

Notice to Shareholders

NOTICE is hereby given that the 30th Annual General Meeting of the Members of the Company will be held at JENNY'S RESIDENCY 2/2 AVINASHI ROAD CIVIL AERODROME POST COIMBATORE 641 014 on MONDAY the 15th day of September 2014 at 4.30 PM to transact the business set out in the agenda below

You are requested to make it convenient to attend the meeting

Agenda

Ordinary Business

- 1 To consider and adopt the audited financial statements of the company for the financial year ended 31st March 2014 the reports of the Board of Directors and Auditors thereon
- 2 To declare dividend on equity shares
- 3 To consider and if thought fit to pass with or without modification(s) the following resolutions as **Ordinary Resolutions**

RESOLVED that pursuant to Section 139 and other applicable provisions if any of the Companies Act 2013 and the Rules made thereunder and pursuant to the recommendations of the Audit Committee of the Board M/s P N Raghavendra Rao & Co Chartered Accountants (Registration No 003328S) be and are hereby appointed as Auditors of the Company to hold office for a period of three years from the conclusion of this Annual General Meeting till the conclusion of 33rd Annual General Meeting of the company subject to ratification by the members at every Annual General Meeting in accordance with the provisions of Section 139(1) of the Companies Act 2013 or as may be amended or clarified by the Government of India from time to time

FURTHER RESOLVED that the Board of Directors be and are hereby authorized to fix the remuneration payable to Auditors on the recommendation of Audit Committee each year

Special Business

- 4 To consider and if thought fit to pass with or without modification(s) the following resolution as an **Ordinary Resolution**

RESOLVED that pursuant to the provisions of Sections 149, 152 read with Schedule IV and other applicable provisions if any of the Companies Act 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement Sri E P Muthukumar (DIN : 00003740) a Director of the company who retires by rotation at the ensuing Annual General Meeting under the provisions of the Companies Act 1956 and in respect of whom the company has received notice in writing from a member under Section 160 of the Companies Act 2013 proposing his candidature for the office of Independent Director be and is hereby appointed as an Independent Director of the Company to hold office for a term of 5 (Five) consecutive years up to 14th September 2019

- 5 To consider and if thought fit to pass with or without modification(s) the following resolution as an **Ordinary Resolution**

RESOLVED that pursuant to the provisions of Sections 149, 152 read with Schedule IV and other applicable provisions if any of the Companies Act 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement Dr M P Vijayakumar (DIN : 05103089) a Director of the company who retires by rotation at the ensuing Annual General Meeting under the provisions of the Companies Act 1956 and in respect of whom the company has received notice in writing from a member under



Section 160 of the Companies Act 2013 proposing his candidature for the office of Independent Director be and is hereby appointed as an Independent Director of the Company to hold office for a term of 5 (Five) consecutive years up to 14th September 2019

- 6 To consider and if thought fit to pass with or without modification(s) the following resolution as an **Ordinary Resolution**

RESOLVED that pursuant to the provisions of Sections 149, 152 read with Schedule IV and other applicable provisions if any of the Companies Act 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement Sri A K Perumalsamy (DIN : 00313769) Director of the company whose period of office was liable to retirement by rotation under the provisions of the Companies Act 1956 and in respect of whom the company has received notice in writing from a member under Section 160 of the Companies Act 2013 proposing his candidature for the office of Independent Director be and is hereby appointed as an Independent Director of the Company to hold office for a term of 5 (Five) consecutive years up to 14th September 2019

- 7 To consider and if thought fit to pass with or without modification(s) the following resolution as an **Ordinary Resolution**

RESOLVED that pursuant to the provisions of Sections 149, 152 read with Schedule IV and other applicable provisions if any of the Companies Act 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement Sri T Gundan (DIN : 00624804) Director of the company whose period of office was liable to retirement by rotation under the provisions of the Companies Act 1956 and in respect of whom the company has received notice in writing from a member under Section 160 of the Companies Act 2013 proposing his candidature for the office of Independent Director be and is hereby appointed as an Independent Director of the Company to hold office for a term of 5 (Five) consecutive years up to 14th September 2019

