

Minutes of the proceedings of the 72nd Annual General Meeting of the Members of JK Lakshmi Cement Ltd. held at the Registered Office of the Company at Jaykaypuram – 307 019, Basantgarh, Dist. Sirohi, Rajasthan on Saturday, the 4th August 2012 at 2.00 P.M.

Present:

CERTIFIED TO BE TRUE
For JK Lakshmi Cement Ltd.

1. Shri Hari Shankar Singhania, Chairman . . . (in the Chair)
1. Shri Bharat Hari Singhania, Vice Chairman & Managing Director
2. Shri B.V. Bhargava, Director . . . (Chairman of the Audit Committee)
3. Shri N.G. Khaitan, Director
4. Smt. Vinita Singhania, Managing Director
5. Shri Sushil Kumar Wali, Whole-time Director
6. Shri Shailendra Chouksey, Whole-time Director

Vice President & Company Secretary

And

82 Members including Directors were present in person or through their authorised representatives and 53 Members were present through proxies as per the record of attendance at the meeting kept by the Company.

In attendance :

Shri S.A. Bidkar, Chief Finance Officer
Shri B.K. Daga, Vice President & Company Secretary
Shri R.R. Gupta, Vice President (Accounts & Commercial)
Shri C.K. Bagga, Vice President (Accounts & Finance)
Shri N.K. Lodha, Partner, M/s. Lodha & Co., Chartered Accountants

1. Chairman : Shri Hari Shankar Singhania, Chairman took the Chair.
2. Welcome and introduction of Directors : Chairman extended a warm welcome to the Members to the 72nd Annual General Meeting of the Company (AGM) and introduced the Directors, Statutory Auditor and Executives on the Dais.
3. Quorum : The requisite quorum being present, the Chairman declared the meeting as properly constituted and proceeded to transact the business.
4. Register of Directors' Shareholdings : The Chairman informed the Members that the Register of Directors' shareholdings maintained by the Company pursuant to Section 307 of the Companies Act 1956 is placed on the table and would remain open and accessible during the continuance of the Meeting to every person having the right to attend the meeting.
5. Notice : Notice dated 16th May 2012 convening the AGM was taken as read by general consent.

6. **Auditors' Report :** Report of the Auditors dated 16th May 2012, to the Members on the audited Annual Accounts of the Company for the financial year ended 31st March 2012, was read by Shri B.K. Daga, Vice President & Secretary of the Company.

7. **Item No. 1**

Adoption of Audited Accounts and Reports of the Directors and Auditors thereon

The Annual Report of the Company for the financial year 2011-12 including the audited Balance Sheet as at 31st March 2012 and Profit and Loss Account for the year ended as on that date and Cash Flow and other Statements and the Reports of the Directors and Auditors thereon, attached thereto, having already been circulated to the Members, were taken as read by general consent.

The Chairman addressed the Members and thanked them for their presence at AGM.

The Chairman apprised the Members of the state of the Indian economy vis-a-vis the growth momentum of the Company. He expressed happiness that the Company has registered improved performance for the year in terms of both operational and financial parameters. Gross Turnover grew substantially by 29% to Rs.1922 Crore and Net Profit to Rs.108.79 Crore. Further, the Chairman informed the members of the measures taken by the Directors to enhance Shareholders' value through recommendation of higher Dividend and announcement of Buy-Back of Equity Shares.

The Chairman expressed satisfaction that the Company's ongoing projects are progressing as scheduled and completion thereof will raise Company's cement capacity to 8.5 Million Tonnes. Members were also informed of the new Project undertaken by the Company for production of Aerated Autoclaved Concrete (AAC) Blocks at Haryana and its plans to further expand the RMC business.

On CSR initiatives, the Chairman informed the members of the notable contribution made by the Company in the areas of population stabilisation, adult and women education, vocational training, augmentation of clean drinking water, medical care including free dental check-ups as also development of village infrastructure, adjoining the Company's Plant at Sirohi.

The Chairman was optimistic on the outlook of the Cement Industry and stated that the demand for cement will improve in view of the continued emphasis of the Government on infrastructure and cement being the preferred building material.

The Chairman moved the following as Ordinary Resolution regarding adoption of the audited Accounts as on 31st March 2012 and the Reports of the Auditors and Directors thereon and requested them to ask any questions arising out of the Accounts and the Reports of the Directors and Auditors thereon:

"RESOLVED that the audited Accounts of the Company for the financial year ended 31st March 2012 and the Reports of the Directors and Auditors thereon, already circulated to the Members and now submitted to this meeting be and are hereby received and adopted."

Seconded by: Shri P.L. Mehta

The Chairman then put the motion to vote. The resolution was carried unanimously.

8. Item No. 2

Declaration of Dividend

The Chairman informed the Members that the Board of Directors has recommended an Equity Dividend of 40% i.e. Rs. 2 per Equity Share of Rs. 5 each, for the financial year 2011-12 ended 31st March 2012, for declaration by the Members.

The total dividend outgo for the current fiscal would be Rs.27.49 Crore (Inclusive of Dividend Distribution Tax of Rs. 3.84 Crore).

