

## Sicagen India Limited

Proceedings of the 9<sup>th</sup> Annual General Meeting of the Shareholders of the Company held on Thursday, the 1<sup>st</sup> August 2013 at 10.30 a.m. at "Rajah Annamalai Hall", Esplanade, Chennai 600 108.

### **Directors' Present**

Mr.Ashwin C Muthiah	-	Chairman of the meeting
Mr.Sunil Deshmukh	-	Director
Mr.B.Narendran	-	Director
Mr.Dhananjay N Mungale	-	Director
Mr.Devidas Mali	-	COO & Whole Time Director

### **In attendance**

Mr.G.Arunmozhi	-	Head Legal & Company Secretary
Mr.Chella Krishna	-	Statutory Auditor & Partner CNGSN & Associates, Chartered Accountants

### **Chairman of the Meeting**

Mr.Ashwin C Muthiah, Chairman of the Company presided over the meeting and conducted the proceedings.

### **Quorum**

3840 shareholders were present in person and 143 shareholders were present by proxy.

The Chairman welcomed the members to the 9<sup>th</sup> Annual General Meeting of the Company and declared that the necessary quorum was present and the Company had received 143 valid proxies for 7,89,349 equity shares representing 1.99% of voting rights. He further informed that the Register of Directors and their shareholdings and Proxy Register were available at the entrance of the meeting hall and open to the members for inspection.

### **Chairman's Speech**

After introduction of Directors and Company Secretary on the dias, the Chairman delivered his speech to the shareholders. He apprised the shareholders about the economic scenario, company's performance, recommendation of dividend for the year 2012-13 and future prospects. Before concluding his speech, the Chairman thanked the shareholders for their trust and support. He also acknowledged with gratitude the valuable support and co-operation of customers, suppliers, bankers and business associates. He appreciated all employees of the Company for their contribution to the Company's performance and for their dedication and commitment.



## **Notice of Meeting**

With the permission of the shareholders, the Chairman informed that the notice sent to members calling the 9<sup>th</sup> Annual General Meeting was taken as read.

### **Auditor's Report**

The Chairman directed Mr.G.Arunmozhi, Company Secretary to read the Auditor's Report, which he duly complied with.

Thereafter the Chairman moved the first item of the agenda relating to the adoption of audited Balance Sheet as at 31<sup>st</sup> March 2013 and the Profit and Loss Account for the year ended on that date and the Reports of the Directors and Auditors thereon.

## **ORDINARY BUSINESS**

### **Item No.1**

**To adopt the Audited Balance Sheet as at 31<sup>st</sup> March 2013 and Profit and Loss Account for the year ended on that date and the Report of Directors and Auditors thereon.**

The following Resolution was proposed by Mr.R.Kannan, a shareholder of the Company.

### **Ordinary Resolution**

RESOLVED THAT the Audited Balance Sheet as at 31<sup>st</sup> March 2013 and the Profit and Loss Account for the year ended on that date together with the Directors' Report and Auditors' Report thereon be and are hereby received and adopted.

This was seconded by Mr.K.Gopalakrishnan, another shareholder.

Before putting the resolution to vote, the Chairman invited questions from the shareholders on the audited accounts of the Company. After having given adequate opportunity to the members, the Chairman provided clarifications and answered to all queries raised by the members. The Chairman thanked the shareholders for their valuable suggestions and appreciation on the performance of the Company.

Thereafter the resolution was put to vote and was carried unanimously.

The Chairman moved the second item of the agenda relating to declaration of equity dividend for the year 2012-13.

### **Item No.2**

**To declare equity dividend for the year 2012-13**

Proposed by Mr.K.Gopalakrishnan, a shareholder and seconded by Mr.G.Prabhu, another member, the following resolution on being put to vote, was passed unanimously.



