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MINUTES OF THE PROCEEDINGS OF THE 42nd ANNUAL GENERAL MEETING OF ORIENTAL HOTELS LIMITED HELD ON TUESDAY, JULY 17, 2012 AT SATHGURU SRI GNANANANDA HALL, NARADA GANA SABHA, 314, T T K ROAD, CHENNAI 600018 AT 2.45P.M.

The following Directors were present:

1. Mr. R K Krishna Kumar	Chairman
2. Mr. Raymond N Bickson	Director
3. Dr. G Sundaram	Director
4. Mr. S B P V Ramamohana Rao	Director
5. Mr. D R Kaarthikeyan	Director
6. Mr. D Vijayagopal Reddy	Director
7. Mr. Pramod Ranjan	Director
8. Mr. Ramesh D Hariani	Director
9. Mr. D Varada Reddy	Managing Director

Statutory Auditors present:

Mr. L Mallikarjuna Rao	Senior Partner, Brahmayya & Company, Chartered Accountants – Statutory Auditors
Mr. S Laskhmanan	Partner, SNB Associates, Chartered Accountants – Statutory Auditors
Mr. L Ravisankar	} Partners, Brahmayya & Company, Chartered Accountants – Statutory Auditors
Mr. Nagendra Prasad	

Mr. R K Krishna Kumar took the Chair and conducted the proceedings.

The Chairman extended a warm welcome to the Members to the Forty Second Annual General Meeting of the Members of the Company. After ascertaining the quorum, he called the meeting to order. He introduced the Directors to the Members.

2138 Members were present in person and out of the 458 proxies received, 443 Members represented by their proxies including 4 corporate representatives were present at the meeting.

1. Notice of the Meeting:

With the consent of the Members present, the Notice convening the meeting and the Directors' Report were taken as read. At the request of the Chairman, Mrs. T S Sundarambal, Company Secretary, read out the Auditors Report. The Annexure to the Auditors' report was taken as read.

2. Chairman's address:

With the Directors Report and Annual Accounts having been circulated to the Members well in advance along with the Annual Report, the Chairman mentioned that the Members would have had sufficient time to study the same.

On the Economic Scenario, the Chairman stated that:

- India and globally the economy has been impacted severely by the financial crisis first in the US, then Europe and now in India. The crisis in India is slightly different from the one that was seen in Western Europe and Western World mainly because the drivers for economic growth are somewhat different. In India a lot of it has been pushed by sentiment by the fact that the country has embarked on a very aggressive growth pattern for the economies but still not been able to reach it and therefore there is dissidence. Some of the greats on economic growth have also disincentivised international investors from coming to India.
- There was a time when India was having a very robust and aggressive growth of over 9% that drove many country delegations, business delegations into India which had pushed up the goings for the hotel industry. There are some silver linings to the situation. One is the uniqueness of India as a destination. For many years, the tourist arrivals into India had not crossed the 4 million mark but in the last 2 years there is a surge in tourist arrivals and it had crossed 6.2 million. With improvement in infrastructure for travel and tourism related facilities and improved hotel facilities across India, tourist arrivals will certainly increase and India will in fact be one of the preferred tourist destinations across the world. There were occasional setbacks in India by terrorist attacks and so on, but by and large so do many other countries across the world. Relatively, India presents a very strong target as destination for worldwide travel.

On the Hospitality and Tourism Industry, the Chairman stated that:

- Air connectivity was very bad during the past but now with the vast improvement in the air connectivity, many destinations are connected by air. The facilities for travel having been greatly improved, prospects for tourism industry is very optimistic.
- The year 2010/11 was a challenging year and due to world economic compression whole string of industries had slowed down which in turn had affected the performance of the Company.