- 8 To consider and if thought fit to pass with or without modification(s) the following resolution as an **Ordinary Resolution**

RESOLVED that pursuant to Section 148 and other applicable provisions if any of the Companies Act 2013 and the Rules made thereunder and pursuant to the recommendations of the Audit Committee of the Board the remuneration of Rs 150000/- (plus service tax and out of pocket expenses if any for purpose of audit) payable to Sri M Nagarajan (Membership No.F-6384) Cost Accountant as approved by the Board of Directors for conducting the audit of Cost Accounting Records of the company for the financial year ending 31st March 2015 be and is hereby ratified and confirmed

- 9 To consider and if thought fit to pass with or without modification(s) the following resolutions as **Special Resolutions**

RESOLVED that in supersession of the Ordinary Resolution passed under Section 293(1) (d) of the Companies Act 1956 at the 11th Annual General Meeting held on 22nd January 1996 and pursuant to Section 180(1)(c) and other applicable provisions if any of the Companies Act 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) the consent of the company be and is hereby accorded to the Board of Directors (which term shall be deemed to include any committee thereof) to borrow money in excess of the aggregate of paid up share capital and free reserves of the company provided the total amount borrowed and outstanding at any point of time apart from temporary loans obtained/to be obtained from the Company's bankers in the ordinary course of business shall not be in excess of Rs 500 Crores (Rupees Five hundred crores) over and above the aggregate of the paid up share capital and free reserves of the Company



FURTHER RESOLVED that for the purpose of giving effect to this resolution the Board or any Committee or person(s) authorized by the Board be and is/are hereby authorized to finalise settle and execute such documents / deeds / writings / papers / agreements and to do all acts deeds matters and things as may be required

10 To consider and if thought fit to pass with or without modification(s) the following resolutions as **Special Resolutions**

RESOLVED that pursuant to Section 180(1)(a) and other applicable provisions if any of the Companies Act 2013 and the Rules made thereunder (including any statutory modifications or re-enactments thereof for the time being in force) consent of the company be and is hereby accorded to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include any committee thereof) to create such charges mortgages pledges and hypothecations in addition to existing charges mortgages pledges and hypothecations created by the company on such movable and/or immovable tangible and/or intangible properties of the company both present and future in such form and manner and with such ranking as to priority and for such time and on such terms as the Board may deem fit together with the power to take over the management of the business and concern of the company in certain events of default in favour of the lender(s) agent(s) trustee(s) for securing the borrowings of the company availed/to be availed by way of loan(s) (in Indian rupee and/or foreign currency) and /or debentures bonds or any other debt instruments issued by the company from time to time subject to the limits approved under Section 180(1)(c) of the Companies Act 2013 and temporary loans obtained / to be obtained from the company's bankers in the ordinary course of business together with interest at the respective agreed rates additional interest compound interest in case of default accumulated interest liquidated damages commitment charges premia on prepayment remuneration of agent(s)/trustee(s) premium if any on redemption all other costs charges expenses and all other moneys payable by the company in terms of loan agreement(s) head of agreement(s) debenture trust deed(s) or any other document entered into/to be entered into between the company and the lender(s)/agent(s)/trustee(s) in respect of the said loans/borrowings/debentures and containing such specific terms and conditions and covenants in respect of enforcement of security as may be stipulated in that behalf and agreed to between the Board of Directors or Committee thereof and the lender(s)/agent(s)/trustees

FURTHER RESOLVED that for the purpose of giving effect to this resolution the Board or any Committee or person(s) authorized by the Board be and is/are hereby authorized to finalise settle and execute such documents / deeds writings / papers / agreements and to do all acts deeds matters and things as may be required

