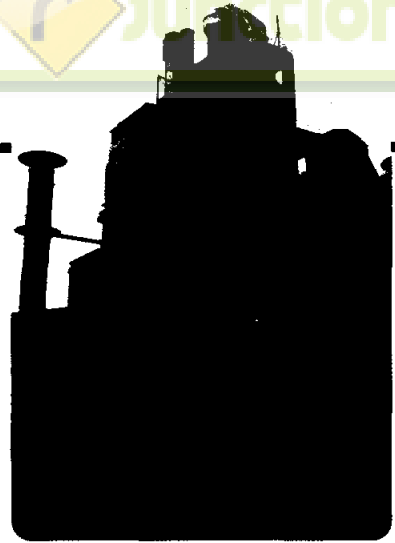


Chettinad Cement Corporation Limited



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FOUNDER

Dr. Rajah Sir M.A. Muthiah Chettiar's urge to contribute to the nation building cause combined with his business acumen culminated in establishing the company "Chettinad Cement Corporation Limited" in 1962 to cater to growing demands of Cement in the country.

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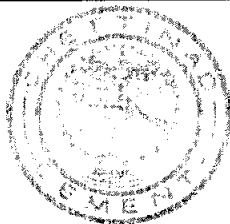
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MANAGEMENT

- Chairman** : Dr. M.A.M. Ramaswamy
- Managing Director** : Sri M.A.M.R. Muthiah
- Directors** : Sri N. Thiagarajan
Sri M. Nataraj
Sri Ramanathan Palaniappan
Sri R. Krishnamoorthy
Sri SP. ST. Palaniappan
Sri K. Ganapathy
Sri C.S. Pani
Sri P. Prabakaran (TIIC Nominee)
Sri K. Bharathan (ICICI Nominee)
Sri V. Subramanian (LIC Representative)
Sri T.K. Subramanian (IFCI Nominee)
- Management Team** : Sri R. Narayanan, Executive Director & Secretary
Sri L. Muthukrishnan, Vice President (Finance)
Sri V.K. Rama Rao, Vice President (Marketing)
Sri A.P. Arasappan, Chief General Manager (Projects)
Sri C. Sudhakar, Chief General Manager
- Auditors** : M/s. P. B. Vijayaraghavan & Co.
M/s. Seshadri & Jayaraman
M/s. Krishnaan & Co.
- Registered Office** : "Rani Seethai Hall Building",
No.603, Anna Salai, Chennai 600 006.
Tel: 8292727. Fax: 8291558.
email: chtdmids@vsnl.com
website: www.chettinadcement.com



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PROFILE CHETTINAD CEMENT CORPORATION LIMITED

The history of the group "House of Chettinad" is linked with the 9 decades old saga. In 1912 took birth the House of Chettinad through a visionary, idealist and born entrepreneur Dr. Rajah Sir Annamalai Chettiar who believed in Social Transformation through business. The founder of the House of Chettinad envisaged his companies providing the stimulus for Industrial Growth and conceived business as a means of improving the living standards of people.

Following the footsteps of his father Dr. Rajah Sir Annamalai Chettiar, Dr. Rajah Sir M.A. Muthiah Chettiar continued to contribute to the nation building cause and combined his business acumen to establish the company "**Chettinad Cement Corporation Limited**" in 1962 to cater to growing demand of Cement in the country. The manufacturing unit located at Puliur, Karur District, in Tamil Nadu commenced production in April 1968. Apart from cement, the Chettinad House is today engaged in activities as diverse as granite, engineering, silica, garnet, information technology, steel & textile trading, horse breeding, plantations, shipping, transportation, stevedoring, clearing and forwarding and logistics having a combined turnover of Rs. 8,500 million.

