



**SKM EGG PRODUCTS**

**THINKING OUT OF THE SHELL**

SKM EGG PRODUCTS EXPORT (INDIA) LIMITED

# **Abridged Annual Report**

## **2011 - 2012**

- Excellence - Our Goal
- Service - Our Motto
- Quality - Our Obsession

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# SKM EGG PRODUCTS EXPORT (INDIA) LIMITED

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

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## NOTICE TO MEMBERS

Notice is hereby given that the **Seventeenth Annual General Meeting** of the Members of the Company will be held on Saturday the 29<sup>th</sup> September, 2012 at 4.00 p.m at N.S.A. Mahal, Club Melaange, 314, 315 Perundurai Road, 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 31<sup>st</sup> March 2012.
  - b. The audited Balance Sheet as at 31<sup>st</sup> March 2012.
  - c. The Directors' and Auditors' Report thereon.
2. To appoint a Director in the place of Smt. **S. Kumutaavalli**, who retires by rotation and being eligible, offers herself for re-appointment.
3. To appoint a Director in the place of **Dr. L. M. Ramakrishnan**, 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**, Erode are eligible for re-appointment and confirmed their willingness to accept the office, if re-appointed.

#### SPECIAL BUSINESS

05. To consider and if thought fit, to pass with or without modifications, the following resolution as an ordinary Resolution  
  
"RESOLVED THAT **Sri C. DEVARAJAN** who was co-opted as an additional director on the Board of the Company on 06.08.2012 to hold office till the date of this Annual General Meeting, be and is hereby appointed as a Director u/s. 260 of the Act."
06. To consider and if thought fit, to pass with or without modifications, the following resolution as a Special Resolution.

"RESOLVED THAT pursuant to the provisions of Section 61 and other applicable provisions of the Companies Act, 1956 and all applicable provisions of the Securities Exchange Board of India (Delisting of Securities)

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Guidelines, 2003 and subject to such approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be considered necessary by the Board of Directors of the Company or as may be prescribed or imposed by any authority while granting such approvals, permissions or sanctions which may be agreed by the Board of Directors of the Company in its sole discretion, the consent of the Company be and is hereby accorded to the Board of Directors of the Company to delist the Equity Shares of the Company from Bombay Stock Exchange Ltd (hereinafter referred to as the Delisting Stock Exchanges) on such terms and conditions and in such manner as may be considered desirable and expedient by the Board of Directors of the Company in its absolute discretion".

**"RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things, including filling of applications and other documents with the delisting Stock Exchanges, as it may in its absolute discretion deem necessary, expedient, usual or proper or desirable and to settle all questions, difficulties or doubts whatsoever that may arise in regard to the aforesaid voluntary delisting of the Equity Shares of the Company, as it may in its absolute discretion deem fit without being required to seek any further approvals of the members or otherwise to the end and intent that the members shall be deemed to have given their approval expressly by authority of this resolution."

**"RESOLVED FURTHER THAT** the Board of Director of the Company be and is hereby authorised to delegate all or any of its power which may be so delegated by law, to any of its Committee or any Director or Officer of the Company, to give effect to the aforesaid resolution."

By order of the Board

Place : Erode

Date : 06.08.2012

**SKM Shree Shivkumar**  
**Managing Director**

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### **EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956 AND SEBI (ICDR) REGULATIONS, 2009.**

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

Sri C. Devarajan was co-opted as an additional director on the Board of the company on 06.08.2012, pursuant to Section 260 of the Act. He can hold the office of the Directorship till the conclusion of the forthcoming Annual General Meeting of the Company.

Notice has since been received from one of the members of the company signifying his intention to propose his candidature to the office of the Director along with the requisite deposit pursuant to Section 257 (1A) of the Act.

The Board, therefore, recommends the resolution as set out in the agenda notice for your approval.

#### **Memorandum of Interest :**

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

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

The Equity Shares of the Company are currently listed on the following Stock Exchanges in India:

1. The Bombay Stock Exchange Limited
2. The National Stock Exchange of India Limited

Out of the above Stock Exchanges in which the Equity Shares of the company are listed, the National Stock Exchange Limited is having extensive and Nationwide trading terminals. The bulk of the trading in the Company's Equity Shares takes place in The National Stock Exchange Limited and the trading on the other Stock Exchange is either negligible or nil.

The listing fees paid to the Bombay Stock Exchange Limited is disproportionately higher considering the volume of trading of Equity Shares of the Company. In view of this the Board of Directors of the Company in its meeting held on 06.08.2012 unanimously resolved subject to approval of members by means of special resolution, to delist the Equity Shares of the company from the Bombay Stock Exchange Limited. Guideline 5 of the Securities Exchange Board of India (Delisting of Securities) Guidelines, 2003 permits a company to voluntarily delist its securities from any Stock Exchanges where its securities are listed after obtaining approval of Members by means of Special Resolution passed at its general meeting. As per the said guideline an exit opportunity need not be given to the shareholders in cases where the securities are continued to be listed in a Stock Exchange having nationwide trading terminals. According to the Explanation to the said guideline the Bombay Stock Exchange Limited and the National Stock Exchange of India Limited are considered having nationwide trading terminals. As the Company's Equity Shares will continue to be listed on the National Stock Exchange Limited, the proposed delisting of the Equity Shares from the Bombay Stock Exchange of India Limited, as and when it takes place, will not affect the investors adversely. The

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delisting will take effect after all approvals, permissions and sanctions are obtained. The Board of Directors recommends this special resolution for the approval of the Members. The members had already accorded their approval for delisting the shares of the company of Coimbatore Stock Exchange Limited and Madras Stock Exchange Limited at their meeting held on 16.09.2006. After delisting of the equity shares of the Bombay Stock Exchange, the company's shares would be traded only in National Stock Exchange.

