

LAKSHMI MACHINE WORKS LIMITED

PROCEEDINGS OF THE 50TH ANNUAL GENERAL MEETING OF THE SHAREHOLDERS OF LAKSHMI MACHINE WORKS LIMITED HELD ON MONDAY THE 5TH AUGUST, 2013 AT 3.30 P.M. AT "NANI KALAI ARANGAM" MANI HIGHER SECONDARY SCHOOL, PAPPANAICKENPALAYAM, COIMBATORE - 641 037.

No.of shareholders present : 238

Sri.Sanjay Jayavarthanavelu, Chairman and Managing Director presided over the meeting.

Chairman welcomed the shareholders assembled and introduced the Directors on the dais.

Chairman further informed that 43 proxies for 41,17,450 equity shares were received, scrutinized and found in order and this accounts for 36.55 % of the equity capital.

The Register of Directors' shareholding maintained by the Company under Section 307 of the Companies Act, 1956, was produced at the commencement of the Meeting and kept open for inspection and accessible during the continuance of the Meeting.

With the consent of the shareholders present, the Chairman informed that the Notice convening the Meeting was taken as read.

The Auditors' Report was read out by the Auditors of the Company.

Then the subjects in the Agenda were taken up.

ORDINARY BUSINESS :

1. Chairman proposed that the Directors' Report, Auditors' Report, the audited statement of Profit and Loss for the year ended 31st March, 2013 and the audited Balance Sheet as at that date be adopted.

Chairman invited the shareholders for their queries. After answering the queries by the Chairman, the motion was seconded by Sri.V.P.Mohankumar and the following Resolution was passed unanimously as an ordinary resolution

"RESOLVED that the Directors' Report, Auditors Report, Statement of Profit & Loss, Cash Flow Statement for the financial year ended 31st March, 2013 and the Balance Sheet as at that date be and is hereby adopted."

2. Proposed by Sri.V.S.Arunachalam and seconded by Smt.D.Amutha the following Resolution was passed unanimously as an Ordinary Resolution :

RESOLVED that dividend for the year 2012-13 at the rate of Rs.20/- per share of Rs.10/- each fully paid up (200%), be declared and paid out of the current profits of the Company for the financial year ended 31st March, 2013 on 1,12,66,504 equity shares of Rs.10/- each absorbing Rs.22,53,30,080/- to the shareholders whose name appear on the Register of Members of the Company as on 5th August, 2013 for those holding shares in physical form and as per the details furnished by the Depositories for this purpose as at the end of business hours on 31st July, 2013 in respect of the shares held in demat form without deduction of tax.

3. Proposed by Sri.C.P.Vasudevan and seconded by Sri.P.K.Venkatachalam the following resolution was passed as an ordinary resolution :

Sri.S.Pathy, Director who retires by rotation, being eligible offers himself for reappointment, be and is hereby reappointed as a Director of the Company.

4. Proposed by Smt.D.Hemalatha and seconded by Sri.L.Sukumaran the following resolution was passed as an ordinary resolution :

RESOLVED to note that Sri.R.Satagopan, Director who retires by rotation at this Annual General Meeting, though eligible for reappointment, does not offer himself for reappointment and that the vacancy so created on the Board of Directors be not filled.

5. Proposed by Sri.Maxim Joseph and seconded by Smt.A.Saraswathy the following resolution was passed as an ordinary resolution :

Sri.Aditya Himatsingka, Director who retires by rotation, being eligible offers himself for reappointment, be and is hereby reappointed as a Director of the Company.

6. Proposed by Sri.V.Sundra Raju and seconded by Sri.M.Sivasamy the following Resolution was passed as an ordinary resolution.

RESOLVED that M/s.M.S.Jagannathan & Visvanathan and M/s. Subbchar & Srinivasan, Chartered Accountants be and are hereby appointed as Statutory Auditors of the Company for the financial year 2013-14, till the conclusion of the next Annual General Meeting, on a total remuneration of Rs.20,00,000/- (Rupees twenty lakhs only) for their services, payable equally to them. In addition, they are eligible for reimbursement of actual traveling, out of pocket expenses and taxes, if any, incurred by them.

7. Proposed by Sri.M.Sivanandan and seconded by Sri.L.Ramachandran the following resolution was passed as an ordinary resolution :

RESOLVED that Sri.Basavaraju be and is hereby appointed as Director of the Company and he is liable to retire by rotation.

8. Proposed by Smt.C.Saroja and seconded by Sri.S.Palaniswamy the following resolution was passed as a special resolution :

RESOLVED that pursuant to the provision of section 198, 309 and other applicable provisions, if any, of the Companies Act, 1956 including any amendments, modifications and re-enactments thereof a sum not exceeding 1% of the net profits of the Company per annum be paid as commission to the Non-Executive Directors of the Company for a period of three financial years from 2012-13 to 2014-15.

RESOLVED Further that the profit for this purpose shall be computed in the manner prescribed under Section 349 and 350 of the Companies Act, 1956 and the said commission is payable in addition to the sitting fees payable to the Non-Executive Directors for attending the meetings of the Board of Directors and Committees thereof.

RESOLVED Further that the commission for each of the said financial years be paid and distributed to all the Non-Executive Directors of the Company or some or any of them, in such amount or proportions and in such manner as may be decided by the Board of Directors.

9. Proposed by Sri.A.Gnanasekar and seconded by Smt.N.Renuka the following resolution was passed as a special resolution :

RESOLVED that pursuant to the provisions of Sec.198, 269, 309, 349 and 350 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 including amendments, modifications and re-enactments thereof Sri.R.Rajendran be and is hereby reappointed as Director Finance for a period of two years from 02.02.2014 to 01.02.2016 on the terms and conditions set out below :

- a) Salary : Rs. 5,00,000 /- p.m.
- b) Perquisites : In addition to the salary he is entitled to the following perquisites:
- i) House rent allowance : Rs 2,50,000/- per month
 - ii) Leave Travel Assistance : Two months basic salary, per annum
 - iii) Medical benefits : One month basic salary, per annum
 - iv) Other perquisites : Gas, electricity, water, club fees at actual.

For the purpose of calculating the ceiling, perquisites shall be evaluated as per Income Tax rules wherever applicable.

Company's contribution to Provident Fund as per rules of the Company, to the extent it is not taxable under the Income Tax Act, 1961 shall not be included in the computation of the ceiling on remuneration or perquisites.

Gratuity payable shall not exceed half a month's salary for each completed year of service. The Director Finance is entitled to encashment of leave at the end of tenure which shall not be included in the computation of the ceiling on remuneration or perquisites.

Provision of company car with driver for use on Company's business and telephone facility at his residence will not be considered as perquisites. Personal long distance calls on telephone and use of the car for private purposes shall be billed by the Company to the Director Finance.

The minimum remuneration and perquisites to be paid in the event of loss or inadequacy of profit in any financial year during the tenure of office shall be as per Schedule-XIII of the Companies Act, 1956.

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

CHAIRMAN

/ CERTIFIED TRUE COPY /
For LAKSHMI MACHINE WORKS LIMITED


(K. DURAISAMI)
Company Secretary