

**MINUTES OF THE PROCEEDINGS OF THE FORTIETH ANNUAL GENERAL MEETING OF GRAPHITE INDIA LIMITED, HELD ON TUESDAY, 11<sup>TH</sup> AUGUST, 2015 AT 4.00 P.M. AT KALA MANDIR AUDITORIUM (SANGIT KALA MANDIR TRUST) 48, SHAKESPEARE SARANI, KOLKATA - 700 017.**

**PRESENT:**

Mr. K.K.Bangur	-	Chairman of Company & Chairman of Stakeholders Relationship Committee
Mr. P K Khaitan	-	Director & Chairman of Nomination & Remuneration Committee
Mr. N S Damani	-	Director
Dr. R Srinivasan	-	Director
Mr. A V Lodha	-	Director & Chairman of Audit Committee
Mr. N Venkataramani	-	Director
Mr. J D Curravala	-	Director
Mr. Gaurav Swarup	-	Director
Mrs. Renu Challu	-	Director
Mr. M B Gadgil	-	Executive Director
Mr. B Shiva	-	Company Secretary

668 members present in person/ proxies.

Mr. Pinaki Chaowdhary, Partner, Price Waterhouse (Statutory Auditors) and Mrs. Swati Bajaj, Partner, PS & Associates (Secretarial Auditor) were also present.

Mr. B Shiva, Company Secretary informed the Chairman that since the requisite quorum was present, the meeting could commence its proceedings.

Mr.K.K.Bangur, Chairman took the Chair and welcomed the shareholders to the 40<sup>th</sup> Annual General Meeting of the Company.

The members were informed that the Company had received 5 representations from Companies for 12,63,15,680 shares and 45 proxies for 47,15,991 shares which were laid on the table for inspection.

Notice convening the meeting was taken as read.

The Chairman informed that the Register of Directors Shareholding, other statutory Registers, Statutory Auditors Report and Secretarial Audit Report were available for inspection.

The Chairman informed that there were no qualifications, observations or comments by the Statutory Auditors and Secretarial Auditors.

The Chairman in his address informed that the challenges faced during the previous year continued during 2014-15. Results were disappointing, profit came down and as a consequence dividend was reduced. The Company was however ahead of its peers with better profitability. With a comfortable Balance Sheet, the Company continued to be cash positive even during the challenging times. Anti-dumping duty was imposed on Chinese electrodes which would help the Company in the domestic market. The global peers have reduced their capacities due to continuing periods of losses and weak demand. Cost cutting measures are on and are yielding results. As regards the equipment division, the Chairman informed that

For Graphite India Ltd.

  
Company Secretary

while there was lot of scope in the business, competition was very fierce. Both GRP and Steel divisions continued to be under stress and was likely to continue in the current fiscal.

The Chairman thereafter invited the members to express their views and offer comments-

The members appreciated the tough business conditions. They sought information on benefits of transactions with Graphite Cova Gmbh, power generation, disputed amounts with Govt. authorities, commission to directors, provision for diminution in investments, impact of Euro depreciation, needle coke prices, Chinese imports into India, capacity utilization, need for further issue of NCDs, inventory levels etc.

The queries sought by the members were appropriately answered by the Chairman.

The Chairman thereafter informed that the Company had provided its members, facility of e-remote voting through CDSL module on the 10 resolutions as contained in the notice dated 08.06.2015 convening the annual general meeting and that the facility was made available between 8<sup>th</sup> August, 2015 (9.00 am) till 10<sup>th</sup> August, 2015 (5.00 pm).

The facility of voting by members present in the AGM through ballot paper was also being provided and requested the Scrutinizer Mrs. Swati Bajaj of PS & Associates, Company Secretaries in Practice to distribute the ballot papers. The Chairman informed that those members who had already voted through remote e-voting cannot vote again through the ballot paper.

The Chairman further announced the combined results of remote e-voting and ballot paper would be placed on the website of the Company and that of CDSL. The process of voting through the ballot paper commenced there-after.

There being no other business the meeting concluded at 5.25 pm with a vote of thanks to the Chair.

—sd—  
CHAIRMAN

### Report on e-voting / ballot paper

#### Resolution No. 1 – As an Ordinary Resolution

RESOLVED THAT the signed Audited Financial Statements (including audited consolidated financial statements) of the Company for the financial year ended 31st March, 2015 and the Reports of the Board of Directors and Auditors thereon now laid before the meeting be and the same are hereby approved and adopted.