The Chairman then requested the Members to propose and second the Resolution for the payment of the said dividend.

Proposed as **Ordinary Resolution** by: Shri B.B. Wadhawan

Seconded by : Shri Avinash Mehta

"RESOLVED that an Equity Dividend for the financial year 2011-12 ended 31st March 2012 @ Rs. 2 per Equity Share (40%), on 11,76,70,066 fully paid Equity Shares of Rs. 5 each of the Company be

and is hereby declared and the same be paid (after payment of Dividend Distribution Tax as per the provisions of Income Tax Act, 1961) to those Members, whose names are borne on the Register of Members of the Company as on 4th August 2012 (the date of the AGM), or to their mandatees and in respect of shares held in dematerialised form, the dividend be paid on the basis of details of beneficial ownership received from the depositories for this purpose".

Resolution carried unanimously.

9. Item No. 3, 4 & 5 **Re-appointment of Directors liable to retire by rotation**

Item No. 3

The Chairman requested Shri B.V. Bhargava, Director, to take up Item No. 3 of the Notice which related to re-appointment of Dr. Raghupati Singhania as Director liable to retire by rotation.

(1) Re-appointment of Dr. Raghupati Singhania

Shri B.V. Bhargava then requested the Members to propose and second the item regarding re-appointment of Dr. Raghupati Singhania.

Proposed as **Ordinary Resolution** by: Shri S.N. Sharma

Seconded by : Shri Rajesh Keswani

"RESOLVED that **Dr. Raghupati Singhania**, a Director retiring by rotation pursuant to Article 112 of the Company's Articles of Association, be and is hereby re-appointed as a Director of the Company liable to retire by rotation."

Resolution carried unanimously.

Shri B.V. Bhargava requested Shri Hari Shankar Singhania to take up the remaining items as per the notice.

Item No. 4

(2) Re-appointment of Shri Kashi Nath Memani

The Chairman requested the Members to propose and second the item regarding re-appointment of Shri Kashi Nath Memani.

Company from the conclusion of the 72nd Annual General Meeting upto the conclusion of the next Annual General Meeting on a remuneration of Rs. 8,00,000 (Rupees Eight Lacs only) excluding service tax as applicable and reimbursement of travelling and other out-of-pocket expenses actually incurred by the said Auditors in connection with the audit."

Resolution carried unanimously.

11 Item No. 7

**Appointment of Shri Ravi Jhunjunwala,
Additional Director, as Director liable to retire by
rotation**

The Chairman informed the Members that Shri Ravi Jhunjunwala was appointed by the Board of Directors as Additional Director on the Board w.e.f. 26.3.2012 and he held office upto the date of the present Annual General Meeting.

The Chairman further informed that requisite Notice under Section 257 of the Companies Act 1956, has been received from a member of the Company, signifying his intention to propose the name of Shri Ravi Jhunjunwala for appointment as Director liable to retire by rotation.

The Chairman requested the members to propose and second the resolution regarding appointment of the said Director as per order in the Notice.

Proposed as **Ordinary Resolution** by: Shri S.N. Rai

Seconded by : Shri P.K. Mittal

"RESOLVED that Shri Ravi Jhunjunwala, whose appointment as Additional Director on the Board determines on the date of the present Annual General Meeting, be and is hereby appointed as a Director liable to retire by rotation on the Board."

Resolution carried unanimously.

**Explanatory Statement under Section 173(2) of
the Companies Act 1956, relevant to the
aforesaid Resolution:**

"Shri Ravi Jhunjunwala was appointed as Additional Director on the Board w.e.f. 26th March 2012 and holds office upto the date of the present

Proposed as **Ordinary Resolution** by: Shri R.C. Nyati

Seconded by : Shri Balagopalan

"RESOLVED that **Shri Kashi Nath Memani**, a Director retiring by rotation pursuant to Article 112 of the Company's Articles of Association, be and is hereby re-appointed as a Director of the Company liable to retire by rotation."

Resolution carried unanimously.

Item No. 5

(3) Re-appointment of Shri Pradeep Dinodia

The Chairman requested the Members to propose and second the item regarding re-appointment of Shri Pradeep Dinodia.

Proposed as **Ordinary Resolution** by: Shri S.K. Saxena

Seconded by : Shri Pankaj Amaria

"RESOLVED that **Shri Pradeep Dinodia**, a Director retiring by rotation pursuant to Article 112 of the Company's Articles of Association, be and is hereby re-appointed as a Director of the Company liable to retire by rotation."

Resolution carried unanimously.

10 Item No. 6

Appointment of Auditors

The Chairman requested the Members to propose and second the resolution regarding re-appointment of M/s. Lodha & Co., Chartered Accountants as Auditors of the Company for 2012-13.

Proposed as **Ordinary Resolution** by: Shri D.C. Jhanwar

Seconded by : Shri Ajay Sharma

"RESOLVED that pursuant to the provisions of Section 224 of the Companies Act 1956, **M/s. Lodha & Co.**, Chartered Accountants, New Delhi be and are hereby appointed as Auditors of the

None of the Directors other than Shri Ravi Jhunjhunwala for himself may be deemed to be concerned or interested in the aforesaid resolution."