On the Operating Results of the Company for the year 2011-12, the Chairman informed the Members that:

- There was a sharp drop in Profit before Tax (PBT) for the financial year 2011/12 at ₹ 18.81 crores as opposed to ₹ 32.06 crores in the previous year. There were two major factors which had impacted the performance of the Company, viz. the company's entry into Coimbatore and the expansion of Fisherman's Cove which had their impact on the financial performance of the Company. But for these, the profit before tax would have been marginally ahead of the previous year.
- The Company had established its presence in Coimbatore by building a lovely hotel, which had taken lots of investment both in terms of capital expenditure and nursing it into growth. Coimbatore is an exciting destination by itself and one could see early signs of industries around Coimbatore beginning to develop.
- The Company had invested in Fisherman's Cove, and in the last two years, 66 rooms had been added. Fisherman's Cove being a very fine hotel destination, the company had invested in expanding the hotel on the land purchased in earlier years. The Company had benefited by increased occupancy and higher ARR in that property.
- Ball room, the major banquet facility in Taj Coromandel has been out of commission for a significant improvement in facilities and expansion of the size and there also some important revenue earning items were decommissioned. The investment had caused some capital resulting in higher interest cost and depreciation.
- A major revenue earning outlet, a restaurant in Taj Coromandel, "Southern Spice" was completely redone and the renovated restaurant has been very well received by the market and it has become a leading restaurant serving South Indian Cuisine.
- Profit after tax for 2011/12 was ₹ 12.63 crores as against ₹ 22.29 crores for the previous year. Profit after Tax would have been marginally higher at ₹ 23.26 crores without including the Coimbatore hotel.
- The investments were made by the Company at a time when the economy is slowing down and the pressures were on the hotel industry and the company's hotels.

On the first quarter results of the current year, the Chairman stated that:

- The company had achieved a net profit of ₹ 5.04 crores during the previous year while the first quarter of current year, it was a loss of ₹ 6.06 crores. There were normal increases in Raw Material cost, stores and supplies and power over the corresponding period of the previous year. Tamil Nadu is very challenged on the power front. Due to power outages, power had to be generated through captive gen sets that increased the costs dramatically. Other increases were normal. The additional cost of bearing Coimbatore and the loss of revenue due to ball room renovation at Taj Coromandel were significant.
- During the first quarter of the previous year, the company had received a onetime dividend from the overseas subsidiary which was not received during the first quarter of the current year. These were transient features which were not permanently there and barring these factors, the first quarter results would have been better than that of the previous year.

On the future outlook, the Chairman stated that:

- The hotel industry is on the tip of a major change. The Company had made massive investments in modernizing the facilities and adding new facilities. The steps taken by the Company in a very challenging year are very strategic in nature and guarantee the future profitability and sustainability of the company's operations.
- Management is exercising very close attention to controlling cost, driving the sales in order to ensure that the properties of the company are by far the leading players wherever it operates.
- The Company is also keeping track of competition. There are many new hotels and new brands with new facilities coming up into the market and when they open, there is a great deal of attraction for those hotels to start with but he was confident that over a period of time, the "Taj" will overtake them because of the service standards and the commitment of the Taj staff to make the guest feel supremely honoured. In almost every place the Taj operates, Taj is the leading player in every place it operates and the Taj had overtaken even international brands in terms of the brand of the Taj driven by its people and the manner in which its facilities are used.

- There is no need for concern about the rollover in one quarter. The hotel business like any other leading business is a long term business. The company's investment and commitment are very long term and are very robust and would deliver in very significant terms in the coming years.
- Looking ahead of the coming quarters, the market would remain challenging. It would be a difficult year ahead. Dramatic improvement could not be expected in hotel room rates and occupancies. Much would depend on economic and political revival in India and the monsoon. It would be a major task for the company to protect its customer base and he was confident that the company would definitely protect its customer base. The company had laid its foundation in a strong manner and as a result of various positive steps taken, the Company would achieve better results in the years to come resulting in a significant upturn in company's profitability and the company would be able to declare good dividends.

Acknowledgements

He thanked his colleagues on the Board for their whole-hearted support, employees for their dedication and the shareholders for the confidence reposed in the company. He expressed confidence that with the continued support of the shareholders, the Company would scale greater heights in the years to come.

With these opening remarks, the Chairman moved the following Resolution for adoption of Accounts as an Ordinary Resolution:

“RESOLVED THAT the Directors' Report and the Audited Statement of Profit and Loss for the year ended March 31, 2012 and the Balance Sheet as at that date together with the Auditors' Report thereon submitted to this meeting be and are hereby adopted.”

