

Proceedings of the 15th Annual General Meeting held at New Woodlands Hotel Pvt. Ltd, 72-75 Dr Radhakrishnan Road, Mylapore, Chennai 600 004 on Friday, the 15th July 2011 at 10.25 AM

PRESENT

Mr N Gopala Ratnam	Chairman
Dr L M Ramakrishnan	Vice Chairman
Mr N Ramanathan	Managing Director
Mr Arun G Bijur	Director
Mr Bimal Poddar	Director
Mr N R Krishnan	Director
Mr S K Ramasamy	Director
Dr Nanditha Krishna	Director
Mr V Sridar	Director (Chairman - Audit Committee)

BY INVITATION

<i>Statutory Auditors</i>	Mr N R Suresh, Partner, M/s Maharaj N R Suresh & Co. Mr R Subramanian, Partner, M/s R Subramanian And Company Mr A Ganesan, Partner, M/s R Subramanian And Company
<i>Cost Auditor</i>	Mr M Ramji, Associate Consultant, M/s S Mahadevan & Co.
<i>Internal Auditor</i>	Mr N Basker, Partner, M/s Sengottaiyan & Co.

IN ATTENDANCE

Members present in Person: 207

Members present by Proxy: 3

Mr N Gopala Ratnam, Chairman of the Board of Directors, who by virtue of Article 63 of the Articles of Association of the Company is also the Chairman of the General Meetings of the Company, took the Chair.

The Chairman noted that 207 members were present in person and 3 members by Proxy. Having ascertained that the requisite quorum for the meeting was present, the Chairman called the meeting to order and welcomed the Members present. The meeting commenced at 10.25 AM.

The Chairman introduced the Directors, Statutory Auditors, Cost Auditor and Internal Auditor to the Members.

The Register of Directors' Shareholdings maintained under Section 307 of the Companies Act, 1956 was produced at the commencement of the meeting and was kept open and accessible for inspection during the continuance of the meeting.

The Notice for the meeting and the Directors' Report to Shareholders were taken as read with the consent of the Members present. The Auditors' Report to Shareholders was read by the Secretary as required under Section 230 of the Companies Act, 1956 and the same was kept open for inspection during the continuance of the meeting.

Printed text of the Chairman's speech was distributed to the Members and others present. The Chairman covered the major points with supplementary comments in his address to members.

The Chairman laid before the Members the Profit & Loss Account for the year ended 31st March 2011, the Balance Sheet as at that date, the Auditors' Report thereon and the Directors' Report. The Chairman mentioned that Mr.V.Sridar, Chairman of the Audit Committee is present at the meeting in deference to Section 292-A of the Companies Act, 1956 to provide clarifications on matters relating to Accounts and Audit. The Chairman thereupon invited queries from the shareholders.

Issues raised by members were clarified by the Chairman and the Managing Director.

Sl No.	Issues	Clarification
1	50% reduction in Dividend from that of previous year – Reserves & Surplus stands 10 times of share capital – Consider issue of bonus shares	Company is in the process of establishing the Cogeneration Project. Dividend is in line with profits, cash required for Projects.
2	Lower market capitalization - 47.92% physically hold shares, not readily tradable – Company shall take initiative to dematerialize same	Every year the Company in its annual report advises the shareholders to demat their holdings highlighting the benefits of dematerialization. However the option remains with respective shareholders only.
3	MD remuneration may be revised next year since dividend is reduced this time.	The Group pays managerial remuneration below market and professionals work with passion.

4	Levy price case in Supreme Court – Status	It is fought by ISMA – Issue pending.
5	Import of raw sugar to raise production	The company did not order import of raw sugar this year, being unviable.
6	PAT hasn't gone up in proportion to the increased turnover	Adverse market and other reasons as outlined in Directors' Report.
7	Status of Cogen Project.	Cogen Project is expected to be completed by March 2012.
8	Lower sugar production by Brazil - Export shall be geared up	Sugar is a controlled commodity and export could be made only with Government's sanction.
9	Investment in land	Land acquisition is for establishing new Projects and not for speculative purposes.
10	Increase in employee cost	Normal increase and higher provisioning for retirement benefits.
11	Unclaimed warrants of Rs.25 lakhs in terms of money value – Reminder to shareholders.	Reminders already sent. The company will redouble efforts to ensure maximum Dividend Warrants are encashed before transfer to Government. But it ultimately depends on shareholder response.
12	Shareholders visit to site shall be arranged	Will be examined and appropriate advice to willing shareholder will be sent.

Thereupon, the meeting proceeded to deal with the items listed in the Notice in seriatim:

ORDINARY BUSINESS

1. Adoption of Accounts etc

Mr L Venkatesan proposed and Mr V Srinivasan seconded the following resolution to be passed as an Ordinary Resolution:

“RESOLVED that the Profit & Loss Account of the Company for the year ended 31st March 2011, the Balance Sheet as at that date, the Auditors' Report thereon and the Directors' Report be and are hereby considered and adopted.”

On being put to vote, the above resolution was passed unanimously as an Ordinary Resolution.

2. Dividend declaration

Mr V Pichai representing Seshasayee Paper and Boards Ltd proposed and Mr P Gurusamy seconded the following resolution to be passed as an Ordinary Resolution:

“RESOLVED that

- (i) a dividend of Rs.2 per Equity Share for the period ended 31.03.2011 be and is hereby declared on 8598418 Equity Shares of Rs.10 each fully paid-up;
- (ii) the dividend be paid to the shareholders whose names appear in the Register of Members of the company in physical form and to the beneficial owners of shares recorded with the depositories as per details to be furnished by National Securities Depository Ltd/ Central Depository Services (India) Ltd for the purpose, as on Friday, the 15th July 2011; and
- (iii) the tax on dividend amounting to Rs.28 lakhs be borne by the company.”