### **Memorandum of Interest of Director**

None of the Directors of the Company is, in any way, concerned or interested in this Resolution.

<b>Place : Erode</b> <b>Date : 06.08.2012</b>	<b>By order of the Board</b>  <b>SKM Shree Shivkumar</b> <b>Managing Director</b>
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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 **23.09.2012 to 29.09.2012** (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 31<sup>st</sup> March 2005, 31<sup>st</sup> March 2006, 31<sup>st</sup> March 2007, and 31<sup>st</sup> March, 2008, 31<sup>st</sup> 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 Directors proposed for reappointment of Directors are given in Report on Corporate Governance.

Place : Erode

Date : 06.08.2012

By order of the Board

**SKM Shree Shivkumar**  
Managing Director

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## **SHAREHOLDERS' INFORMATION**

### **Date and Venue of Annual General Meeting**

**On Saturday the 29<sup>th</sup> September 2012 at 4.00 p.m. N.S.A. Mahal, Club Melaange, 314, 315 Perundurai Road, Erode - 638011.**

### **Tentative Financial Calender :**

Fourth quarter and unaudited results 2011-2012	: 29.05.2012
First quarter results for 2012-13 and audited Results for 2011-2012	: 06.08.2012
Seventeenth Annual General Meeting	: 29.09.2012
Second quarter results for 2012-2013	: On or before 30.11.2012.
Third quarter results for 2012-2013	: On or before February 28, 2013.
Date of book closure	: 23.09.2012 to 29.09.2012

### **Listing on Company's Equity Shares**

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

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

In the 11<sup>th</sup> 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 2011-12 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, 2011 and March, 2012** are as under:

Month	Bombay Stock Exchange Limited			National Stock Exchange Limited		
	High	Low	Quantity	High	Low	Quantity
April-2011	12.95	9.80	161996	12.90	9.70	189980
May-2011	10.99	9.15	81954	11.00	7.80	156312
June-2011	10.20	8.35	140053	11.50	8.40	268643
July-2011	9.50	8.02	141474	9.45	8.40	131280
Aug-2011	9.25	6.51	123459	9.00	6.25	152823
Sep-2011	8.99	6.55	191897	8.90	6.65	306400
Oct-2011	8.85	7.00	101613	9.30	7.00	136153
Nov-2011	9.15	6.50	103240	9.05	6.50	105834
Dec-2011	7.60	6.25	64056	7.95	6.10	135867
Jan-2012	7.90	6.35	83541	7.80	6.20	174567
Feb-2012	8.70	6.90	89973	8.70	7.05	200610
Mar-2012	8.05	6.00	104383	8.00	5.90	73225

### Stock Code :

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

The Equity Shares of the company are under the process of delisting from the Madras Stock Exchange Ltd and 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	31.03.2012				31.03.2011			
	No. of Share holders	%	No. of Shares held	% of Share holding	No. of Share Holders	%	No. of Shares held	% of Share holding
1 - 500	7,404	66.58	2,199,095	8.35	7,724	67.11	2,270,693	8.62
501 - 1000	1,817	16.34	1,563,466	5.94	1,876	16.30	16,24,108	6.17
1001 - 2000	620	5.58	960,078	3.65	636	5.53	9,87,985	3.75
2001 - 3000	745	6.70	1,858,842	7.06	757	6.58	1,886,787	7.17
3001 - 4000	89	0.80	318,222	1.21	84	0.73	2,98,620	1.13
4001 - 5000	176	1.58	852,434	3.24	163	1.42	7,93,767	3.01
5001 - 10000	153	1.38	1,175,140	4.46	150	1.30	1,162,459	4.41
10001 and above	117	1.05	17,402,723	66.09	118	1.03	17,305,581	65.74
<b>Total</b>	<b>11,121</b>	<b>100.00</b>	<b>26,330,000</b>	<b>100.00</b>	<b>11,508</b>	<b>100.00</b>	<b>2,63,30,000</b>	<b>100.00</b>

## Registrar and Transfer Agent

**M/s.S.K.D.C.Consultants Limited**, Ganapathy towers, Illrd 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 31.03.2012 :

Category	No. of Share holders	%	No. of Shares held	% of Share holding
Promoters	6	0.05	13,785,675	52.36
Bodies Corporate	175	1.57	712,854	2.71
Resident Individuals	10,706	96.27	10,095,361	38.34
NRI's	42	0.38	220,110	0.84
OCB's	1	0.01	1,092,100	4.15
Trusts	1	0.01	28,784	0.11
Directors & Relatives	8	0.07	42,510	0.16
Clearing Members	51	0.46	166,024	0.63
HUF's	131	1.18	186,582	0.71
<b>Total</b>	<b>11,121</b>	<b>100.00</b>	<b>26,330,000</b>	<b>100.00</b>

## Compliance Officer:

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

By order of the Board

Place : Erode

**SKM Shree Shivkumar**  
Managing Director

Date : 06.08.2012