Mr. D P Hariani proposed the Resolution which was seconded by Mr. P M Gopalakrishna.

Before putting the resolution to vote, the Chairman requested the Members to offer their comments and observations on the accounts, if any. The Chairman mentioned that he would answer/clarify the queries/observations of shareholders after all the shareholders complete their queries/observations.

The following Members thereafter addressed the Meeting:

Mr. P M Gopalakrishna
Mr. R Sivakumar
Mr. R Vidyashankar
Mr. Padmanabhan
Mr. Subramanyam
Mr. Vikram
Mr. Narasimhan

Members' questions/observations:

1. Mr. P M Gopalakrishna

- i. He complained about the lighting in the podium in the meeting hall which was rectified immediately.
- ii. Suggested that the Company could have declared higher dividend on the Equity Shares drawing from the reserves and requested that the dividend is maintained in the coming years.
- iii. Desired to know
 - a. the reasons for the decline in PAT as compared to the previous year despite an increase in gross revenue.
 - b. The basis of ascertaining the eligibility of shareholders holding shares in demat for receiving the dividend
- iv. Earlier the company was always a debt free company but now the company has huge borrowings and suggested that the Company could have taken fixed deposits instead of borrowing from banks and financial institutions
- v. Complimented that the Company has a good internal control and audit system and suggested that the 'Tata Group should consider floating an auditors' firm which could audit the accounts of all the group companies instead of companies being audited by outside auditors.
- vi. Requested the Board to consider declaring interim dividend as the dividend for 2011/12 was very low.

Mr. R Sivakumar

- i. Endorsed the suggestion of Mr. Gopalakrishna for floating an audit firm by the Tata Group which could be engaged in auditing the accounts of all the group companies.

- ii. Expressed the view that the proposed dividend was very low and that the Company should have proposed higher dividend as in the previous years;
- iii. Desired to know:
 - a) The reasons for having a subsidiary company in Hong Kong and wanted to have more details of the subsidiary as information provided in the Annual Report did not reflect the true picture of that company.
 - b) Details of the extent of land in question, nature of dispute and steps taken to recover the amount as the Note 1 to Note 18 in Page 65 regarding amount recoverable is not very clear on these aspects;
 - c) Details of expenses under the head “repairs to others” (Page 66 – Note 23);
 - d) Details of consultancy services availed by the Company as the fees paid to Consultants were high (Page 67);
 - e) Reasons for selling the assets on loss, nature of assets sold on loss and to whom the assets were sold as the loss on sale of assets was very high;
 - f) Reasons for writing off assets/bad debts and the nature of such assets/bad debts written off;
 - g) Details of other expenses aggregating to ₹ 3.42 crores and the printing cost of the Annual Report
 - h) Contingent liabilities – nature of liability, method adopted to face legal issues (page 67);
 - i) Method of paying tax to government, whether the company is disputing year after year without paying to government as the demand for various years continued to appear in the Annexure to Auditors Report (page 49 – Annexure to Auditors Report)
 - j) Long term borrowing – nature of the loan, from whom the loan was availed i.e. banks/corporate bodies/ or by issue of NCDs (page 58)
 - k) Location of the land acquired and buildings constructed during the year as reported in Note 11 – “Fixed Assets”, and additions after March 31, 2012 up to the date of the meeting;
 - l) procedure followed for deletion of assets including vehicles, age of the vehicles sold, to whom the vehicles were sold and the procedure followed; whether the employees were given preference in such sale or vehicles were sold through open bid auction;

Mr. R Vidyashankar raised the following queries/sought clarifications

- i. Reasons for three directors not present at the meeting;
- ii. He expressed the view that the Company should not spend on renovation and adding up new facilities when the income was low;

