

TULSYAN NEC LIMITED

REGD. OFFICE: 61 SEMBUDOSS STREET, CHENNAI – 600 001
CORP. OFFICE: I FLOOR, APEX PLAZA, 3 NUNGAMBAKKAM HIGH ROAD,
CHENNAI – 600 034

**MINUTES OF THE PROCEEDINGS OF THE 63RD ANNUAL GENERAL MEETING OF
THE COMPANY HELD ON 16TH JUNE, 2010 AT 11.00 A.M. AT NARADHA GANA
SABHA (MINI HALL), 254, TTK ROAD, CHENNAI – 600 018**

DIRECTORS PRESENT

Mr. Lalit Kumar Tulsyan	- Executive Chairman
Mr. Sanjay Tulsyan	- Managing Director
Mr. S Soundararajan	- Director
Mr. P T Rangamani	- Director
Mr. V. Kirubanandan	- Director
Mr. C. Ramachandran	- Director
Mr. S Ramakrishnan	- Director
Mr. Sanjay Agarwalla	- Whole-time Director
Mr. A P Venkateshwaran	- Whole-time Director

MEMBERS PRESENT

226 Members were present in person

CHAIRMAN

As per Clause 99 of the Articles of Association of the Company, Mr. Lalit Kumar Tulsyan, Executive chairman, occupied the chair.

QUORUM

The Chairman having found the present of quorum, declared the meeting as properly constituted.

STATUTORY RECORDS

The Chairman informed that the Register of Directors shareholding as required under section 307 of the Companies Act, 1956 was placed before the meeting and was available for inspection throughout the continuation of the meeting. He also informed that all statutory records were also available for inspection.

BUSINESS TRANSACTED

The Chairman with the permission of the meeting took the Accounts as read. The Auditors' Report was read by the Auditors of the Company. The Chairman invited the queries from the members and answered the same.

ORDINARY BUSINESS

ADOPTION OF AUDITED BALANCE SHEET :

Proposed by: Mr. V Rangan
Seconded by: Mr B K Agarwal

The following resolution was passed:

"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 Directors and Auditors' Report thereon be and are hereby received, considered and adopted".

(Passed unanimously)

DECLARATION OF DIVIDEND :

Proposed by: Mr. Srinivasalu
Seconded by: Mr. V. Rajaraman

"RESOLVED THAT the dividend of 20 % payable to the equity shareholders whose name appear on the Register of Members as at the date of this Annual General Meeting and as recommended by the Board be and is hereby approved for payment".

(Passed unanimously)

RE-ELECTION OF Mr. S. SOUNDARARAJAN, AS A DIRECTOR :

Proposed by: Mrs S Chandrasekaran
Seconded by: Mr Srikant Ohja

The following resolution was passed:

"RESOLVED THAT Mr. S. Soundararajan, Director, who retires by rotation and being eligible offers himself for re-appointment be and is hereby re-appointed as a Director of the Company subject to retirement by rotation".

(Passed unanimously)

RE-ELECTION OF Mr. P. T RANGAMANI, AS A DIRECTOR :

Proposed by: Mrs M Uma
Seconded by: Mrs Babita Agarwal

The following resolution was passed:

"RESOLVED THAT Mr. P T Rangamani, Director, who retires by rotation and being eligible offers himself for re-appointment be and is hereby re-appointed as a Director of the Company subject to retirement by rotation".

(Passed unanimously)

RE-ELECTION OF Mr. C. RAMACHANDRAN, AS A DIRECTOR :

Proposed by: Mr Jayapalan
Seconded by: Mr P Santhana Krishnan

The following resolution was passed:

"RESOLVED THAT Mr. C. Ramachandran, Director, who retires by rotation and being eligible offers himself for re-appointment be and is hereby re-appointed as a Director of the Company subject to retirement by rotation".

