by Mr S Rajagopal and seconded by Mr Suresh A Pai, the following Resolution was passed unanimously as a Special Resolution.

"RESOLVED that subject to the approval of the Central Government and pursuant to the provisions of Sections 198, 309, 310 and all other applicable provisions of the Companies Act, 1956, consent of the Members be and is hereby accorded for the payment of Managerial Remuneration to Dr N Gowrishankar, Whole Time Director, amounting to ₹ 5,64,943/- for the financial year 1.4.2010 to 31.3.2011, which is in excess of the limits laid down under Section 198(1) and Section 309 (3) of the Companies Act, 1956 and which has been duly recommended by the Remuneration Committee."

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**PAYMENT OF EXCESS MANGERIAL REMUNERATION TO Mr A VENKATARAMANI,
MANAGING DIRECTOR FOR THE YEAR 2010-11:**

Proposed by Mr S Ramanujachari and seconded by Mr Suresh A Pai, the following Resolution was passed unanimously as a Special Resolution.

"RESOLVED that subject to the approval of the Central Government and pursuant to the provisions of Sections 198, 309, 310 and all other applicable provisions of the Companies Act, 1956, consent of the Members be and is hereby accorded for the payment of Managerial Remuneration to Mr A Venkataramani, Managing Director, amounting to ₹ 1,98,924/- for the financial year 1.4.2010 to 31.3.2011, which is in excess of the limits laid down under Section 198(1) and Section 309 (3) of the Companies Act, 1956 and which has been duly recommended by the Remuneration Committee."

There being no other business, the Meeting ended with a vote of thanks to the Chair.

Chennai
August 04, 2011


CHAIRMAN

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