- iii. Auditors statement in their report that they had based their opinion on the statements made by the management is not acceptable as the auditors should base their report on their audit findings and not on the statements made by the management;
- iv. He expressed the view that there is lack of transparency in providing details of investments, borrowings, expansion etc.
- v. The parties to whom the donations were given and if any donation was given to any political parties;
- vi. Desired to know the reasons
 - a. for declaring lower dividend while East India Hotels Ltd. another hotel company had proposed 110% dividend; according to him, a hotel company would not incur any loss;
 - b. for not repaying the fixed deposits which remain unclaimed and steps taken for repaying the unclaimed deposits;
- vii. Requested the Board to issue bonus shares as the company has huge reserves;
- viii. He desired to know:
 - a. Performance of the new hotel in Coimbatore in the last 3 months;
 - b. status on Renovation/expansion projects and their progress;
 - c. capital expenditure incurred for renovation of Taj Coromandel, construction of additional rooms in Fisherman's Cove and for construction of Vivanta by Taj Surya, Coimbatore;
 - d. Interest paid details
 - e. Salient features of agreements if any, entered into with private parties/government agencies for conservation of energy
 - f. How billing is done at the hotels for the services availed by the guests, whether each services are billed separately or a consolidate bill is raised for all the services availed by the guests;
 - g. Whether the company is sending letters to the fixed deposit holders who had not claimed their deposits to claim their deposits as is being done in the case of shareholders who had not claimed their dividends.
 - h. whether the companies listed in the "Non Current Investments" are the subsidiary or associate companies of this company;
 - i. Reasons for low dividend while the gross turnover has increased and the reason for increase in expenditure
 - j. Outstanding fixed deposits Rs. 5.80 lakhs and unclaimed fixed deposits Rs. 5.40 lakhs. Why there is a difference in these two figures.

- ix. Suggested that
 - a. attendance slip is printed in the annual report itself
 - b. The shareholding pattern should provide details of the number of shareholders in each category, names of the shareholders categorized as "Taj Group" shareholders, corporate shareholders, Directors holding shares and the names of the promoters holding GDRs;
 - c. subsidiary company annual report should have more details like the parent company's annual report,
 - d. Subsidiary/associate companies should be merged with the parent company

At this point, the Chairman requested Mr. Vidyashankar to send further queries/seek clarifications, if any, to the Company in writing so as to provide an opportunity to all the Members who desire to seek clarification/raise any queries on the Accounts. Mr. Vidyashankar although was not happy as he could not continue his queries/to seek clarifications, he mentioned that he would seek further clarifications, after other Members complete their queries/comments.

Mr. Padmanabhan:

- i. Desired to know the steps taken by the Company on his suggestion at the previous Annual General Meeting for delisting from Madras Stock Exchange as no trading takes place at the Madras Stock Exchange and hence payment of listing fees is not beneficial to shareholders;
- ii. Desired to know
 - i. the amount transferred to General Reserves and to Capital Redemption Reserves;
 - ii. whether the company had borrowed money from banks or used internal accruals to fund the expenditure for construction of the Coimbatore hotel;
 - iii. Total number of employees working in the Company in the year under review as compared to the previous year and suggested that these details be provided in the Management Discussion Analysis under Human Resources and Industrial Relations;
 - iv. Whether Directors are being given training as per SEBI Guidelines as there is no mention about the training to the Directors in the Annual Report;
 - v. Amount to be transferred to IEPF account in the current year and the proposed date of transfer;
 - vi. Reasons for bad debts as according to him there could be no bad debts in a hospitality industry and
 - vii. The reasons for not receiving dividend from the subsidiary company;

iii. He suggested that:

- a. Financial Highlights be given for 10 years incorporating dividend payout ratio, return on capital employed and amount retained;
- b. No. of shareholders in each category of shareholders, No. of shares held in physical form by the promoters' group and the public shareholders and No. of shares held in demat form by each category of shareholders be provided in the shareholding pattern forming part of the Corporate Governance Report.

iv. He queried on the reasons for

- a. not paying the disputed amounts to various Government authorities towards various taxes which was increasing year after year and the action taken by the Company to reduce the contingent liabilities;
 - b. not making available the audited financial statements of the Joint Venture Company to the statutory auditors for consolidation of the company's accounts;
 - c. bad and doubtful debts and suggested that the management should take stringent actions against those responsible for the bad and doubtful debts;
- v. Requested the Board to consider issuing bonus shares as the Company's Reserves were more than 50 times that of the share capital and it was more than 15-years since the company had issued bonus shares.
- vi. Congratulated the company for sending letters to the shareholders/fixed deposit holders to claim their unclaimed dividend/fixed deposits

Mr. Subramanyam:

- i. He wanted the company to continue to provide a detailed annual report.
- ii. He suggested that shareholders give their questions in writing much in advance so as to enable the Company to provide the information at the meeting.
- iii. Suggested that the financial highlights be given for 10 years.