PRODUCTS

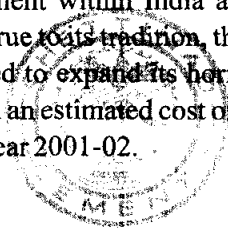
Chettinad Royal Grade 53
Chettinad Grade 43
Chettinad Super Grade
Sulphate Resistant Portland Cement
Chettinad Super Steel

From a modest beginning of 2 Lac tonnes capacity per annum, it was gradually increased to 6 Lac tonnes in the year 1989-90. Presently the plant employs the Modern Dry Process Technology. It has the most Advanced, Sophisticated, Computer controlled state-of-the-art LOESCHE MILL for Grinding Raw Meal, LOESCHE lignite mill (first of its kind in India), a five stage pre-heated Kiln & Electronic packing plant. Equipped with centralised control room for process control, the advanced instrumentation and elaborate display screens give up-to-the minute information on the production process so that any deviation can be promptly corrected.

The company, which has always been striving for Total Quality, possesses International Certificate ISO 9002 and ISO 14001 and takes pride in being acclaimed as one of the major player in a highly competitive Cement Industry in India. The Company added another feather to its cap by installing and commissioning a giant, sophisticated, high-tech and power efficient O & K cement mill resulting in a quantum leap in production to touch One Million Tonne mark. The company has consistently been working at more than 100% capacity and many laurels have been achieved through award for "BEST PERFORMANCE" in the Cement Industry issued by "National Productivity Council". Besides it has been customary to receive National Safety Awards year after year.

Chettinad Cement has attached great importance to social responsibility and environmental values. This is manifest in the installation of the latest pollution control equipment in the plant.

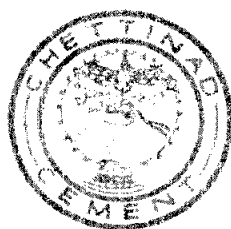
With growing demand for Cement within India and South East Asian countries, Chettinad Cement is all set for expansion in this millennium. True to its tradition, this deeply rooted tall corporate tree continues to grow and swell its girth. The Company has decided to expand its horizons by starting another green field cement plant of 1.1 Million Tonnes capacity per annum with an estimated cost of about 350 Crores, which would commence production during the second quarter of the financial year 2001-02.



