



Southern Petrochemical Industries Corporation Limited

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Secy/

20th October 2010

The Manager
Listing Department
National Stock Exchange of India Limited
Exchange Plaza, C-1, Block G
Bandra-Kurla Complex, Bandra (East)
MUMBAI 400 051

Dear Sir,

Minutes of the Annual General Meeting

Please find enclosed a copy of the Minutes of the 39th Annual General Meeting of the Members of the Company held on 21st September 2010.

Thanking you,

Yours faithfully,
For SOUTHERN PETROCHEMICAL
INDUSTRIES CORPORATION LTD.

N RAMAKRISHNAN
SECRETARY

Encl.: as above.

SOUTHERN PETROCHEMICAL INDUSTRIES CORPORATION LIMITED

Registered Office: 73 Armenian Street, Chennai 600 001.

Principal Office: SPIC HOUSE, 88 Mount Road, Guindy, Chennai 600 032.

MINUTES of the 39th Annual General Meeting of the Members of Southern Petrochemical Industries Corporation Limited held on Tuesday, 21st September 2010 at 2.45 P.M. at Rajah Annamalai Hall, Chennai - 600 108.

DIRECTORS PRESENT:

1.	Dr.A C Muthiah	Chairman
2.	Thiru Ashwin C Muthiah	Vice Chairman (Chairman of the Meeting)
3.	Thiru T K Arun	Director
4.	Thiru B Elangovan	Director
5.	Thiru B Narendran	Director
6.	Thiru M Jayasankar	Director

IN ATTENDANCE:

Thiru N Ramakrishnan

Secretary

851 Members were present in person and 63 Members were represented by proxies.

At the request of Dr. A C Muthiah, Chairman, Thiru Ashwin C Muthiah, Vice Chairman chaired the Meeting.

The Chairman of the Meeting announced that the quorum for the Meeting was present and called the Meeting to order. He informed the Members that the Company had received 177 proxies representing 67,80,193 equity shares.

The Chairman of the Meeting also informed the Meeting that the Register of Directors' Shareholding was open and accessible during the continuance of the Meeting.

The Chairman of the Meeting then delivered the Chairman's speech.

NOTICE OF THE MEETING

With the unanimous consent of the Members present at the Meeting, the Chairman of the Meeting stated that the Notice convening the 39th Annual General Meeting of the Company, already circulated to the Members, be taken as read.

AUDITORS' REPORT

The Auditors' Report was read by Thiru N Ramakrishnan, Secretary.

ORDINARY BUSINESS

Item No.1

ADOPTION OF AUDITED ACCOUNTS FOR THE YEAR ENDED 31st MARCH 2010, REPORTS OF THE DIRECTORS AND AUDITORS

The Chairman of the meeting informed the Members that the first item of business related to adoption of Audited Annual Accounts, the Directors' Report and the Auditors' Report.

The following Ordinary Resolution was proposed by Thiru Ashwin C Muthiah, Chairman of the Meeting and seconded by Thiru A Santhanakrishnan:

"RESOLVED THAT the audited Balance Sheet as at 31st March 2010 and the Profit and Loss Account for the year ended on that date together with the Reports of the Directors and the Auditors thereon placed before the Members at the Meeting be and are hereby received, approved and adopted."

The Chairman of the Meeting invited discussion on the accounts from the Members.

Members' queries were replied to by the Chairman of the Meeting.

Thereafter, the resolution was put to vote and was passed unanimously.

Item No.2

The Chairman of the Meeting stated that the next item related to the re-election of Thiru M Jayasankar as a Director of the Company.

Proposed by Thiru P Vedagiri and seconded by Thiru T V Rajendran, the following resolution was passed unanimously as an Ordinary Resolution:

"RESOLVED THAT Thiru M Jayasankar, Director, retiring by rotation, be and is hereby re-elected a Director of the Company."

Item No.3

The Chairman of the Meeting stated that the next item related to the re-appointment of Fraser & Ross, Chartered Accountants, as Auditors of the Company.

Proposed by Thiru K Gopalakrishnan and seconded by Thiru S Chandramohan, the following resolution was passed unanimously as an Ordinary Resolution:

"RESOLVED THAT M/s Fraser & Ross, Chartered Accountants, (Firm Registration No.000829S), the retiring Auditors, being eligible for re-appointment, be and are hereby re-appointed Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting on such remuneration as may be fixed by the Board of Directors of the Company."

SPECIAL BUSINESS

Item No.4

The Chairman of the Meeting stated that the next resolution related to the appointment of Dr (Thirumathi) S Revathi, as a Director of the Company.

Proposed by Thiru SP Sathappan and seconded by Thiru M Jambunathan, the following resolution was passed unanimously as an Ordinary Resolution:

"RESOLVED THAT Dr (Thirumathi) S Revathi, whose period of office shall be liable to determination by retirement of Directors by rotation, be and is hereby appointed a Director of the Company."

Item No.5

The Chairman of the Meeting stated that the next resolution related to the issue and allotment, on preferential basis, in one or more tranches, of up to 44,05,259 Equity Shares of Rs.10/- each, to secured lenders of

the Company, at an issue price of Rs.19/- per share (inclusive of a premium of Rs.9/- per share), for a sum of up to Rs.837 lacs, by way of conversion of a part of the secured debt of the Company.

The Chairman of the Meeting further informed the Members that Fraser & Ross, Chartered Accountants and the Statutory Auditors of the Company have, by their certificate dated 20th September 2010, confirmed that the Company is in compliance with regard to the requirements of the regulations for preferential allotment, as contained in SEBI ICDR Regulations, in respect of the proposed preferential issue of Equity Shares to secured lenders of the Company and a copy of the said Certificate was placed before the Members.