On being put to vote, the above resolution was passed unanimously as an Ordinary Resolution.

3 Reappointment of retiring Directors

- (i) Mr K Yokanathan proposed and Mr M Subramanian seconded the following resolution to be passed as an Ordinary Resolution:

“RESOLVED that Dr L M Ramakrishnan, who retires by rotation, be and is hereby reappointed as a Director of the Company, liable to retire by rotation.”

On being put to vote, the above resolution was passed unanimously as an Ordinary Resolution.

- ii) Mr A Muthu proposed and Mr S Viswanathan seconded the following resolution to be passed as an Ordinary Resolution:

"RESOLVED that Mr Bimal Poddar, who retires by rotation, be and is hereby reappointed as a Director of the Company, liable to retire by rotation."

On being put to vote, the above resolution was passed unanimously as an Ordinary Resolution.

4. Appointment of Auditors

Mr T R Sivaraman representing High Energy Batteries (India) Ltd proposed and Mr V Pichai representing Seshasayee Paper and Boards Ltd seconded the following resolution to be passed as an Ordinary Resolution:

"RESOLVED that the retiring Auditors of the company, M/s Maharaj N.R.Suresh & Co, Chennai, bearing Registration No. 001931S and M/s R.Subramanian and Company, Chennai, bearing Registration No.004137S be and are hereby reappointed as auditors of this Company to hold office from the conclusion of this meeting till the conclusion of the next Annual General Meeting on a remuneration of Rs.2,40,000/- (Rupees two lakh forty thousand only) per annum plus service tax as applicable for each of them and reimbursement of travelling and other out-of-pocket expenses incurred."

On being put to vote, the above resolution was passed unanimously as an Ordinary Resolution.

SPECIAL BUSINESS

5. Director vacancy

The Chairman informed the Members that the next agenda pertains to vacancy caused by the retirement of Mr S K Ramasamy who has opted not to seek re-election due to advanced age.

The Chairman informed that the vacancy caused by the retirement of Mr.S.K.Ramasamy would be filled in due course.

Thereupon Mr L Venkatesan proposed and Mr M Subramanian seconded the following resolution to be passed as an Ordinary Resolution:

"RESOLVED that the vacancy caused by the retirement of Mr S K Ramasamy who has opted not to seek re-election be left unfilled for the present."

On being put to vote, the above resolution was passed unanimously as an Ordinary Resolution.

6. Appointment of Director

Mr A Muthu proposed and Mr S K Ramasamy seconded the following resolution to be passed as an Ordinary Resolution:

"RESOLVED that Dr Nanditha Krishna, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

On being put to vote, the above resolution was passed unanimously as an Ordinary Resolution.

7. Reappointment of Managing Director

Mr K Chellamani proposed and Mr T R Sivaraman representing High Energy Batteries (India) Ltd seconded the following resolution to be passed as a Special Resolution:

"RESOLVED that Mr N Ramanathan whose current term of office expired on 31.03.2011 be and is hereby re-appointed as Managing Director of the Company for a period of three years from 01.04.2011 to 31.03.2014.

RESOLVED FURTHER that pursuant to the provisions of Sections 198, 269 and 309 read with Schedule XIII and other applicable provisions of the Companies Act, 1956, approval be and is hereby accorded for the re-appointment of Mr N Ramanathan as Managing Director on the remuneration and other terms and conditions set out in the Explanatory Statement attached hereto.

RESOLVED FURTHER that the Board of Directors be and is hereby authorized to increase, vary or amend the remuneration and other terms of the appointment from time to time provided that such revised remuneration shall also be in conformity with and within the ceiling of Part II of Schedule XIII to the Companies Act, 1956 or any statutory modification(s) or re-enactment thereof.

RESOLVED FURTHER that the Board of Directors be and is hereby authorized to take all such steps as may be necessary, proper or expedient to give effect to this Resolution."

On being put to vote, the above resolution was passed unanimously as a Special Resolution.

8. Commission to non-executive directors

Mr K Chellamani proposed and Mr L Venkatesan seconded the following resolution to be passed as a Special Resolution:

"RESOLVED that the consent of the Company be and is hereby accorded for payment of commission to non-executive directors out of the net profits of the Company, over and above the sitting fees, for a period of 3 years from 1st April 2011.

PROVIDED that the aggregate of commission shall be within the ceiling prescribed under Section 309(4)(b)(i) and such other applicable provisions of the Companies Act, 1956 or any modification or re-enactment thereof.

RESOLVED FURTHER that the commission be divisible among the directors in such manner and proportion as the Board may decide from time to time.

RESOLVED FURTHER that the Board of Directors be and is hereby authorized to take all such steps as may be necessary and expedient to give effect to this resolution."

On being put to vote, the above resolution was passed unanimously as a Special Resolution.

Mr S K Ramasamy while demitting Office at the conclusion of this Annual General Meeting addressed the Shareholders. He underscored his contribution to the growth of the company since its inception and recalled his association with the founder Late S Viswanthan. He assured his continual guidance and support to the company and conveyed his gratitude for the confidence reposed by all during his long tenure in the Board. The Members applauded the contributions of Mr S K Ramasamy.

Mr K Chellamani proposed vote of thanks. The Chairman declared the meeting closed at 11.45 hrs.

Chennai
30.07.2011

CHAIRMAN