### **Ordinary Resolution**

RESOLVED THAT a dividend at the rate of 10% (Re.1/- per equity shares) amounting to Rs.3,95,71,684.00 for the financial year 2012-13 be and is hereby declared and payment of such dividend be made to all the eligible shareholders whose name appeared on the Register of Members and the Depositories List as on the record date fixed by the Company.

### **Item No.3**

**To appoint a Director in the place of Mr.B.Narendran, who retires by rotation and being eligible, offers himself for re-election.**

The Chairman moved the third item of the agenda relating to the appointment of Mr.B.Narendran, as Director.

Proposed by Mr.M.Ramaiah, a shareholder and seconded by Mr.Sivasankaran, another member, the following resolution on being put to vote, was passed unanimously.

### **Ordinary Resolution**

RESOLVED THAT Mr.B.Narendran, who retires by rotation, at this Annual General Meeting as per Section 256 of the Companies Act, 1956 and who is eligible for re-appointment, be and is hereby re-elected as Director of the Company.

### **Item No.4**

**To appoint a Director in the place of Mr.Sunil Deshmukh, who retires by rotation and being eligible, offers himself for re-election.**

The Chairman moved the forth item of the agenda relating to the appointment of Mr.Sunil Deshmukh, as Director.

Proposed by Mr.R.Kannan, a shareholder and seconded by Mr.G.Prabhu, another member, the following resolution on being put to vote, was passed unanimously.

### **Ordinary Resolution**

RESOLVED THAT Mr.Sunil Deshmukh, who retires by rotation, at this Annual General Meeting as per Section 256 of the Companies Act, 1956 and who is eligible for re-appointment, be and is hereby re-elected as Director of the Company.



#### **Item No.5**

#### **To appoint Auditors for the current financial year and fix their remuneration.**

The Chairman moved the forth item of the agenda relating to the appointment of statutory auditors for the current financial year.

Proposed by Mr.PL.Palaniappan, a shareholder and seconded by Mr.M.Ramaiah, another member, the following resolution on being put to vote, was passed unanimously.

RESOLVED THAT M/s.CNGSN & Associates, (Firm Registration No.004915S) Chartered Accountants, Chennai, be and is hereby appointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) until the conclusion of the next AGM on a remuneration and out-of-pocket expenses for actual travelling and other expenses in connection with the Company's Audit to be determined by the Board of Directors.

The Chairman moved the sixth item of the agenda relating to the appointment of Mr.Dhananjay N Mungale, as Director of the Company.

#### **SPECIAL BUSINESS**

#### **Item No.6**

#### **To appoint Mr.Dhananjay N Mungale as Director of the Company**

Proposed by Mr.Sriram a shareholder and seconded by Mr.K.Gopalakrishnan, another member, the following resolution on being put to vote, was passed unanimously.

#### **Ordinary Resolution**

RESOLVED THAT Mr.Dhananjay N Mungale, who was appointed as an additional Director of the Company by the Board of Directors on 03.08.2012 and who ceases to hold office under Section 260 of the Companies Act, 1956 on the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing, proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation.

At this juncture, the Chairman requested Mr.Sunil Deshmukh, Director to transact the next item of the Agenda relating to the appointment of Mr.Ashwin C Muthiah, as Director since he is interested in the said Resolution. Mr.Sunil Deshmukh, Director, took the Chair and he moved the next item.

#### **Item No.7**

#### **To appoint Mr.Ashwin C Muthiah, as Director of the Company**

Proposed by Mr.Sriram, a shareholder and seconded by Mr.M.Rajamani, another member, the following resolution on being put to vote, was passed unanimously.



### **Ordinary Resolution**

RESOLVED THAT Mr.Ashwin C Muthiah, who was appointed as an additional Director of the Company by the Board of Directors on 10.12.2012 and who ceases to hold office under Section 260 of the Companies Act, 1956 on the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing, proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation.

After passing the above resolution, Mr.Sunil Deshmukh, Director requested Mr.Ashwin C Muthiah, Chairman to resume the chair. The Chairman resumed the chair and concluded further proceedings of the meeting.