- iv. He was upset that distribution of Taj cake was discontinued and requested that the management should consider giving the Taj Cake to the shareholders in the coming years.

Mr. Vikram

- i. The member desired to know the overall cost of debts and the reasons for additionally securing the term loan by way of exclusive first charge on credit card receivables of the company.
- ii. Reasons for increasing the leverage in the last 5 years. If it for increasing the value the company could have raised the capital by issuing/offering Bonus/Rights Shares.

Mr. Narasimhan:

- i. Desired to know the departments utilizing the services of outsourced employees. He suggested that the Company should discontinue outsourcing and take the employees on the Company's rolls;
- ii. The Company should hold the meeting in the hotel premises.

The Chairman thanked the Members for their sentiments and support. He responded to the queries raised by the Members. The Chairman also informed the Members that their suggestions on various issues were taken note of.

On the suggestion of Mr. P M Gopalakrishna and Mr. R Shivakumar to start an audit firm by the Tata Group, the Chairman informed the members that the Tata Group cannot set up a combined audit firm to do the audit of all the Group companies under the Tata Group. He also mentioned that there are eminent auditors across all the Companies under the Tata Group including Oriental Hotels Limited.

On the clarification sought by Mr. P M Gopalakrishna regarding the eligibility of Members holding shares in electronic form for dividend, the Members were informed that those beneficial owners of the shares whose names appear in the statement of beneficial ownership furnished by the Depositories, NSDL and CDSL as at the close of business hours on July 10, 2012 i.e. the day prior to the opening day of book closure would be eligible for dividend.

Responding to Mr. Shivakumar and Mr. Vidyasankar regarding non availability of certain information in the Annual Report, the Chairman informed the members that the Directors' Report and the Management Discussion and Analysis forming part of the Annual Report have specific references to many of the queries raised/clarifications sought by the Members. Reacting to the concern raised by Mr. Shivkumar and Mr. Vidyashankar on the lack of transparency in the Accounts and governance issues, the Chairman informed the Members that the financial statements of the Company are transparent and that strong robust management control processes and governance processes are in place in the Company and hence the members concerns are totally baseless and unwarranted.

On the other queries of Mr. Shivakumar, the Chairman informed the Members as detailed hereunder:

- i. **Subsidiary company, OHL International (H K) Limited** is an investment Company and the amounts invested in the subsidiary are invested by the subsidiary in overseas companies and the company is confident of receiving good returns on the investment.
- ii. **Fees to consultants and the nature of consultancy services availed:** Consultants are engaged by the company for project management, interior designing, architectural designing, structural designing, operating management etc. and the consultants being specialists in their respective fields, the fees being paid to them are in line with the market.
- iii. **Amounts recoverable – Note No. 1 to Note 18 in page 65 of the Annual Report:** the amount recoverable from one of the vendors of the land in Coimbatore purchased by the Company few years back as the title was defective and the company had to return the land and recover the amount paid to one of the vendors as the other vendor had returned his share of the purchase price paid to him. The company has initiated action against the vendor and is confident of recovering the amount.
- iv. **Income tax disputes:** the Company has taken appropriate steps per legal advice.
- v. **Cost for printing Annual Report:** Amount spent for printing the Annual Reports was ₹ 4.62 lakhs at the rate of ₹ 38/- per copy.