Coimbatore
30.7.2014

By Order of the Board
C PALANISWAMY
Company Secretary



NOTE

- 1 A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING OF THE COMPANY MAY APPOINT A PROXY TO ATTEND AND ON A POLL / VOTE INSTEAD OF HIMSELF/HERSELF A Proxy need not be a member of the company Proxies in order to be effective must be received by the company at its Registered Office not later than forty-eight hours before the commencement of the meeting Proxies submitted on behalf of companies, societies etc must be supported by appropriate resolution/authority as applicable A person shall not act as Proxy for more than 50 members and holding in the aggregate not more than ten percent of the total voting share capital of the Company However a single person may act as a proxy for a member holding more than ten percent of the total voting share capital of the company provided that such person shall not act as a proxy for any other person
- 2 Explanatory Statement pursuant to Section 102 of the Companies Act 2013 in respect of the Special Business to be transacted at the Annual General Meeting as set out in the Notice is annexed hereto
- 3 Relevant documents referred to in the proposed resolutions are available for inspection at the Registered Office of the company during business hours on all days except Sundays and Public Holidays up to the date of the Annual General Meeting
- 4 The Register of Members and Share Transfer Books of the company will remain closed from 13.9.2014 to 15.9.2014 (both days inclusive)
- 5 Dividend recommended by the Board of Directors if approved by the Members at the Annual General Meeting will be credited / dispatched between 19.9.2014 and 30.9.2014 to those members whose names appear on the Register of Members as on 15.9.2014 In respect of shares held in electronic form the dividend will be payable on the basis of details of beneficial ownership furnished by the National Securities Depository Limited (NSDL)/Central Depository Services (India) Limited (CDSL) as at the close of business hours on 12.9.2014
- 6 The Company is presently using National - ECS (NECS) for dividend remittance Members holding shares in physical form are requested to notify/send the following
 - i) Any change in their address/mandate/bank details
 - ii) Particulars of their bank account in case the same have not been sent earlier to the Company's Registrar and Share Transfer Agent at Cameo Corporate Services Limited Subramanian Building No.1 Club house Road Chennai - 600 002 at the earliest but not later than 10.9.2014
- 7 Members holding shares in the electronic form are requested to inform any changes in address/bank mandate directly to their respective Depository Participants The address/ bank mandate as furnished to the Company by the respective Depositories Viz NSDL and CDSL will be printed on the dividend warrants
- 8 Members are requested to bring their copies of the Annual Report to the Meeting Members are requested to hand over the Attendance slip duly signed in accordance with their specimen signature(s) registered with the Company for admission to the meeting hall Members who hold shares in dematerialized form are requested to bring their client ID and DP ID numbers for identification
- 9 Corporate Members are requested to send a duly certified copy of the Board Resolution authorizing their representatives to attend and vote at the Annual General Meeting to the Company Secretary



- 10 In terms of Sections 205A and 205C of the Companies Act 1956 the amount of dividend remaining unclaimed or unpaid for a period of seven years from the date of transfer to the unpaid dividend account is required to be transferred to the Investor Education and Protection Fund (IEPF) Upon such transfer no claim shall lie against the company/Central Government for such unclaimed dividend Therefore shareholders are requested to ensure that they claim the dividend(s) from the Company before transfer of the said amounts to the IEPF
- 11 The Securities Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market Members holding shares in electronic form are therefore requested to submit the PAN to their Depository Participant with whom they are maintaining their demat accounts Members holding shares in physical form can submit their PAN details to the Company's Registrar and Share Transfer Agent
- 12 Electronic copy of the Notice convening the 30th Annual General Meeting of the Company and the Annual Report the Attendance Slip and Proxy Form are being sent to the members whose e-mail address is registered with the Company/Depository Participant(s) for communication purposes unless any member has requested for hard copy of the same For members who have not registered their e-mail address physical copies of the above documents are being sent to the members in the permitted mode Members who have not registered their e-mail address so far are requested to register the same to enable the company to send all communications including Annual Report Notices Circulars etc in electronic mode