12 Item No. 8

Payment of Commission to Non-Executive Directors

The Chairman informed the members that the Company had at its Annual General Meeting held on 12th July 2007, authorised payment of commission upto 1% of the annual Net Profits to Non-executive Directors, for a period of five years commencing 1st April 2007 pursuant to Section 198 of the Companies Act 1956 (Act).

The Chairman requested the members to propose and second the resolution regarding appointment of the said Director as per order in the Notice.

Proposed as Special Resolution by: Shri Pravin Lodha

Seconded by : Shri Mukesh Jha

"RESOLVED that pursuant to sub-sections (4) and (7) of Section 309 of the Companies Act 1956 and Article 105B of the Articles of Association of the Company ("Articles"), approval of the Company be and is hereby accorded and it shall always be deemed to have been accorded to the payment of commission not exceeding 1% of the annual net profits of the Company computed in the manner referred to in sub-section (1) of Section 198 read with Sections 349 and 350 and other applicable provisions of the said Act for a period of five financial years commencing 1st April 2012 in the manner provided by the Articles to the Directors other than the Managing Director(s) and Whole-time Director(s) of the Company (Non-executive Directors), who may in their discretion accept a lower amount in any year or years."

Resolution carried unanimously.

Explanatory Statement under Section 173(2) of the Companies Act 1956, relevant to the aforesaid Resolution:

"Under Article 105B of the Articles of Association of the Company read with Section 309(4) of the Companies Act 1956, the Directors other than the Managing/Whole-time Directors of the Company are entitled to receive as remuneration a commission not exceeding 1% of the annual net profits of the

Annual General Meeting, pursuant to Section 260 of the Companies Act 1956 (Act). Requisite Notice under Section 257 of the Act, has been received from a member of the Company, signifying his intention to propose the name of Shri Jhunjhunwala for appointment as Director liable to retire by rotation.

Information about the Appointee Director:

Shri Ravi Jhunjhunwala, aged 56 years, holds a Graduate degree in Commerce. He did his MBA from the Centre D'etudes Industrielles (CEI), Geneva (now IMI, Lausanne). Shri Ravi Jhunjhunwala is the Chairman & Managing Director of Rs. 4,739 crore (over \$1b) LNJ Bhilwara Group. The group is a diversified conglomerate in Textiles, Graphite Electrodes, Power and IT enabled services. The group, under his leadership, has played a pioneering role in many contemporary businesses and today, has 14 Companies (six of them listed) with impeccable financial health. Shri Jhunjhunwala is the Managing Director of HEG Ltd. Due to his vision and management, HEG Ltd. now possesses the world's largest single location plant for Graphite Electrodes with an installed Capacity of approx. 85,000 mt.

In the mid-nineties, Shri Jhunjhunwala embarked on a strategic business diversification plan of entering into Hydro Power Generation. In 1996 he was handed over charge of the entire group and took over as Chairman of the LNJ Bhilwara Group. His vision has enabled the Group gain significant stature on the global platform with presence in more than 75 countries across continents.

Shri Ravi Jhunjhunwala is also active on number of National Management/Industry Forums and is associated with various Trade/Industry bodies including CII and FICCI. He is also an active member of World Presidents Organization (WPO).

Shri Jhunjhunwala is Chairman & Managing Director on the Boards of HEG Ltd. and Malana Power Company Ltd. and is a Director on the Boards of RSWM Ltd., Maral Overseas Ltd., Bhilwara Energy Ltd., AD Hydro Power Ltd., Cheslind Textiles Ltd., Indo Canadian Consultancy Services Ltd., BSL Ltd., Bhilwara Green Energy Ltd., NJC Hydro Power Ltd. and India Glycols Ltd. Shri Jhunjhunwala is also Chairman of the Audit Committee of Malana Power Company Ltd. and AD Hydro Power Ltd. and Member of the Shareholders'/Investors Grievance Committee of HEG Ltd. & BSL Ltd.

Company, in addition to sitting fees for every meeting of the Board/ Committee of Directors attended by them. The Company had earlier, at its Annual General Meeting held on 12th July 2007, authorised payment of such commission for a period of five years w.e.f. 1st April 2007. It is considered desirable to take fresh approval of the Shareholders to pay to the Directors other than Managing / Whole-time Directors remuneration by way of commission not exceeding 1% of annual net profits of the Company for a period of five financial years w.e.f. 1st April 2012. The proposed resolution is accordingly recommended for approval of the Shareholders by means of a Special Resolution.

Each of the Directors of the Company excepting the Managing Directors and the Whole-time Directors may be deemed to be concerned or interested in the resolution to the extent of the entitlement of their share of remuneration by way of commission."

13 Vote of Thanks

On behalf of the Members, Shri Ganpat Singh proposed a hearty vote of thanks to the Chair.

14 Conclusion of the Meeting:

The Chairman thanked the Members for their participation in the AGM and declared the meeting as closed.

CERTIFIED TO BE TRUE
For JK Lakshmi Cement Ltd.

Vice President & Company Secretary

sd/-

CHAIRMAN

08.08.2012