(Passed unanimously)

APPOINTMENT OF AUDITORS :

The Chairman informed that the Auditors of the Company, M/s. C.A. Patel & Patel, Chartered Accountants, Chennai, are retiring at this meeting. Chairman informed that M/s C A Patel & Patel, Chartered Accountants, Chennai is proposed to be re-appointed as "Auditors" of the Company

Proposed by: Mr Pramod Kumar Agarwal
Seconded by: Mr N Ramasubramanian

The following resolution was passed:

"RESOLVED THAT M/s. C. A. Patel & Patel, Chartered Accountants, Chennai retiring Auditors of the Company 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 on remuneration to be fixed by the Board of Directors of the Company".

(Passed unanimously)

SPECIAL BUSINESS

INCREASING THE BORROWING LIMIT OF THE BOARD OF DIRECTORS

The Chairman informed The sanction of the Shareholders is sought to permit the Board to borrow moneys in excess of the Company's capital and free reserves. This is permissible under section 293(1)(d) of the Companies Act, 1956, if the shareholders approve in their meeting. With the company's plans for expansions and diversification, your Board thinks it necessary to acquire this power and recommends passing of this resolution.

Proposed by: Mr Kamal Kishore Kataria
Seconded by: Mr Makesh Kumar Jalan

"RESOLVED THAT the consent of the Company be and is hereby accorded under the provisions of Section 293(1)(d) of the Companies Act, 1956 to the Board of Directors of the Company, for borrowing from time to time all such sums of money as they may deem requisite for the purpose of the business of the Company notwithstanding that moneys to be borrowed together with moneys already borrowed by the Company (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) will exceed the aggregate of the paid-up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose, provided that the aggregate of the amounts so borrowed and to be borrowed and outstanding at any time (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) shall not exceed Rs 1000 Crores (Rupees One Thousand Crores only)."

(Passed unanimously)

VOTE OF THANKS

Mr. S Soundararajan, Director, proposed a vote of thanks to the members. After that, the Chairman declared the meeting as concluded.

Recorded on: 16th June, 2010

Sd xxxxxxxx
CHAIRMAN

CHAIRMAN'S SPEECH

Ladies & Gentlemen,

I extend a warm welcome to you all for being present at the 63rd Annual General Meeting of your company. The Directors' Report and the Audited Accounts of the Company for the year ended 31st March 2010 have been provided to all the shareholders and I shall therefore with your permission take them as read.

The past couple of years have been difficult for the steel industry, following a sharp slump across industries worldwide in the wake of the US Sub-prime crisis. We have been witness to one of the most unprecedented crises to have hit the global economy. However India seems to have navigated the turbulence admirably, thanks to regulatory prudence and foresight.

FUTURE OUTLOOK

In view of the various infrastructure projects coming up in the country, the management envisages huge demand for its products especially steel. Your company has initiated the following steps to reap the opportunities as they arise.

- During September 2009, we have commissioned the additional rolling capacity of 150000 mt / pa. at our Gummudipoondi unit, thus the total finished steel making capacity stands enhanced to 348000 mts p.a.
- Increase the dealership network with more focus on rural sector.
- During the current year ie. 2010-11 we shall commence the work on Installing a thermal power plant of 35mw at Gummudipoondi for captive consumption. The required land for the project has already been acquired and the financial closure for the project has also been done.
- To cater to the sponge iron requirements of our company we have during 2009-10 taken over M/s Chitrakoot steel and power private limited with an installed capacity to manufacture 36000 mts p.a. of sponge iron.
- Diversify into manufacture of wire rods and installation of coiler
- Unlock the value of Ambattur property.

ACKNOWLEDGEMENT

I take this opportunity to thank my colleagues on the Board for their valuable guidance and advice. I also thank the company's bankers, financial institutions other government authorities and our esteemed customers and suppliers for their co-operation and support extended to the company.

I convey my sincere thanks to the staff that have spared no efforts to keep the momentum of operations going.

Finally dear shareholders our thanks are due to all of you for your unstinted support.