- vi. **Long term borrowings:** the Company's long term borrowings include foreign currency loan from Standard Chartered Bank, Rupee term loan from HDFC and non convertible debentures issued amounting to ₹ 100 crores.
- vii. **Contingent liabilities:** provision for contingent liability is made in the accounts as per the requirements of the Companies Act. Whenever it was legally advised that certain demands raised by the statutory/government authorities were high and/or not required to be paid by the Company and the company could exercise the option of legally disputing the demands and resolving the issue, the Company instead of paying the amounts demanded, provides for the same in its accounts which is legally permitted. The company has taken necessary steps to resolve these disputes so as to bring down the liabilities to a minimum and is confident of these disputes getting resolved in its favour;
- viii. **Deletion of assets:** redundant and irreparable assets are sold through proper tendering process.
- ix. **Break up of other expenses:** other expenses include contribution and subscription, freight cartage, social contribution, office maintenance, listing fee and AGM expenses, bank charges, entertainment expenses, etc.

On the queries/suggestions of Mr. Vidyashankar, the Chairman responded as detailed hereunder:

- i. **3 Directors not present at the meeting:** due to exigency, the Directors had requested for leave of absence.
- ii. **Decline in PAT despite an increase in gross revenue,** the Chairman informed the Members that the increase in gross revenue was the income earned from the new property in Coimbatore and additional rooms in Fisherman's Cove, the proportionate operating expense, depreciation and interest cost on account of these two had resulted in a decline in Profit after tax.
- iii. **Details of expansion:** amounts were spent for creating the Chamber facility and for complete renovation of a specialty restaurant "Southern Spice". A reference to this has been made in the Directors' Report. He also mentioned that the revenue earned by the restaurant after renovation has nearly doubled. 24 rooms were added during the year and a total of 66 rooms were added in

the last 2 years. A new hotel has been commissioned in Coimbatore with 180 rooms.

- iv. **Fixed Deposits:** the Company has discontinued acceptance of fixed deposits. Deposits outstanding as on March 31, 2012 include deposits matured and not claimed and the live deposits which will mature during the current year. The Company sends letters at regular intervals to the deposit holders whose deposits remain unclaimed, requesting them to claim the deposits before the due dates for transfer to IEPF account.
- v. **Donations:** donations are paid to social welfare organizations and no donation is paid to any political parties.
- vi. **Energy conservation:** the company has entered into agreements with private agencies for purchase of green power.
- vii. **Increase in expenditure:** is mainly due to initial operational expenses of the newly built hotel in Coimbatore.
- viii. **Contingent liabilities:** the amount of contingent liabilities as given in page 49 is the unpaid amount and the amount stated in Page 67 is the amount paid under dispute.

Responding to the queries of Mr. Padmanabhan, the Chairman informed the Members that the suggestion of Mr. Padmanabhan for delisting the shares of the Company from Madras Stock Exchange Ltd., regarding the presentation of shareholding pattern and distribution schedule in the Corporate Governance Report, providing financial highlights for 10 years incorporating dividend payout ratio, return on capital employed and amounts retained, providing the total number of employees in the year under review as compared to the previous year, in Management Discussion and Analysis – Human Resources and Industrial relations.

Replying to the other queries of Mr. Padmanabhan, the Chairman informed the Members as detailed hereunder:

- i) **Transfer to Reserves:** include ₹ 1.3 crores transferred to General Reserves and ₹ 1.85 crores transferred to Debenture Redemption Reserve.
- ii) **Audited results of the JV Company:** the auditors were provided with the management certified accounts of the JV Company for consolidation purposes.

iii) **Amount to be transferred to IEPF:** an amount of ₹ 2.92 lakhs of unclaimed dividend would be transferred to IEPF Account during the current year.

iv) **Bad Debts:** Company is taking appropriate steps to bring down bad debts

Answering Mr. Vikram's query on additional security for secured loans, the Chairman informed the Members that the Company had both long term loan and working capital facility and as per the bank's requirement, credit card receivables were offered as additional security to the facilities availed from the Bank.

The Chairman thanked Mr. Narasimhan for his suggestion on outsourcing staff at the hotel. He also thanked Mr. Subrahmanyam for his suggestion to the Members to write to the Company their queries on the Company's Accounts to enable the management to reply at the meeting.

RESOLUTIONS:

After replying to the queries raised by the shareholders and noting their suggestions and there being no further comments or observations, the Chairman put the first resolution to vote by a show of hands and thereafter declared it to have been passed unanimously.