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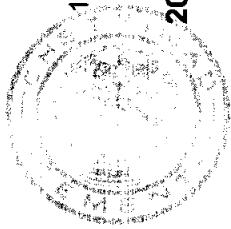
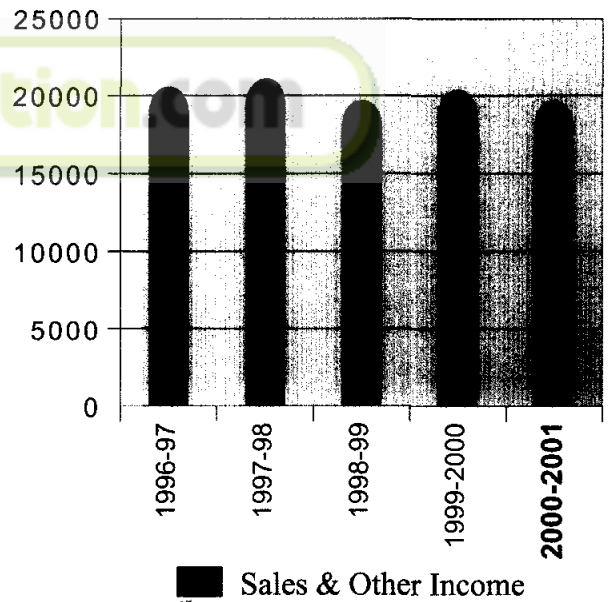
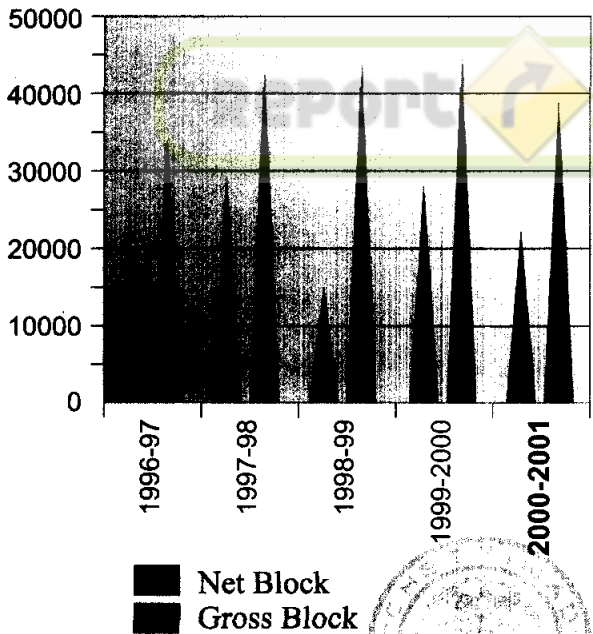
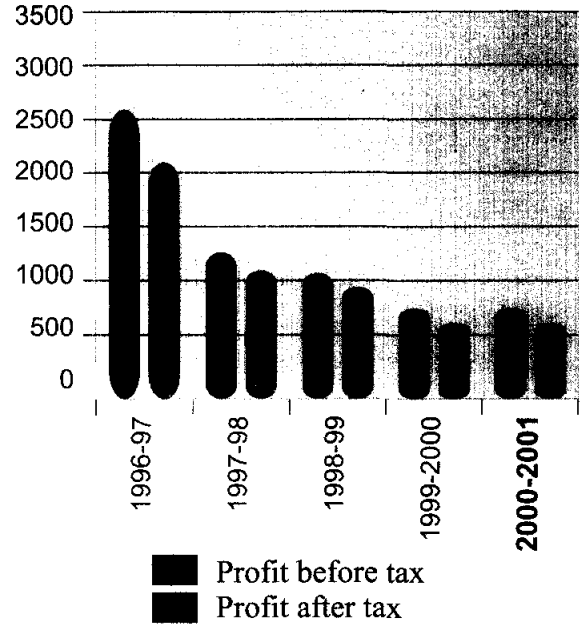
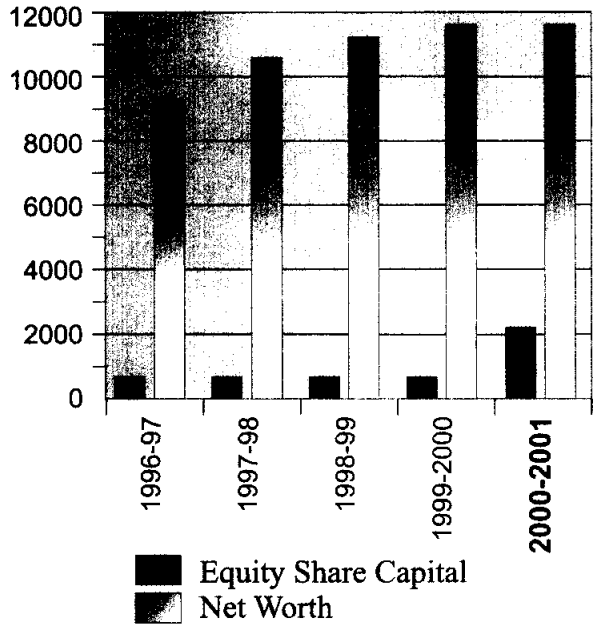
PERFORMANCE AT A GLANCE

