

SKM EGG PRODUCTS EXPORT (INDIA) LIMITED

REGD OFFICE : 185, Chennimalai Road, Erode - 638 001

BOARD OF DIRECTORS	:	Shri. SKM. MAEILANANDHAN
	:	Shri. SKM. SHREE SHIVKUMAR
	:	Smt. S. KUMUTAAVALLI
	:	Shri.S.M.VENKATACHALAPATHY
	:	Dr.L.M.RAMAKRISHNAN
	:	Shri.M.CHINNAYAN
	:	Shri.P.KUMARASAMY
	:	Shri.B.RAMAKRISHNAN (TIDCO Nominee)
EXECUTIVE CHAIRMAN	:	Shri.SKM.MAEILANANDHAN
MANAGING DIRECTOR	:	Shri.SKM.SHREE SHIVKUMAR
AUDITORS	:	N.C.RAJAGOPAL & CO., Chartered Accountants, 199, Agraharam Street, ERODE – 638 001.
BANKERS	:	STATE BANK OF INDIA Commercial Branch, 78/79, Park Road, ERODE - 638 003.
REGISTERED OFFICE	:	185, Chennimalai Road, Erode - 638 001. ERODE DISTRICT.
FACTORY	:	Erode to Karur Main Road, Cholangapalayam, Punjai Kilambadi Village, ERODE DISTRICT - 638 154.

SKM EGG PRODUCTS EXPORT (INDIA) LIMITED

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REGD OFFICE : 185, Chennimalai Road, Erode - 638 001

NOTICE TO MEMBERS

Notice is hereby given that the **Sixteenth Annual General Meeting** of the Members of the Company will be held on Friday the 30th, September, 2011 at 4.00 p.m at Kongu Mahal (Kongu Kalaiarangam), E.V.K.Sampath Nagar, Erode - 638011 to transact the following business:

AGENDA

ORDINARY BUSINESS:

1. To receive, consider and adopt :
 - a. The audited Profit and Loss Account for the year ended 31st March 2011.
 - b. The audited Balance Sheet as at 31st March 2011.
 - c. The Directors' and Auditors' Report thereon.
2. To appoint a Director in the place of **Shri.S.M.Venkatachalapathy**, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in the place of **Shri. P.Kumarasamy**, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Auditors to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting and to fix their remuneration. The retiring Auditors **M/s. N.C.Rajagopal & Co., Chartered Accountants** are eligible for re-appointment and confirmed their willingness to accept the office, if re-appointed.

SPECIAL BUSINESS

5. To consider and if thought fit, to pass with or without modification(s), the following resolution as on ordinary resolution:

"RESOLVED THAT pursuant to the applicable provision of the Companies Act, 1956, Smt.S.Kumutaavalli who was appointed as an Additional Director by the board of directors and who ceases to hold office under section 260 of the Companies Act, 1956 as from the date of ensuing Annual General Meeting and in respect of whom the company has received a notice in writing proposing her candidature for the office of Director, be and is hereby appointed as a director of the company liable to retire by rotation"
6. To consider and if thought fit to pass with or without modification the following resolution as a Special Resolution.

"RESOLVED THAT pursuant to Section 293(1) (d) and other applicable provisions of the Companies Act, 1956, consent of the company be and is hereby accorded on the Board of Directors of the Company for borrowing from time to time any sum or sums of moneys on such terms and conditions and with or without security as the board of directors may think fit which, together with the moneys already borrowed by the company (apart from temporary loans obtained or be obtained from the Company's bankers in the ordinary course of business) may exceed the aggregate for the time being of the paid up capital of the company and its free reserves, that is to say, reserve not set apart for any specific purpose, provided that the total amount of money/moneys so borrowed by the board shall not at any time exceed the limit of Rs.125 Crores.

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"FURTHER RESOLVED THAT the board of directors be and is hereby authorized to do and perform all such acts, deeds and things as may be necessary, desirable or expedient to give effect this resolution."

7. To consider and if thought fit, to pass with or without modification(s), the following resolution as Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 269 read with Schedule XIII and other applicable provisions if any, of the Companies Act, 1956 and subject to approvals of the shareholders in the ensuing Annual General Meeting of the Company, Shri SKM. Shree Shivkumar be and is hereby reappointed as the Managing Director of the company for a period of five years from 25th June 2011 to 24th June 2016."