3. Declaration of Dividend:

Mr. Narasimhan, proposed the following resolution as an **Ordinary Resolution**, which was seconded by Mr. Venkitaraman.

“RESOLVED THAT the payment of Dividend recommended by the Directors of the Company at the rate of Rs. 0.45 per share (45%) for the full year on 17,85,99,180 Equity shares, be and is hereby declared payable out of the profits of the Company for the year ended March 31, 2012 to those Members whose names appear on the Register of Members as on July 17, 2012 and to those beneficial owners of the shares whose names appear in the statement of beneficial ownership furnished by the National Securities Depositories Limited and Central Depository Services (India) Limited as at the close of business hours on July 10, 2012.”

The Chairman put the resolution to vote on a show of hands and thereafter declared it to have been passed unanimously.

Since the following item related to the re-appointment of Mr. R K Krishna Kumar, Chairman, Mr. R K Krishna Kumar vacated the Chair. Proposed by Mr. S B P V Ramamohana Rao and seconded by Mr. D Vijayagopal Reddy, Mr. D Varada Reddy

was elected to Chair. Mr. D Varada Reddy took the Chair and conducted the proceedings.

4. Re-appointment of Mr. R K Krishna Kumar as a Director:

Mr. D Varada Reddy proposed the following resolution as an **Ordinary Resolution**, which was seconded by Mr. R Vidyashankar.

“RESOLVED THAT Mr. R K Krishna Kumar who retires by rotation in accordance with the provisions of Section 256 of the Companies Act, 1956 read with Article No. 113 of the Articles of Association of the Company, and being eligible for reappointment be and is hereby re-appointed as a Director of the Company.”

The Chairman put the resolution to vote on a show of hands and thereafter declared it to have been passed unanimously.

Thereafter, Mr. D Varada Reddy requested Mr. R K Krishna Kumar to Chair the meeting again. Mr. R K Krishna Kumar took the Chair and conducted the proceedings.

5. Re-appointment of Mr. Pramod Ranjan as a Director:

Mr. R Vidyashankar proposed the following resolution as an **Ordinary Resolution**, which was seconded by Mr. A R Venkitaraman.

“RESOLVED THAT Mr. Pramod Ranjan who retires by rotation in accordance with the provisions of Section 256 of the Companies Act, 1956 read with Article No. 113 of the Articles of Association of the Company and being eligible for reappointment be and is hereby re-appointed as a Director.”

The Chairman put the resolution to vote on a show of hands and thereafter declared it to have been passed unanimously.

6. Reappointment of Mr. Arun Nanda as a Director

Mr. R Vidyashankar proposed the following resolution as an **Ordinary Resolution**, which was seconded by Mr. R Shivakumar.

“RESOLVED THAT Mr. Arun Nanda who retires by rotation in accordance with the provisions of Section 256 of the Companies Act, 1956 read with Article No. 113

of the Articles of Association of the Company and being eligible for reappointment be and is hereby re-appointed as a Director.”

The Chairman put the resolution to vote on a show of hands and thereafter declared it to have been passed unanimously.

7. Appointment of Auditors

Mr. Narasimhan proposed the following resolution as an **Ordinary Resolution**, which was seconded by Mr. R Vidyashankar.

“RESOLVED THAT Messrs. Brahmayya & Company, Chartered Accountants, Chennai, Firm Registration No. 000511S and Messrs. SNB Associates, Chartered Accountants, Chennai, Firm Registration No. 015682N be and are hereby re-appointed as Joint Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting up to the conclusion of the next Annual General Meeting to jointly audit the Company’s Accounts and any other business / undertaking that the Company may venture into or commence during the financial year 2012/13 on a remuneration as the Board of Directors or the Audit Committee may decide plus the reimbursement of service tax and all the travel and out of pocket expenses actually and properly incurred by the Auditors for the purpose of the Audit.”

The Chairman put the resolution to vote on a show of hands and thereafter declared it to have been passed unanimously.

There being no other business to be transacted, the Chairman thanked the shareholders for their active participation at the meeting and declared the meeting as closed.

The meeting concluded with a vote of thanks to the Chair.