	1996-97	1997-98	1998-99	1999-2000	2000- 2001
PRODUCTION		(IN MT)			
Clinker	7,75,000	7,86,870	7,50,060	8,01,305	8,04,210
Cement	8,34,484	8,02,332	8,32,553	8,27,414	7,77,332
Capacity Utilisation (%)	139	134	139	138	130
SALES:					
Cement & Clinker	8,33,299	9,09,593	8,64,192	9,49,301	8,77,030
FINANCIAL HIGHLIGHTS		(Rs in Lakhs)			
Turnover (net) including Other Income	20,820	21,269	19,716	20,116	19,530
Gross Profit	6,902	6,381	5,903	6,217	5,306
Interest & Lease rentals	2,261	3,102	2,955	2,682	2,483
Depreciation	2,082	1,948	1,846	2,798	2,089
Net Profit	2,559	1,331	1,102	728	734
PAID-UP SHARE CAPITAL	843	843	843	843	2,108
RESERVES & SURPLUS	9,086	9,821	10,456	10,842	13,900
RATIOS					
PBIDT to Sales (%)	33.15	29.82	29.94	30.91	27.17
Net Profit to Sales (%)	12.29	6.26	5.59	3.62	3.76
EPS (Rs.)	25.25	14.13	11.73	7.64	3.15
Debt to Equity	1.44	1.55	1.30	1.17	1.31
Book Value per Share (Rs.)	118	126	134	139	76
Dividend (%)	35	35	30	25	20



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GRAPHICAL REPRESENTATION - DETAILS



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NOTICE**CHETTINAD CEMENT CORPORATION LIMITED**

**Registered Office: "Rani Seethai Hall Building",
603, Anna Salai, Chennai 600 006.**

Notice is hereby given that the Thirty Eighth Annual General Meeting of the members of Chettinad Cement Corporation Limited will be held at 'Rani Seethai Hall', No.603, Anna Salai, Chennai 600 006 on Tuesday, the 18th day of September, 2001, at 10.00 a.m. to transact the following business:

ORDINARY BUSINESS

1. To receive and adopt the Audited Profit and Loss Account for the year ended 31st March, 2001, the Balance Sheet as at that date and Reports of the Directors and the Auditors thereon.
2. To appoint a Director in the place of Sri M. Nataraj, who retires by rotation in accordance with the Articles of Association of the Company and being eligible, offers himself for re-appointment.
3. To appoint a Director in the place of Sri Ramanathan Palaniappan, who retires by rotation in accordance with the Articles of Association of the Company and being eligible, offers himself for re-appointment.
4. To appoint a Director in the place of Sri SP. ST. Palaniappan, who retires by rotation in accordance with the Articles of Association of the Company and being eligible, offers himself for re-appointment.
5. To declare Dividend on the Equity Share Capital for the year 2000-2001.
6. To appoint M/s. P.B. Vijayaraghavan & Co., M/s. Seshadri & Jayaraman and M/s. Krishna & Co., Chartered Accountants, as Auditors of the Company to hold office from the conclusion of the Thirty Eighth Annual General Meeting until the conclusion of the next Annual General Meeting on a remuneration of Rs. 80,000/- (Rupees Eighty Thousand only) each, plus Service Tax, if any, besides their out of pocket expenses.



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NOTICE

SPECIAL BUSINESS

7. To appoint Sri V. Subramanian as Director representing Life Insurance Corporation of India (LIC), who retires under Section 260 of the Companies Act, 1956 and to pass the following resolution with or without modification as an ordinary resolution .

Resolved that Sri V. Subramanian who retires under Section 260 of the Companies Act, 1956 be and is hereby appointed as Director representing Life Insurance Corporation of India.

8. To consider and if thought fit, to pass the following resolution with or without modifications as an Ordinary Resolution.

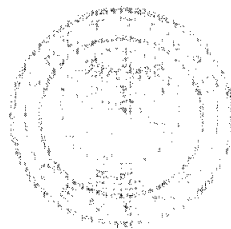
Resolved that the consent be and is hereby accorded to the Board of Directors of the company in terms of Section 293(1)(a) of the Companies Act, 1956 to mortgage and / or charge on pari passu basis, all the moveable and immovable properties of the company wheresoever situate, present and future and whole of the undertaking of the company and / or conferring power to take over the management of the business and concern and undertaking of the company in certain events (whether such power is contained in the documents creating the mortgage / charge or otherwise), on first charge to/or in favour of Indian Bank in connection with the financial assistance sanctioned by them as detailed below:

- a) Short Term Loan of Rs. 29.00 crores (on the fixed assets to be acquired for the expansion project - Unit II)
b) Medium Term Loan of Rs. 14.82 crores (on the entire fixed assets of the company - existing and proposed)

Resolved further that the mortgage / charge created / to be created and / or all agreements / documents executed / to be executed and all acts done in terms of the above resolution by and with the authority of the Board of Directors are hereby confirmed and ratified.