"RESOLVED FURTHER THAT pursuant to Section 309 read with Section 198 and Schedule XIII and other applicable provisions, if any, of the Companies Act 1956 and subject to approvals of the shareholders in the ensuing Annual General Meeting of the Company, consent of the Board be and is hereby accorded to the payment of remuneration, perquisites and benefits, as determined by the Remuneration Committee and as detailed below to Shri. SKM Shree Shivkumar, Managing Director with effect from 25th June 2011.

- I. Basic Pay Rs 1,80,000/- per month
- II. House Rent Allowance at 20% of the Basic pay.
- III. Reimbursement of Medical Expenses for self and family.
- IV. Reimbursement of expenditure incurred towards, not exceeding 10% of the Basic Pay, gas, electricity, water and furnishing.
- V. Payment of club fees, other than admission and life membership fees, subject to a maximum of two clubs.
- VI. Personal Accident Insurance Premium up to Rs 10,000/- per annum.
- VII. Leave Travel Concession for self and family members according to the rules of the Company.
- VIII. Shri SKM Shree Shivkumar shall be eligible to the following perquisites, which shall not be included in the computation of remuneration specified above.
 - a. Company's contribution to Provident Fund, Superannuation Fund or Annuity Fund as per the Rules of the Company to the extent these either singly or put together are not taxable under the Income Tax Act 1961.
 - b. Gratuity payable at a rate not exceeding half a month's salary for each completed year of service.
 - c. Encashment of Leave at the end of the tenure.
- IX. The Company shall provide a car for official use on Company's business and telephone at the residence of Shri. SKM. Shree Shivkumar.

"RESOLVED FURTHER THAT, subject to approval by the shareholders in the ensuing Annual General Meeting of the Company, in the event of absence or inadequacy of profits in any year, the above remuneration, perquisites and benefits be paid to Shri. SKM Shree Shivkumar as minimum remuneration subject to the provisions of Section II(A) of Part II of Schedule XIII to the Companies Act, 1956."

"RESOLVED FURTHER THAT in the event of absence or inadequacy of profits in any year, the above remuneration, perquisites and benefits be paid to Shri SKM Shree Shivkumar as minimum remuneration subject to the provisions of Section II(A) of Part II of Schedule XIII to the Companies Act, 1956."

8. To consider and if thought fit, to pass with or without modification(s), the following resolution as Ordinary Resolution:

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“RESOLVED THAT pursuant to the provisions of Section 269 read with Schedule XIII and other applicable provisions if any, of the Companies Act, 1956 and in accordance with clause 69 of the articles of association of the company and subject to approvals of the shareholders in the ensuing Annual General Meeting of the Company, Shri SKM. Maeilanandhan be and is hereby reappointed as whole time chairman of the company designated as Executive Chairman for a period of five years from 25th June, 2011 to 24th June, 2016”

“RESOLVED FURTHER THAT pursuant to Section 309 read with Section 198 and Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 and subject to approvals of the shareholders in the ensuing Annual General Meeting of the Company, consent of the Board be and is hereby accorded to the payment of remuneration, perquisites and benefits, as approved by the Remuneration Committee and as detailed below to Shri.SKM Maeilanandhan, Whole Time Director designated as Executive Chairman with effect from 25th June 2011.

- I. Basic Pay Rs.1,90,000/- per month
- II. House Rent Allowance at 20% of the Basic pay.
- III. Reimbursement of Medical Expenses for self and family.
- IV. Reimbursement of expenditure incurred towards, not exceeding 10% of the Basic Pay, gas, electricity, water and furnishing.
- V. Payment of club fees, other than admission and life membership fees, subject to a maximum of two clubs.
- VI. Personal Accident Insurance Premium up to Rs 10,000/- per annum.
- VII. Leave Travel Concession for self and family members according to the rules of the Company.
- VIII.Shri SKM Maeilanandhan shall be eligible to the following perquisites, which shall not be included in the computation of remuneration specified above.
 - a. Company's contribution to Provident Fund, Superannuation Fund or Annuity Fund as per the Rules of the Company to the extent these either singly or put together are not taxable under the Income Tax Act 1961.
 - b. Gratuity payable at a rate not exceeding half a month's salary for each completed year of service.
 - c. Encashment of Leave at the end of the tenure.

The Company shall provide a car for official use on Company's business and telephone at the residence of Shri SKM Maeilanandhan.

“RESOLVED FURTHER THAT, subject to approval by the shareholders in the ensuing Annual General Meeting of the Company, in the event of absence or inadequacy of profits in any year, the above remuneration, perquisites and benefits be paid to Shri SKM Maeilanandhan as minimum remuneration subject to the provisions of Section II(A) of Part II of Schedule XIII to the Companies Act, 1956.”

