

MALABAR CEMENTS LTD
B.M.No.194, DT.29.06.2013

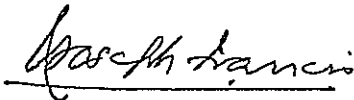
AGENDA ITEM NO. 194-29:

RE-OPENING OF CLINKER GRINDING UNIT (CGU)

From February 2013 onwards, there was down trend in the cement price in Kerala. So we had to bring down our ex-factory price from Rs.320/- level to Rs.300/- level.

The present price is not comfortable for re-opening of the unit as it will result in loss and eat away the profit we are making at Walayar. Opening of the clinger grinding unit may consider only, if the price exceeds Rs.325-/ level.

We are waiting for price increase and demand increase for re-opening of CGU.



JOSEPH FRANCIS
GM(W)



K.PADMAKUMAR
MANAGING DIRECTOR

confirm and estimate the quantity and quality of the deposit available below 320 RL by using latest technologies available. MECL has proved deposits up to 295 RL and further deposits could be possible and winnable.

The possibility of developing the mine from much lower level, i.e. from the south side or south eastern side or south western side is also to be explored to extract maximum deposit below 320 RL in a more economical and safe manner.

Having considered the above aspects, the Board accorded sanction for the following:

RESOLUTION NO.2704

RESOLVED THAT Sanction be and are hereby accorded for approaching Indian Bureau of Mines (IBM) to conduct a detailed study including EIA to confirm and estimate the quantity and quality of the deposit available below 320 RL by using latest technologies available and also the possibility of developing mine from much lower level i.e. from the south side or south eastern side or south western side to extract maximum deposit below 320 RL in a more economical and safe manner to extend the life of the cement plant from 12-13 years to many more years.

AGENDA ITEM NO.194-29 : Re-opening of Clinker Grinding Unit

The Managing Director elaborated the present low price of Cement compared to 2012 prices to the Board and informed that the re-opening of the unit can be taken up when the price situation improve by another Rs.20 / bag. This is to avoid losses in Cherthala.

The Board suggested that the matter should be examined in detail by a **Board's Sub-Committee** consisting of the following members:

1. Sri.K.S.Saburaj, Joint Secretary (Finance)
2. Sri C.V.Balachandran, Director
3. Sri.Abdul Rasheed, Director
4. Sri. K.Padmakumar -Managing Director

Sri. Joseph Francis, General Manager (Works) can assist the Board Sub-Committee as an Expert.

The report of the Sub-Committee is to be submitted to the next Board Meeting. The Company Secretary will be the Convenor of the aforesaid Committee.