Particulars	No of Shares		Total No of Shares	%based on total votes cast
	Through remote E-voting	Voting at AGM		
Number of votes cast in favour	144282475	9416673	153699148	99.9981
Number of votes cast against	2830	30	2860	0.0019
Number of votes that abstained	0	0	0	0.0000
Total	144285305	9416703	153702008	100.0000

Passed by requisite majority

For Graphite India Ltd.

  
Company Secretary

**Resolution No. 2 – As an Ordinary Resolution**

RESOLVED THAT dividend @ Rs.2.00/- per share on 195375594 Equity Shares of Rs.2/- each of the Company for the year ended 31.3.2015 be and is hereby declared for payment to (a) Those members holding shares in physical form whose names appear in Register of Member as on 05.08.2015. (b) In respect of shares held in electronic form, as per the data furnished by NSDL/ CDSL.

Particulars	No of Shares		Total No of Shares	%based on total votes cast
	Through remote E-voting	Voting at AGM		
Number of votes cast in favour	144282475	9416673	153699148	99.9981
Number of votes cast against	2830	30	2860	0.0019
Number of votes that abstained	0	0	0	0.0000
<b>Total</b>	<b>144285305</b>	<b>9416703</b>	<b>153702008</b>	<b>100.0000</b>

Passed by requisite majority

**Resolution No. 3 – As an Ordinary Resolution**

RESOLVED THAT Mr. J D Curavala who retires by rotation and being eligible offers himself for re-appointment, be and is hereby re-appointed a director of the Company.

Particulars	No of Shares		Total No of Shares	%based on total votes cast
	Through remote E-voting	Voting at AGM		
Number of votes cast in favour	144241569	9416673	153658242	99.9715
Number of votes cast against	43736	30	43766	0.0285
Number of votes that abstained	0	0	0	0.0000
<b>Total</b>	<b>144285305</b>	<b>9416703</b>	<b>153702008</b>	<b>100.0000</b>

Passed by requisite majority

**Resolution No. 4 – As an Ordinary Resolution**

RESOLVED that pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) the appointment of Price Waterhouse, Chartered Accountants (Firm Registration No. 301112E) as Auditors of the Company for a period of three (3) years i.e. till the conclusion of the 42nd Annual General Meeting (AGM) of the Company, which was subject to ratification at every AGM, be and is hereby ratified to hold the office from the conclusion of this AGM till the conclusion of the Forty first AGM of the Company to be held in the year 2016, at such remuneration plus service tax and out of pocket expenses as shall be fixed by the Board of Directors in consultation with the Auditors.

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Company Secretary

Particulars	No of Shares		Total No of Shares	%based on total votes cast
	Through remote E-voting	Voting at AGM		
Number of votes cast in favour	144282450	9416673	153699123	99.9981
Number of votes cast against	2855	30	2885	0.0019
Number of votes that abstained	0	0	0	0.0000
<b>Total</b>	<b>144285305</b>	<b>9416703</b>	<b>153702008</b>	<b>100.0000</b>

Passed by requisite majority

#### Resolution No 5 – As an Ordinary Resolution

RESOLVED THAT Mr. Gaurav Swarup (DIN: 00374298) who was appointed as an Additional Director pursuant to the provisions of Section 161(1) of the Companies Act, 2013 (“the Act”) and the Articles of Association of the Company and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director, be and is hereby appointed a Director of the Company.

FURTHER RESOLVED THAT pursuant to the provisions of Sections 149 and 152 read with Schedule IV and all other applicable provisions of the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and Clause 49 of the Listing Agreement, Mr. Gaurav Swarup (DIN: 00374298), who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation to hold office for 5 (five) consecutive years for a term from 11th August, 2015 upto 10th August, 2020.

Particulars	No of Shares		Total No of Shares	%based on total votes cast
	Through remote E-voting	Voting at AGM		
Number of votes cast in favour	144281775	9416673	153698448	99.9977
Number of votes cast against	3530	30	3560	0.0023
Number of votes that abstained	0	0	0	0.0000
<b>Total</b>	<b>144285305</b>	<b>9416703</b>	<b>153702008</b>	<b>100.0000</b>

Passed by requisite majority

#### Resolution No 6 – As an Ordinary Resolution

RESOLVED THAT Mrs. Renu Challu (DIN: 00157204) who was appointed as an Additional Director pursuant to the provisions of Section 161(1) of the Companies Act, 2013 (“the Act”) and the Articles of Association of the Company and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director, be and is hereby appointed a Director of the Company.

FURTHER RESOLVED THAT pursuant to the provisions of Sections 149 and 152 read with Schedule IV and all other applicable provisions of the Act and the Companies (Appointment and

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4

  
Company Secretary

Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and Clause 49 of the Listing Agreement, Mrs. Renu Challu (DIN: 00157204), who has submitted a declaration that she meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation to hold office for 5 (five) consecutive years for a term from 11th August, 2015 upto 10th August, 2020.