“RESOLVED FURTHER THAT in the event of absence or inadequacy of profits in any year, the above remuneration, perquisites and benefits be paid to Shri SKM Maeilanandhan as minimum remuneration subject to the provisions of Section II(A) of Part II of Schedule XIII to the Companies Act, 1956.”

Place : Erode

Date : 12.08.2011

By order of the Board

SKM.Maeilanandhan
Executive Chairman

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EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956

Item No 5

Smt.S.Kumutaavalli was appointed as an Additional Director with effect from 29th October 2010. She holds office only up to the date of the forthcoming Annual General Meeting. As required under section 257 of the Companies Act, a notice has been received from a member signifying her intention to propose her appointment as a Director.

Smt.S.Kumutaavalli, B.A (Corporate Secretaryship) from University of Bharathiar and Master of Science in Psychotherapy and Counseling, Diploma in Export Management and Diploma in Advance Information management and is hailing from Promoter Group. She is well versed in general Management and her association as a director for your company will be beneficial particularly in the context of enlargement of the business interest of your company. The Board proposes to appoint her as a Director liable to retire by rotation as per the relevant provisions of the Companies Act, 1956. The Board recommends the resolution for your approval.

Memorandum of Interest:

None of the Directors except Shri. SKM.Maeilanandhan & Shri.SKM.Shree Shivkumar & Shri.S.M.Venkatachalapathy are deemed to be interested in the resolution.

Item No 6

Section 293(1)(d) of the Companies Act, 1956 requires the Directors of the Company should obtain the consent of the share holders in the General Meeting to enable them to borrow moneys where the amount to be borrowed together with the amount already borrowed by the Company will exceed the aggregate of the paid up capital of the company and its free reserves, that is to say, reserves not set a part for any specific purpose.

In view of the company has become public with effect from the date of the resolution, it is required to secure the approval of the members in terms of the above said provisions of the Act. Further considering the increase in the volume of business and taking into account the limits availed from the bank, your directors feel that they should obtain consent from the shareholders to borrow more funds. Accordingly, they have thought it is desirable to obtain the consent of the share holders pursuant to Section 293(1)(d) of the Companies Act, 1956 to fix the limit of Rs.125 crores, as is now proposed to be under the Ordinary Resolution and to give the necessary powers to board of directors as required under Section 293(1)(d) of the said Act. The directors recommend the approval of the resolution as set out in the notice attached hereto of the shareholders.

None of the directors is interested or concerned in this resolution.

Item No 7

The tenure of Shri.SKM.Shree Shivkumar, Managing Director ended on 24.06.2011. The board of directors at their meeting held on 12.08.2011 have re-appointed Shri.SKM.Shree Shivkumar, as Managing Director for a further period of 5 years commencing from 25.06.2011 ending 24.06.2016.

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In view of the substantial and significant contribution made by Shri.SKM.Shree Shivkumar and keeping in mind the multifarious operations involving constant directions for efficient handling of project related activities, the board felt that his re-appointment would be just and fair with the remuneration and perquisites as provided in the resolution.

The re-appointment of Shri.SKM.Shree Shivkumar as Managing Director and the payment of remuneration are in conformity with Schedule XIII of the Companies Act, 1956, and the same has been recommended by the Remuneration Committee and approved by the Board of Directors.

Yours directors recommend the resolution as set out in Item No.7 of the notice for the approval of the members.

Memorandum of Interest:

None of the directors other than Shri.SKM.Shree Shivkumar, Managing Director, being the appointee director and Shri SKM Maeilanandhan, Executive Chairman, Shri.S.M Venkatachalapathy, Director and Smt.S.Kumutaavalli, Director being relatives of the appointee director are interested or concerned in the resolution.

Item No :8

The tenure of Shri SKM Maeilanandhan, Executive Chairman, ended on 24.06.2011. The board of directors at their meeting held on 12.08.2011 have re-appointed Shri. SKM. Maeilanandhan, as Executive Chairman for a further period of 5 years commencing from 25.06.2011 ending 24.06.2016.

In view of the substantial and significant contribution made by Shri SKM Maeilanandhan and keeping in mind the multifarious operations involving constant directions for efficient handling of project related activities, the board felt that his re-appointment would be just and fair with the remuneration and perquisites as provided in the resolution.

The re-appointment of Shri SKM Maeilanandhan as Executive Chairman and the payment of remuneration are in conformity with Schedule XIII of the Companies Act, 1956, and the same has been recommended by the Remuneration Committee and approved by the Board of Directors.

