

HELD AT _____ ON _____ TIME _____

MINUTES OF THE TWENTY-FIRST ANNUAL GENERAL MEETING OF PRISM CEMENT LIMITED HELD ON JUNE 25, 2013 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. J. A. Brooks - Director

In Attendance : Ms. Aneeta S. Kulkarni
Company Secretary

Number of Members present in person : 473
Number of Members present by proxy : 94

2. Mr. Rajesh Kapadia declared that since the required quorum was present, the Annual General Meeting could commence. He then welcomed the Members to the Twenty-first 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, 2013 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, 2013, the Company achieved a turnover of Rs. 5,124 crores as against a turnover of Rs. 4,822 crores. Subdued markets, increased input costs and weak demand kept margins under pressure and the Company ended the year 2012-13 with a net loss of Rs. 59 crores as against a net loss of Rs. 30 crores during the previous year.

He stated that the Company has 6 subsidiaries and 5 joint venture companies. For the year ended March 31, 2013, your Company achieved a turnover on consolidated basis of Rs. 5,212 crores with a net loss of Rs. 62 crores as against turnover of Rs. 4,893 crores with a net loss of Rs. 18 crores for the previous year ended March 31, 2012.

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:

- ◆ Future of cement industry and the Company.


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- ◆ Dividend on equity shares.
- ◆ Borrowings and capital expenditure for the current year on the Cement Project at Kurnool, Andhra Pradesh.
- ◆ Expected current year sales and profit.
- ◆ Steps taken by the Company to earn profits in the current year.

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 and Loss Statement for the year ended March 31, 2013, 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 requisite majority.

(ii) As Ordinary Business requiring an Ordinary Resolution

Proposed by : Mr. Bharat Shah
 Seconded by : Mr. Suresh Chand Jain

“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.”

The above resolution was put to vote by Mr. Chhabra, who chaired the proceedings for this item of business and on a show of hands was declared Passed by requisite majority.

(iii) As Ordinary Business requiring an Ordinary Resolution

Proposed by : Mr. Raj Kumar Khandelwal
 Seconded by : Mr. Shujath Ali Khan

“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 Nem. Con.


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(iv) As Ordinary Business requiring an Ordinary Resolution

Proposed by : Mr. Shaik Ahmed
 Seconded by : Mr. K. Vasudeva Rao

“RESOLVED THAT Mr. 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 Nem. Con.

(v) As Ordinary Business requiring an Ordinary Resolution

The Chairman informed that the Company had received Special Notices under Section 190 of the Companies Act, 1956 from members to pass an Ordinary Resolution appointing M/s. G. M. Kapadia & Co., Chartered Accountants as Statutory Auditors for FY 2013-14 in place of the retiring Auditors, M/s. N. M. Raiji & Co.

The copies of the notices had been sent to the retiring Auditors, M/s. N. M. Raiji & Co. and no representation had been received from them. The Company had also forwarded notice u/s 225 of the Companies Act, 1956 to all the shareholders and published the same in the newspapers.

Accordingly, the shareholders need to consider passing of the Ordinary Resolution for appointment of M/s. G. M. Kapadia & Co., Chartered Accountants as Statutory Auditors for FY 2013-14 in place of the retiring Auditors, M/s. N. M. Raiji & Co.”

Proposed by : Mr. Shantilal Shah
 Seconded by : Mr. Ramesh Shankar Golla

“RESOLVED THAT pursuant to the provisions of Sections 224, 225 and other applicable provisions, if any, of the Companies Act, 1956, M/s. G. M. Kapadia & Co., Chartered Accountants (Registration No. 104767W) be and are hereby appointed as Statutory Auditors of the Company in place of the retiring auditors M/s. N. M. Raiji & Co., Chartered Accountants, 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 Statutory 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.

vi. As Special Business requiring a Special Resolution

Proposed by : Mr. Rajesh M. Paryani
 Seconded by : Mr. Panduranga Rao N.



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“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. Vijay Aggarwal 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. Aggarwal.

1. **Period :**

Three years with effect from March 3, 2013.

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.
- (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 payable as per the rules of the Company shall not be included in the computation of limits for the remuneration and perquisites aforesaid.
- (iii) 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.
- (iv) Where in any financial year during the tenure of Mr. Aggarwal, the Company has no profits or it has inadequate profits, the Company shall pay to Mr. Aggarwal the remuneration by way of salary, perquisites and other allowances as specified above and as approved by the Board from time to time as minimum remuneration, subject to receipt of the requisite approvals, if any.


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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 Nem. Con.

(vii) As Special Business requiring a Special Resolution

Proposed by : Mr. Bharat Shah
Seconded by : Mr. Ramesh Shankar Golla


“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. Ganesh Kaskar as Executive 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. Kaskar.

1. **Period :**

Three years with effect from March 3, 2013.

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


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provisions of the Companies Act, 1956 read with Schedule XIII to the Act or any statutory modifications or re-enactment thereof.

- (iv) Where in any financial year during the tenure of Mr. Kaskar, the Company has no profits or it has inadequate profits, the Company shall pay to Mr. Kaskar the remuneration by way of salary, perquisites and other allowances as specified above and as approved by the Board from time to time 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 Nem. Con.

(viii) As Special Business requiring a Special Resolution

Proposed by : Mr. Raghuvver Rao Mameni
Seconded by : Mr. Rajesh M. Paryani

“RESOLVED THAT in supersession of Resolution No. 11 passed at the 20th Annual General Meeting of the Company held on June 26, 2012 and pursuant to the provisions of Section 309(4) and other applicable provisions, if any, of the Companies Act, 1956 (“the Act”) or any modifications/re-enactments thereof, the Articles of Association of the Company and subject to such other approvals/ permissions as may be necessary, consent of the Company be and is hereby accorded to the payment of remuneration by way of commission to the Directors who are neither in the whole-time employment of the Company nor the Managing Director, Executive Director, Non-independent Directors and such of the remainder as may be decided by the Board of Directors (hereinafter referred to as the “Board” which term shall be deemed to include Remuneration Committee of the Board), for a period of five years with effect from April 1, 2013, upto one per cent of the net profits of the Company, computed in the manner referred to in Section 198, 309 and all other applicable provisions of the Companies Act, 1956 and such commission to be distributed and paid amongst the aforesaid Directors or some or any of them in such proportions, subject to such ceiling(s) and in such manner as the Board may determine, in addition to the sitting fees for attending the meetings of the Board or Committee(s) thereof.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to do all such acts, deeds and things as desirable to give effect to this resolution.”

The above resolution was put to vote by Mr. Chhabra, who chaired the proceedings for this item of business and on a show of hands was declared Passed Nem. Con.


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

Place : Mumbai
Date : July 10, 2013

Rayan Rajan
10.7.2013
CHAIRMAN