Particulars	No of Shares		Total No of Shares	%based on total votes cast
	Through remote E-voting	Voting at AGM		
Number of votes cast in favour	144281542	9416673	153698215	99.9975
Number of votes cast against	3763	30	3793	0.0025
Number of votes that abstained	0	0	0	0.0000
<b>Total</b>	<b>144285305</b>	<b>9416703</b>	<b>153702008</b>	<b>100.0000</b>

Passed by requisite majority

#### Resolution No 7 – As a Special Resolution

RESOLVED THAT subject to the provisions of Section 188 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder, consent of the members be and is hereby accorded for the Company to enter into various transactions on annual financial year basis with Graphite Cova GmbH (Cova), a wholly owned step down subsidiary of the Company beginning from financial year 2014-15, for transactions as detailed hereunder-

i)	Sale of semi-finished goods (green / baked / rebaked electrodes, Graphitised nipple, Moulded Mold, Other semi-finished materials, etc.) by GIL to Cova Sale Price Payment terms	- Upto 11,000 MT per annum  - As per transfer pricing norms depending on nature of transaction - Upto 180 days from date of shipment
ii)	Sale of finished goods (extruded mold, pitch plug, other speciality items, finished electrodes with nipples, etc.) by GIL to Cova Sale Price Payment terms	- Upto 1800 MT per annum  - As per transfer pricing norms depending on nature of transaction - Upto 180 days from date of shipment
iii)	Sale of raw materials, Stores & Spares/ & components from GIL to Cova Sale Price Payment terms	- Upto 2000 MT per annum  - As per transfer pricing norms depending on nature of transaction - Upto 180 days from date of shipment
iv)	Purchase of Raw Materials, Semi-finished materials, components, stores and Spares by GIL from Cova Purchase Price Payment terms	- Upto 2500 MT per annum  - As per transfer pricing norms depending on nature of transaction - Upto 180 days from date of shipment

For Graphite India Ltd.

5

  
Company Secretary

v)	Corporate Guarantees of GIL favouring Banks/ Financial institutions for credit provided to Cova	-	Upto Euro 40 million.
vi)	Guarantee Fee from Cova to GIL	-	@ 1% of corporate guarantee amount as per agreement or at rate approved by APA
vii)	Royalty payment by Cova to GIL	-	@ 1.50% of net sales of graphite electrodes including coated graphite electrodes (i.e.) after reducing trade discounts, taxes, claims and value addition in coating process or at rate as may be approved by APA.

FURTHER RESOLVED THAT the Board be and is hereby authorized to do all such acts, deeds and things and to take all such steps as may be necessary for the purpose of giving effect to this resolution.

FURTHER RESOLVED THAT the members hereby approve ratification of the transactions entered into with Cova during the period April 1, 2014 till March 31, 2015.

Particulars	No of Shares		Total No of Shares	%based on total votes cast
	Through remote E-voting	Voting at AGM		
Number of votes cast in favour	144281517	9416673	153698190	99.9975
Number of votes cast against	3788	30	3818	0.0025
Number of votes that abstained	0	0	0	0.0000
<b>Total</b>	<b>144285305</b>	<b>9416703</b>	<b>153702008</b>	<b>100.0000</b>

Passed by requisite majority


#### Resolution No 8 – As a Special Resolution

RESOLVED THAT subject to the provisions of Section 188 and other applicable provisions if any of the Companies Act, 2013 and the rules made thereunder, consent of the members be and is hereby accorded for the Company to execute guarantee on behalf of Graphite Cova GmbH Cova), wholly owned step down subsidiary of the Company in favour of its bankers, against the credit facilities being granted/ to be granted to Cova upto an amount of Euro 24 million.

FURTHER RESOLVED THAT the Board be and is hereby authorized to do all such acts, deeds and things and to take all such steps as may be necessary for the purpose of giving effect to this resolution.

FURTHER RESOLVED THAT the members hereby approve ratification of the guarantee executed on 16.05.2014 in favour of Citibank N.A. (Citi Bank Europe Plc & Citi Bank International Plc) & Citigroup Global markets Deutschland for Euro 24 million.

For Graphite India Ltd.