Yours directors recommend the resolution as set out in Item No 8 of the notice for the approval of the members.

Memorandum of Interest :

None of the directors other than Shri SKM Maeilanandhan, Executive Chairman, being the appointee director and Shri SKM Shree Shivkumar, Managing Director, Shri.S.M Venkatachalapathy, Director and Smt.S.Kumutaavalli, Director being relatives of the appointee director are interested or concerned in the resolution.

By order of the Board

Place : Erode
Date : 12.08.2011

SKM. Maeilanandhan
Executive Chairman

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Notes :

1. A Member entitled to attend and vote at this Annual General Meeting may appoint a proxy to attend and vote on his/her behalf. A proxy need not be a member of the Company. The instrument appointing the proxy duly completed shall be deposited at the Registered Office at 185 – Chennimalai Road, Erode – 638 001 not later than 48 hours before the scheduled time of the meeting.
2. Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of Special Business as set out above is annexed hereto.
3. The Register of Members, Share Transfer Books will remain closed from 24.09.2011 to 30.09.2011 (both days inclusive) for the purpose of payment of dividend, if any, approved by the Members.
4. Consequent upon introduction of Sec 109A of the Companies Act, 1956, shareholders are entitled to make nomination in respect of shares held by them. Shareholders desirous of making nominations are requested to send their request in FORM 2B to the Registrar and Transfer Agents, M/s.S.K.D.C. Consultant Ltd., Ganapathy towers, IIIrd floor, 1391/A-1, Sathy Road, Ganapathy, Coimbatore – 641 006.
5. Members holding shares in DEMAT form are requested to incorporate Client ID Number and DPID Number in the attendance slip/proxy form for easy identification.
6. All documents referred to in the accompanying Notice and Explanatory Statement are available for inspection at the Registered Office of the Company on all working days between 11.00 a.m. and 2.00 p.m up to the date of the Annual General Meeting.
7. Pursuant to the provisions of Section 205A read with Section 205C of the Companies Act, 1956, as amended, any dividend which remains unpaid/unclaimed for a period 7 years will be transferred to the Investor Education and Protection Fund of the Central Government. Shareholders who have not encashed dividend warrant(s) so far for the financial year ended 31st March 2005, 31st March 2006, 31st March 2007, and 31st March, 2008, 31st March, 2009 are requested to approach the company for obtaining payments thereof.
8. **Members are requested to notify any change in their address, mandate etc to:**
 - i. The Company's Registrar and Transfer Agents, M/s.S.K.D.C. Consultants Ltd., Ganapathy towers, IIIrd floor, 1391/A-1, Sathy Road, Ganapathy, Coimbatore – 641 006 , in respect of shares held in physical form.
 - ii. Their depository Participants (DPs) in respect of shares hold in dematerialized form.
9. Brief particulars of Direct proposed for reappointment of Directors are given in Report on Corporate Governance.

By order of the Board

Place : Erode

Date : 12.08.2011

SKM. Maeilanandhan
Executive Chairman

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SHAREHOLDERS' INFORMATION

Date and Venue of Annual General Meeting

On Friday the 30th September 2011 at 4.00 p.m. Kongu Mahal (Kongu Kalaiarangam), E.V.K.Sampath Nagar, Erode - 638 011.

Tentative Financial Calender :

Fourth quarter and unaudited results 2010-2011	: 29.04.2011
First quarter results for 2011-12 and audited	
Results for 2010-2011	: 12.08.2011.
Sixteenth Annual General Meeting	: 30.09.2011
Second quarter results for 2011-2012	: On or before November 12, 2011.
Third quarter results for 2011-2012	: On or before February 12, 2012.
Date of book closure	: 24.09.2011 to 30.09.2011

Listing on Company's Equity Shares

The Bombay Stock Exchange Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai – 400 001

National Stock Exchange of India Ltd.,
Exchange Plaza, 5th Floor
Bandra – Kurla Complex
Bandra (E)
Mumbai – 400 051.

In the **Eleventh Annual General Meeting** of the company, special resolution was passed for delisting the shares of the company from Madras and Coimbatore Stock Exchanges. The company informed the decision of the shareholders to the above two stock exchanges and the stock exchanges are yet to inform the company about their formalities for delisting.

Annual listing fees has been paid to all Stock Exchanges for the year 2010-11 except to Coimbatore Stock Exchange and Madras Stock Exchange in view of the decision of the share holders to delist shares of the company.