The Chairman moved the eighth item of the agenda relating to the appointment of Brig.(Retd.) Harish Chandra Chawla, as Director of the Company.

### **Item No.8**

#### **To appoint Brig.(Retd.) Harish Chandra Chawla as Director of the Company**

Proposed by Mr.V.Rajagopal, a shareholder and seconded by Mr.M.Rajamani, another member, the following resolution on being put to vote, was passed unanimously.

### **Ordinary Resolution**

RESOLVED THAT Brig.(Retd.) Harish Chandra Chawla, who was appointed as an additional Director of the Company by the Board of Directors on 10.12.2012 and who ceases to hold office under Section 260 of the Companies Act, 1956 on the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing, proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation.

The Chairman moved the ninth item of the agenda relating to the appointment of Mr.Devidas Mali, as Director of the Company.

### **Item No.9**

#### **To appoint Mr.Devidas Mali as Director of the Company**

Proposed by Mr.Sriram, a shareholder and seconded by Mr.M.Rajamani, another member, the following resolution on being put to vote, was passed unanimously.

### **Ordinary Resolution**

RESOLVED THAT Mr.Devidas Mali, who was appointed as an additional Director of the Company by the Board of Directors on 10.12.2012 and who ceases to hold office under Section 260 of the Companies Act, 1956 on the date of this Annual General Meeting and in respect of whom the



Company has received a notice in writing, proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company.

The Chairman moved the tenth & last item of the agenda relating to the appointment of Mr.Devidas Mali, as COO & Whole Time Director of the Company.

#### Item No.10

#### To appoint Mr.Devidas Mali as COO & Whole Time Director of the Company

Proposed by Mr.K.Gopalakrishnan, a shareholder and seconded by Mr.Sriram, another member, the following resolution on being put to vote, was passed unanimously.

#### Special Resolution

RESOLVED THAT pursuant to the provisions of Section 198, 269, 309 of the Companies Act, 1956 (Act) read with Schedule XIII to the Act and other applicable provisions if any of the Act (including any statutory modifications and/or re-enactments of the Act and/or any notification which the Central Government may issue from time to time) and subject to the provisions of Articles of Association of the Company and also subject to such other statutory approvals as may be required, Mr.Devidas Mali be and is hereby appointed as "COO & Whole Time Director" of the Company on the following terms as recommended by the members of Remuneration Committee of the Board of Directors of the Company.

- (1) Term : 3 years with effect from 11.12.2012
- (2) Remuneration Package
- a) Salary : Rs.24,00,000/- (Rupees twenty four lacs only) p.a.
- b) Special Allowance : Rs.12,00,000/- (Rupees twelve lacs only) p.a.
- c) Performance Linked Pay : Not exceeding Rs.10,00,000/- (Rupees ten lacs only) p.a which would be based on certain performance criteria to be prescribed by the Board.
- d) Perquisites & Other Allowance : The Perquisites & Other allowances shall be allowed in addition to Salary, Special Allowance and Performance Linked Pay not exceeding Rs.16,97,000/- p a as per Company / IT rule.

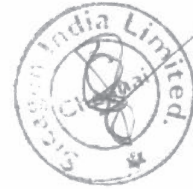
*(Perquisites & Other allowance classified as LTA, Company furnished accommodation, Company owned car with driver, medical reimbursement, Membership fee for one Corporate Club, Contribution to Provident Fund, Gratuity Fund, Leave Encashment, Personal Accident Insurance & Medclaim etc)*



FURTHER RESOLVED THAT the Board of Directors of the Company be and is hereby authorized to alter, vary or revise the terms of the above remuneration, from time to time, in such manner so as not to exceed the limits specified in Schedule XIII of Act or any amendments thereto and the minimum remuneration payable in case of inadequate profits or loss shall be restricted to the limits prescribed in Part II of Schedule XIII of the Act.

There being no other business to transact, the meeting concluded with a vote of thanks to the Chair.