Place: Chennai
Date: 26/6/2001

By Order of the Board
R. NARAYANAN
Secretary



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NOTICE**NOTES:**

1. An Explanatory Statement with regard to Item Nos.7 & 8 as required under Section 173(2) of the Companies Act, 1956 is annexed.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF ON A POLL AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY FORM TO BE VALID MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE TIME FIXED FOR THE MEETING.
3. The Register of Members and Share Transfer Books of the company shall remain closed from 1/9/2001 to 18/9/2001 (Both days inclusive) for transfer of shares.
4. The shareholders, who are holding physical shares, are requested to intimate the company at its Registered Office, regarding any change of their address.

**EXPLANATORY STATEMENT AS REQUIRED UNDER SECTION 173(2)
OF THE COMPANIES ACT, 1956.**

Item No.7

The Life Insurance Corporation of India (LIC) has desired to have their representation on the Board of the company, in view of their equity holding. Accordingly, the Board of Directors at their meeting held on 24.01.2001, appointed Sri. V. Subramanian, as a representative of LIC on the Board of the Company and his appointment was under Section 260 of the Companies Act, 1956.

As per Section 260 of the Companies Act, the Additional Director shall hold the office of his directorship only upto the date of the next Annual General Meeting (AGM) of the company. Accordingly, Sri V. Subramanian shall hold his office as Director only till the ensuing AGM.

As per Section 257 of the Companies Act, 1956 the Company has received a Notice along with a Deposit of Rs. 500/- from a member proposing Sri V. Subramanian, LIC Representative, as a Candidate for appointment as Director, at this AGM. Hence this ordinary resolution.



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NOTICE**Item No. 8**

The Indian Bank had sanctioned Short Term Loan of Rs. 29.00 crores, to meet out the Excise Duty on the machineries purchased for the new plant and Medium Term Loan of Rs. 14.82 crores to take over the Foreign Currency Loan Liability from IFCI Ltd. The company has created mortgage in favour of the Indian Bank, on pari passu first charge basis on the fixed assets acquired for the expansion project (Unit II) for the Short Term Loan of Rs. 29.00 crores and on the entire fixed assets of the company (existing and Proposed) for the Medium Term Loan of Rs. 14.82 crores.

Section 293(1)(a) of the Companies Act, 1956 provides inter-alia, that the Board of Directors of the Public Company shall not, without the consent of such Public company in General Meeting, sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the company or where the company owns more than one undertaking, of whole or substantially, the whole of any such undertaking.

Since creation of charge/mortgage by the company, on first charge basis, of its moveable/immovable properties as aforesaid in favour of the Indian Bank may be regarded as disposal of Company's properties/undertaking, it is necessary for the members of the company to pass an Ordinary resolution in terms of Section 293(1)(a) of the Companies Act, 1956. Hence, this resolution.

INTEREST OF DIRECTORS

Sri V. Subramanian, LIC Representative Director is deemed to be interested in the Resolution under item No.7

None of the Directors is interested in the Resolution under item No. 8

INSPECTION OF DOCUMENTS

The following documents will be kept at the Registered Office during working hours of the company and it is open for inspection by the members.

1. Memorandum and Articles of Association of the Company.
2. Letter No. INV:C:SR dt. 31/10/2000, received from Life Insurance Corporation of India regarding appointment of Sri V. Subramanian as their Director.
3. Notice under Section 257 of the Companies Act, 1956 received from a member, proposing Sri V. Subramanian, LIC Representative, as a Candidate for the office of Directorship.
4. Letter Dt. 11.10.2000 from Indian Bank, sanctioning the Short Term Loan of Rs. 29.00 crores and the Medium Term Loan of Rs. 14.82 crores.