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Share Price Movements

The high and low prices of the Company's share on the Bombay Stock Exchange Limited and the National Stock Exchange between **April, 2010 and March, 2011** are as under:

Month	Bombay Stock Exchange Limited			National Stock Exchange Limited		
	High	Low	Quantity	High	Low	Quantity
Apr-2010	22.80	18.65	9,32,667	22.85	18.65	2,48,371
May-2010	21.10	17.00	2,58,011	20.25	17.05	1,21,844
Jun-2010	19.75	17.80	4,00,772	19.95	17.95	1,62,694
Jul-2010	19.70	15.95	24,62,801	19.50	15.95	9,79,694
Aug-2010	16.80	13.80	7,09,623	16.75	13.80	3,97,398
Sep-2010	19.60	14.00	33,58,587	19.60	14.05	2,12,749
Oct-2010	16.80	13.80	8,32,815	16.50	14.15	3,10,808
Nov-2010	20.05	14.05	38,31,318	20.00	13.91	21,87,387
Dec-2010	16.45	13.45	2,73,185	16.40	13.35	2,63,193
Jan-2011	15.75	11.60	2,55,693	16.00	11.55	1,66,345
Feb-2011	12.20	9.20	1,47,694	12.39	9.15	1,69,779
Mar-2011	10.90	8.95	1,67,076	10.84	9.26	1,50,235

Stock Code :

National Stock Exchange of India (NSE)	SKMEGGPROD
The Bombay Stock Exchange Ltd	532143
NSDL & CSDL	INE 411 D 1015

The Equity Shares of the company are under the process of delisting from the Madras Stock Exchange Ltd, The Coimbatore Stock Exchange Ltd.

Share Transfer System :

The Board delegated its authority to transfer shares to Committee of Directors called as Share Transfer Committee. The details of share transferred are being placed before the Board of Directors and duly ratified. The Committee oversees transfers, transmissions, dematerialization, and rematerialisation of shares and issue of duplicate share certificates.

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Distribution of shareholding as on :

No. of Equity Shares held	31.03.2011				31.03.2010			
	No. of Share holders	%	No. of Shares held	% of Share holding	No. of Share Holders	%	No. of Shares held	% of Share holding
1 - 500	7,724	67.11	2,270,693	8.62	6,786	69.24	20,64,737	7.84
501 - 1000	1,876	16.30	16,24,108	6.17	1,539	15.70	13,20,266	5.01
1001 - 2000	636	5.53	9,87,985	3.75	403	4.11	6,15,579	2.34
2001 - 3000	757	6.58	1,886,787	7.17	694	7.10	17,26,218	6.56
3001 - 4000	84	0.73	2,98,620	1.13	61	0.62	2,21,194	0.84
4001 - 5000	163	1.42	7,93,767	3.01	152	1.55	7,39,223	2.81
5001 - 10000	150	1.30	1,162,459	4.41	100	1.02	7,84,661	2.98
10001 and above	118	1.03	17,305,581	65.74	65	0.66	1,88,58,122	71.62
Total	11,508	100.00	2,63,30,000	100.00	9,800	100.00	2,63,30,000	100.00

Registrar and Transfer Agent

M/s.S.K.D.C.Consultants Limited, Ganapathy towers, IIIrd floor, 1391/A-1, Sathy Road, Ganapathy, Coimbatore – 641 006, Phone: 0422-6549995, 2539835 2539836 , Fax:0422-2539837 is the Share Transfer Agent for Physical and Electronic transfer of Company's Shares.

Categories of shareholding as on:

Category	31.03.2011				31.03.2010			
	No. of Share holders	%	No. of Shares held	% of Share holding	No. of Share holders	%	No. of Shares held	% of Share holding
Promoters	9	0.080	13,740,313	52.19	10	0.10	16,461,793	62.52
Corporate	277	2.410	11,24,915	4.27	206	2.10	5,66,371	2.16
Individuals	11,176	97.11	10,150,143	38.55	9,545	97.40	80,44,887	30.55
NRI's / OCB's	46	0.400	1,314,629	4.99	39	0.40	12,56,949	4.77
Total	11,508	100.00	26,330,000	100.00	9,800	100.00	26,330,000	100.00

Compliance Officer:

SKM. Shree Shivkumar,
Managing Director,
M/s.SKM Egg Products Export (India) Limited,
185, Chennimalai Road,
Erode – 638 001.

Place : Erode
Date : 12.08.2011

By order of the Board

SKM. Maeilanandhan
Executive Chairman