**CHAIRMAN**



**Speech by**  
**Shri. Ashwin C Muthiah**  
**Chairman**

**9<sup>th</sup> Annual General Meeting**

**Date**  
1<sup>st</sup> August 2013

**Time**  
10.30 a.m.

**Venue**  
Rajah Annamalai Hall  
Esplanade, Chennai



**Sicagen India Limited**

4<sup>th</sup> Floor, Spic House, No.88, Mount Road, Guindy, Chennai-600032





**Ladies and Gentlemen,**

It gives me immense pleasure to welcome you all, on behalf of the Board of Directors, to the 9<sup>th</sup> Annual General Meeting of your Company.

The Directors' Report and the Audited Accounts of the Company for the year ended 31<sup>st</sup> March 2013 have already been circulated to you and with your permission I shall take them as read.

### **Economic Scenario**

In 2012-13, the world economy was once again fragile. Global growth once again remained very low for the first half of 2013 with major centers of economic activity showing very weak recovery and uncertain future. Though the conditions improved in the later half, the growth was sluggish resulting in the lowest economic growth rate since 2009. The world economy is approaching the brink of another recession with Euro alliance and Japan likely to remain in recession in 2013-14. However there were signs that the growth was picking up in developing countries and are expected to grow at 5.5%.

Indian economy could not completely insulate itself from the global turmoil in 2013. Global economic crisis coupled with the worst monsoon in many years and delay in policy reforms affected Indian economic growth which was mere 5%, lowest in a decade.

### **Company's Performance**

During 2012-13, your Company has posted a total income of Rs.892.20 Crores and a profit before tax of Rs.22.49 Crores.

The Building Materials division logged a total turnover of Rs.427.92 Crores during the year and Commercial Vehicles division posted a total income of Rs.379.11 Crores in the fiscal 2012-13. Due to general recessionary trends prevailed in the market; the performance of these divisions got slightly affected during the year. But we are hopeful that we will bounce back strongly in the years to come.

As far as the Goodwill Governor Services division is concerned, the performance was remarkably well during the year as compared to previous year and the total revenue of this division was Rs.23.34 Crores.



## **Dividend**

We are happy to announce that Sicagen has become a continuous dividend paying Company since 2011. Your Directors are pleased to recommend a dividend of 10% on the equity capital of the Company for the financial year 2012-13.

## **Future Outlook**

The de-growth in the economy is bottoming out and is showing some recovery now. It is expected to grow at 6% in 2013-14 fueled by favorable monsoon, domestic structural reforms and a gradual pickup in investments.

It is evident that Infrastructure growth is required to achieve a sustainable economic growth. There were investments worth Rs.24 lakh Crores in infrastructure in the five years ended March 2012 and the Government of India expects that to nearly double in the next five years to Rs.41 lakh Crores. With increasing demand and favorable regulatory reforms prior to general elections, more & more private investment is expected in Indian Infrastructure sector. We firmly believe that in coming years, your company would become one of the leading companies in this sector.

Performance of the commercial vehicle sector is often linked to that of the Indian economy. Slowdown in mining and manufacturing segment has led to the fall in demand in 2012-13. But with rapid urbanization and increased infrastructure spend; the Indian commercial vehicle market is expected to double in next five years. There is a tremendous potential to grow in the commercial vehicle market and we are sincerely working to take Sicagen to the next level.

## **Acknowledgement**

I take this opportunity to thank all of our shareholders for their continued support. I also thank my colleagues on the Board for their valuable support, advice and guidance for the company's growth. I would also like to thank all the employees of Sicagen for their immense contribution to the company's performance. I wish to place on record my sincere gratitude to our bankers, customers, suppliers, State and Central governments and other regulatory authorities.

I look forward to your continued support in the coming years.

*Thank you,*

**Ashwin C Muthiah**  
**Chairman**

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*Note: This does not purport to be the proceedings of the Annual General Meeting.*

