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MINUTES OF THE NINETEENTH ANNUAL GENERAL MEETING OF PRISM CEMENT LIMITED HELD ON JULY 12, 2011 AT 11.30 A.M. AT TAJ MAHAL HOTEL, 4-1-999, ABIDS ROAD, HYDERABAD – 500 001.

1. Present :

- Mr. Rajesh Kapadia - Chairman
- Mr. Manoj Chhabra - Managing Director
- Mr. Vijay Aggarwal - Managing Director
- Mr. Ganesh Kaskar - Executive Director
- Mr. James Brooks - Director

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For PRISM CEMENT LIMITED

A. S. Kulkarni
ANEETA S. KULKARNI
Company Secretary

In Attendance : Ms. Aneeta S. Kulkarni
Company Secretary

Number of Members present in person : 364 persons

Number of Members present by proxy : 76 persons

2. Mr. R. G. Kapadia declared that since the required quorum was present, the Annual General Meeting could commence. He then welcomed the Members to the Eighteenth Annual General Meeting of the Company.
3. With the consent of the Members present, the Notice convening the Annual General Meeting and the Directors' Report were taken as read.
4. The Auditors Report for the year ended March 31, 2011 was read by Ms. Aneeta S. Kulkarni, Company Secretary.
5. Mr. Kapadia informed the Members about the progress of the Company's three Divisions, namely Cement, H & R Johnson (India) and RMC Readymix (India). He stated that for the year ended March 31, 2011, the Company achieved a turnover of Rs. 3,557 crores with a profit before tax of Rs. 131 crores and profit after tax of Rs. 96 crores as against a turnover of Rs. 2,989 crores with a profit before tax of Rs. 358 crores and profit after tax of Rs. 251 crores for the previous year. Despite an increase in production and sales, margins remained under pressure due to a sharp spike in cost of raw materials such as power and fuel besides interest cost.

He stated that the Company has 6 subsidiaries and 4 joint venture companies. For the year ended March 31, 2011, the Company achieved a consolidated turnover of Rs. 3605 crores with a profit before tax of Rs. 147 crores and profit after tax of Rs. 104 crores as against turnover of Rs. 3027 crores with a profit before tax of Rs. 380 crores and profit after tax of Rs. 260 crores for the previous year ended March 31, 2010.

Before the Resolutions were put to vote, Mr. Kapadia invited members to seek clarifications, if any. Members asked several questions relating to the accounts, marketing, production, demand/supply, future profitability, subsidiaries and generally. Some of the subjects covered were:

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- ◆ Future of cement industry and the Company.
- ◆ Details of the Company's subsidiaries.
- ◆ Expected current year sales and profit.
- ◆ Investments.
- ◆ Marketing strategy for H & R Johnson (India) Division.
- ◆ Details of miscellaneous and other expenses.
- ◆ Details of other interest.

Mr. Kapadia thanked the Shareholders for their keen interest in the Company and replied suitably to all the questions raised by them.

6. The following business was transacted :

(i) As Ordinary Business requiring an Ordinary Resolution

Proposed by : Mr. Rajesh Kapadia
Seconded by : Mr. Shantilal Shah

"RESOLVED THAT the audited Profit & Loss Account for the year ended March 31, 2011 and the Balance Sheet of the Company as at that date, together with the Directors' and Auditors' Reports thereon, be and are hereby received, approved and adopted."

The above resolution was put to vote by Mr. Kapadia and on a show of hands was declared Passed by majority.

(ii) As Ordinary Business requiring an Ordinary Resolution

Proposed by : Mr. N. Yadagiri
Seconded by : Mr. Panduranga Rao

"RESOLVED THAT the interim dividend of Re. 1/- per equity share of Rs. 10/- each fully paid-up, aggregating to Rs. 58.70 Crores, together with distribution tax of Rs. 8.36 Crores, declared by the Board of Directors at its meeting held on October 27, 2010 and paid to the shareholders, be and is hereby declared as final dividend for the year ended March 31, 2011."

The above resolution was put to vote by Mr. Kapadia and on a show of hands was declared Passed Nem. Con.

(iii) As Ordinary Business requiring an Ordinary Resolution

Proposed by : Mr. Praful Chavda
Seconded by : Mr. Bharat Shah

"RESOLVED THAT Mr. Rajesh G. Kapadia, a Director retiring in accordance with Section 256 of the Companies Act, 1956, be and is hereby appointed a Director of the Company."

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The above resolution was put to vote by Mr. Chhabra and on a show of hands was declared Passed by majority.

(iv) As Ordinary Business requiring an Ordinary Resolution

Proposed by : Mr. Panduranga Rao

Seconded by : Mr. Ramesh Mangaluri

“RESOLVED THAT Mr. Akshay R. Raheja, a Director retiring in accordance with Section 256 of the Companies Act, 1956, be and is hereby appointed a Director of the Company.”