  
Company Secretary



Particulars	No of Shares		Total No of Shares	%based on total votes cast
	Through remote E-voting	Voting at AGM		
Number of votes cast in favour	144282475	9416673	153699148	99.9981
Number of votes cast against	2830	30	2860	0.0019
Number of votes that abstained	0	0	0	0.0000
Total	144285305	9416703	153702008	100.0000

Passed by requisite majority

#### **Resolution No 9 – As a Special Resolution**

RESOLVED THAT pursuant to Section 42 of Companies Act, 2013 and Rule 14(2) (a) Companies (Prospectus & Allotment of Securities Rules) 2014 and other provisions / rules as may be applicable and subject wherever required to the guidelines and / or approval of the Securities and Exchange Board of India (SEBI), the Reserve Bank of India (RBI) and subject to such other approvals and consents of the concerned authorities as required by law, and subject to such conditions, modifications and stipulations as may be imposed under the said approvals, permissions and consents which the Board of Directors of the Company (Board) be and is hereby authorized to accept, to create, issue and allot Non-convertible Debentures (hereinafter referred to as NCDs) upto an aggregate amount of Rs.500 crore (Rupees Five Hundred crore) (Nominal value of each NCD to be decided by the Board) in one or more series / tranches for subscription for cash at par on private placement basis on terms and conditions based on evaluation by the Board of market conditions as may be prevalent from time to time as may be determined and considered proper and most beneficial to the Company including without limitation as to when the NCDs are to be issued, consideration, mode of payment, coupon rate, redemption period, utilization of the issue proceeds and all matters connected therewith or incidental thereto.

FURTHER RESOLVED THAT for the purpose of giving effect to this Special Resolution, the Board be and is hereby authorized to issue such directions as it may think fit and proper, including directions for settling all questions and difficulties that may arise in regard to the creation, offer, issue, terms and conditions of issue, allotment of the NCDs, nature of security, if any, appointment of Trustees and do all such acts, deeds, matters and things of whatsoever nature as the Board, in its absolute discretion, consider necessary, expedient, usual or proper.

FURTHER RESOLVED THAT the Board shall have the right at any time to modify, amend any of the terms and conditions contained in the Offer Documents, Application Forms etc. notwithstanding the fact that approval of the concerned authorities in respect thereof may have been obtained subject, however, to the condition that on any such change, modification or amendment being decided upon by the Board, obtaining requisite approval, permission, authorities etc. from the concerned authorities is required.

FURTHER RESOLVED THAT all or any of the powers as conferred on the Board by the above resolutions be exercised by the Board or any Committee or by any Director as the Board may authorize in this behalf.

For Graphite India Ltd.

  
Company Secretary

Particulars	No of Shares		Total No of Shares	%based on total votes cast
	Through remote E-voting	Voting at AGM		
Number of votes cast in favour	144282450	9416673	153699123	99.9981
Number of votes cast against	2855	30	2885	0.0019
Number of votes that abstained	0	0	0	0
<b>Total</b>	<b>144285305</b>	<b>9416703</b>	<b>153702008</b>	<b>100.0000</b>

Passed by requisite majority

#### Resolution No 10 – As an Ordinary Resolution

RESOLVED THAT pursuant to the provisions of Section 148 (3) and other applicable provisions, if any of the Companies Act, 2013 and Companies (Audit & Auditors) Rules, 2014 (including any statutory modification(s) / or re-enactment (s) thereof for the time being in force) the remuneration payable to the Cost Auditors of the various divisions / plants of the Company to conduct the audit of the cost accounting records maintained for the financial year ending March 31, 2016 as approved by the Board of Directors of the Company, on the recommendation of the Audit Committee and as detailed hereunder be and is hereby ratified.

Name of the Cost Auditors / Firm Registration No.	Location	@Remuneration in Rs.
Shome & Banerjee Kolkata Reg. No. 000001 (Lead Auditor)	Durgapur, Bangalore Plant and Captive Power Plants and 1.5 MW Link Canal Power plant at Mandya	3,30,000
DBK Associates Pune Reg. No. 00325	Satur, Ambad, Gonde & Captive Power Plants	2,00,000
B G Chowdhury & Co. Kolkata Reg. No. 000064	Barauni	50,000
N Radhakrishnan & Co. Kolkata Reg. No. 00056	Powmex Steels division	40,000

@ plus service tax and reimbursement of out of pocket expenses

Particulars	No of Shares		Total No of Shares	%based on total votes cast
	Through remote E-voting	Voting at AGM		
Number of votes cast in favour	144282475	9416673	153699148	99.9981
Number of votes cast against	2830	30	2860	0.0019
Number of votes that abstained	0	0	0	0
<b>Total</b>	<b>144285305</b>	<b>9416703</b>	<b>153702008</b>	<b>100.0000</b>

Passed by requisite majority

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CHAIRMAN

For Graphite India Ltd.

*Divine*  
Company Secretary