The Chairman of the Meeting further stated that, as the Members were aware, the Company has been in continuous discussion with Asset Reconstruction Company (India) Limited ("ARCIL") who have acquired a significant quantum of assignment rights from secured lenders of the Company, for restructuring the Company's loan liability to a sustainable level. As per rework package for the Company approved by the Corporate Debt Restructuring (CDR) Empowered Group, secured lenders have the option to convert a portion of the Company's debt to the extent of Rs.60 crores into Equity Shares, in two tranches of Rs.30 crores each, by 31st March 2010 and 30th September 2010, towards payment of part of their dues, at a price of Rs.20/- per share or as per the pricing guidelines of the Securities and Exchange Board of India (SEBI), whichever is lower.

Pursuant to Members' approval accorded at the Extraordinary General Meeting held on 22nd February 2010, a portion of the Company's secured debt of a sum of Rs.30 crores was converted into equity, in the first tranche and 1,66,66,666 Equity Shares of Rs.10/- each, at a price of Rs.18/- per share (inclusive of a premium of Rs.8/- per share) were allotted to ARCIL on 30th March 2010.

In respect of the second tranche conversion of secured debt, advice has been received from ARCIL vide their letter dated 4th August 2010 regarding exercise of the option for conversion of debt into Equity Shares/Non-convertible Debentures being exercised by the lenders, for a sum of up to Rs.837 lacs.

The Chairman of the Meeting informed the Members that pricing of the proposed issue of Equity Shares to the allottees, in the second tranche of conversion, is in accordance with the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 (SEBI ICDR Regulations), with reference to the Relevant Date of 24th February 2010, being the date of approval of the CDR package by the CDR Empowered Group.

The Chairman of the Meeting informed the Members that the proposed conversion of a portion of secured debt into Equity Shares is in the interest of the Company as it will further bring down the Company's debt.

Proposed by Thiru A V Kumar and seconded by Thiru B Shankar, the following resolution was passed unanimously as a Special Resolution:

"RESOLVED THAT pursuant to Section 81(1A) and other applicable provisions, if any, of the Companies Act, 1956, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (hereinafter referred to as the "SEBI ICDR Regulations") and the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997, other applicable laws, rules, regulations, the Listing Agreement with the National Stock Exchange of India Limited, the Memorandum and Articles of Association of the Company, and in accordance with the restructuring package approved by the Corporate Debt Restructuring (CDR) Empowered Group at its Meeting held on 24 February 2010 and communicated to the Company vide CDR Cell's letter no. BY CDR (JCP) no.1530/2009-10 dated 13 March 2010 and subject to such other approvals, as may be required, consent of the Company be and is hereby accorded to the Board of Directors (hereinafter referred to as "the Board"), which shall be deemed to include any duly authorized Committee thereof, to issue and allot, on preferential basis, to secured lenders of the Company, as hereinafter mentioned, in one or more tranches, up to 44,05,259 (forty-four lacs five thousand two hundred fifty-nine) Equity Shares of the face value of Rs.10/- each, fully paid up, by way of conversion of the Company's secured debt to the said secured lenders, for a sum of up to Rs.837 lacs (inclusive of the premium), at an issue price of Rs.19/- per share, which includes a premium of Rs.9/- per share, which is not less than the price calculated in accordance with the SEBI ICDR Regulations and on such terms and conditions as may be deemed appropriate by the Board:

Sl. No.	Name of the proposed allottee	Amount of debt being converted into Equity (Rs. lacs)	No. of Equity Shares of Rs.10/- each, fully paid up, being allotted
1	Central Bank of India	317.40	16,70,526
2	Canara Bank (*)	166.80	8,77,894
3	State Bank of Patiala	127.20	6,69,473
4	Dena Bank	83.40	4,38,947

5	United Bank of India (*)	56.40	2,96,842
6	The Bank of Rajasthan Ltd	42.60	2,24,210
7	New India Assurance Company	22.80	1,20,000
8	Tamilnadu Mercantile Bank Ltd	11.40	60,000
9	State Bank of Hyderabad	6.00	31,578
10	Bank of Baroda	3.00	15,789
	Total	837.00	44,05,259

(*) subject to receipt of confirmation

"RESOLVED FURTHER THAT the Relevant Date in relation to pricing of the aforesaid issue of Equity Shares, in accordance with the SEBI ICDR Regulations would be 24 February 2010, being the date of approval of the CDR package by the CDR Empowered Group."

"RESOLVED FURTHER THAT the Equity Shares being issued and allotted as aforesaid shall rank *pari passu* in all respects with the existing Equity Shares of the Company."

"RESOLVED FURTHER THAT the Board be and is hereby authorized in its entire discretion to decide to proceed with the issue of the shares and for the purpose of giving effect to this issue and allotment of Equity Shares, to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary or appropriate for such purpose, including without limitation, to seek listing of the Equity Shares on the National Stock Exchange of India Limited, with power on behalf of the Company to settle any question, difficulty or doubt that may arise in regard to such issue or allotment of shares and in complying with any Regulations, as it may in its absolute discretion deem fit, without being required to seek any further clarification, consent or approval of the Members and that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution."

There being no other business to transact, the Meeting was declared closed by the Chairman of the Meeting.

For SOUTHERN PETROCHEMICAL
INDUSTRIES CORPORATION LTD.



N RAMAKRISHNAN
SECRETARY