The above resolution was put to vote by Mr. Kapadia and on a show of hands was declared Passed by majority.

(v) As Ordinary Business requiring an Ordinary Resolution

Proposed by : Mr. Panduranga Rao

Seconded by : Mr. Shantilal Shah

“RESOLVED THAT Ms. Ameeta A. Parpia, a Director retiring in accordance with Section 256 of the Companies Act, 1956, be and is hereby appointed a Director of the Company.”

The above resolution was put to vote by Mr. Kapadia and on a show of hands was declared Passed by majority.

vi. As Ordinary Business requiring an Ordinary Resolution

Proposed by : Mr. Shantilal Shah

Seconded by : Mr. Bharat Shah

“RESOLVED THAT the retiring Auditors, Messrs. N. M. Rajji & Co., who being eligible, have offered themselves for re-appointment, be and are hereby re-appointed as Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting at a remuneration to be mutually agreed between the Board of Directors of the Company and the Auditors, in addition to reimbursement of out-of-pocket expenses in connection with the audit of the Company.”

The above resolution was put to vote by Mr. Kapadia and on a show of hands was declared Passed Nem. Con.

(vii) As Ordinary Business requiring an Ordinary Resolution

Proposed by : Mr. Ramesh Mangaluri

Seconded by : Mr. Ramesh Shankar Gola

“RESOLVED that pursuant to the provisions of Section 228 and other applicable provisions, if any, of the Companies Act, 1956, M/s. Borkar & Muzumdar,

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(Registration No. 101569W) be and are hereby appointed as Branch Auditors of the Company, to audit the Accounts in respect of the Company's H & R Johnson (India) and RMC Readymix (India) Divisions, to hold office from the conclusion of this Meeting until the conclusion of the next Annual General Meeting of the Company at a remuneration to be mutually agreed between the Board of Directors of the Company and the Branch Auditors, in addition to reimbursement of out-of-pocket expenses, as may be incurred in the performance of their duties."

The above resolution was put to vote by Mr. Kapadia and on a show of hands was declared Passed Nem. Con.

(viii) As Special Business requiring an Ordinary Resolution

Proposed by : Mr. Praful Chavda

Seconded by : Mr. Bharat Shah

"RESOLVED THAT subject to the provisions of Sections 198, 269, 309, 310, 311 and other applicable provisions, if any, of the Companies Act, 1956 ("the Act") or any modifications / re-enactments thereof, read with Schedule XIII to the Act, the Articles of Association of the Company, and subject to such other approvals/consents/sanctions/permissions as may be necessary, the consent of the Company be and is hereby accorded to the re-appointment of Mr. Manoj Chhabra as Managing Director, for the period, terms as to remuneration and conditions as set out hereunder and in the Agreement to be entered into by the Company with him, submitted to this Meeting and initialled by the Chairman for the purpose of identification, which Agreement is hereby specifically approved with full liberty to the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall be deemed to include Remuneration Committee of the Board), in accordance with the statutory limits / approvals as may be applicable, to revise/alter/modify/amend/change the terms and conditions of the Agreement from time to time as may be agreed to by the Board and Mr. Chhabra.

1. **Period :**

Two years with effect from August 25, 2011.

2. **Remuneration :**

- (i) Remuneration, by way of salary, dearness allowance, perquisites and other allowances payable monthly, and commission, which together shall not, in any financial year, exceed five per cent of its net profits for one such managerial person, and if there is more than one such managerial person, ten per cent for all of them together, as may be decided from time to time by the Board of Directors.
- (ii) Company's contribution to provident fund, superannuation fund or annuity fund as per Rules of the Company to the extent these either singly or put together are not taxable under the Income Tax Act, 1961, gratuity and encashment of leave at the end of the tenure


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payable as per the rules of the Company shall not be included in the computation of limits for the remuneration and perquisites aforesaid.

The aggregate of the remuneration and perquisites as stated above in any financial year shall not exceed the limits prescribed from time to time under Sections 198, 309, 311 and all other applicable provisions of the Companies Act, 1956 read with Schedule XIII to the Act or any statutory modifications or re-enactment thereof.

Where in any financial year during the tenure of Mr. Chhabra, the Company has no profits or it has inadequate profits, the Company shall pay to Mr. Chhabra the remuneration by way of salary, perquisites and other allowances as specified above as minimum remuneration, subject to receipt of the requisite approvals, if any.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds and things as may be considered necessary to give effect to the aforesaid resolution."

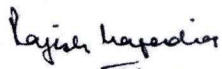
The above resolution was put to vote by Mr. Kapadia and on a show of hands was declared Passed by majority.

7. There being no other business, the Chairman declared the Meeting as concluded.

Place : Mumbai
Date : July 30, 2011

CERTIFIED TRUE COPY
For PRISM CEMENT LIMITED


ANEETA S. KULKARNI
Company Secretary


CHAIRMAN
30.7.2011

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