Voting through electronic means

- I Pursuant to the provisions of Section 108 of the Companies Act 2013 read with the Rules made thereunder and Clause 35B of the Listing Agreement the Company is providing facility of e-voting to the members to exercise their right to vote electronically in respect of the business to be transacted at the 30th Annual General Meeting (AGM) of the company scheduled to be held on Monday the 15th September 2014 at 4.30 PM The Company has engaged Central Depository Services (India) Limited (CDSL) to provide e-voting facility

The instructions for voting through electronic means are as under:

- (1) The e-voting will be available from 9th September 2014 (9:00 am) to 11th September 2014 (6:00 pm) During this period shareholders of the Company holding shares either in physical form or in dematerialized form as on the cut-off date of 1st August 2014 may cast their vote electronically The e-voting module shall be disabled by CDSL thereafter
- (2) Log on to the e-voting website www.evotingindia.com
- (3) Click on "Shareholders" tab
- (4) Now Enter your User ID
 - i) For CDSL : 16 digits beneficiary ID
 - ii) For NSDL : 8 Character DP ID followed by 8 Digits Client ID
 - iii) Members holding shares in Physical Form should enter Folio Number registered with the Company
- (5) Next enter the Image Verification as displayed and Click on Login
- (6) If you are holding shares in Demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company then your existing password is to be used If you are a first time user follow the steps given below



(7) Now fill up the following details in the appropriate boxes:

For Members holding shares in Demat Form and Physical Form	
PAN*	PAN Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)
* Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the folio number in the PAN field In case the folio number is less than 8 digits enter the applicable number of 0's (Zero) before the number after the first two characters of the name in CAPITAL letters Eg If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field	
DOB#	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format
Dividend Bank Details#	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio

Please enter the DOB or Dividend Bank Details in order to login If the details are not recorded with the depository or company please enter the number of shares held by you as on the cut off date viz 1st August 2014 in the Dividend Bank details field

- (8) After entering these details appropriately click on "SUBMIT" tab
- (9) Members holding shares in physical form will then reach directly the Company selection screen However members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote provided that company opts for e-voting through CDSL platform It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential
- (10) For Members holding shares in physical form the details can be used only for e-voting on the resolutions contained in this Notice
- (11) Click on Electronic Voting Sequence Number (EVSN) relevant for "BANNARI AMMAN SUGARS LIMITED" on which you choose to vote
- (12) On the voting page you will see Resolution Description and against the same the option "YES/NO" for voting Select the option YES or NO as desired The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution
- (13) Click on the "Resolutions File Link" if you wish to view the entire Resolutions
- (14) After selecting the resolution you have decided to vote click on "SUBMIT" A confirmation box will be displayed If you wish to confirm your vote click on "OK" else to change your vote click on "CANCEL" and accordingly modify your vote
- (15) Once you "CONFIRM" your vote on the resolution you will not be allowed to modify your vote
- (16) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page
- (17) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system
- (18) Note for Non - Individual Shareholders and Custodians
 - > Non-Individual shareholders (i.e other than Individuals HUF NRI etc) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates



- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com
- After receiving the login details they have to create a compliance user should be created using the admin login and password The Compliance user would be able to link the account(s) for which they wish to vote on
- The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian if any should be uploaded in PDF format in the system for the scrutinizer to verify the same

- (19) In case of members receiving the physical copy please follow all steps from sl no (1) to (18) above to cast vote
- (20) In case you have any queries or issues regarding e-voting you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com
- (21) M/s C Thirumurthy & Associates Company Secretaries have been appointed as the Scrutinizers to scrutinize the e-voting process in a fair and transparent manner
- (22) The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report forthwith to the Chairman of the Company
- (23) The Results declared along with the Scrutinizers' Report shall be placed on the Company's website www.bannari.com and on the website of CDSL www.cdslindia.com within two (2) days of passing of the resolutions at the Annual General Meeting of the Company to be held on 15th September 2014 and communicated to the Stock Exchanges viz Bombay Stock Exchange Limited and National Stock Exchange of India Limited

II In case of members desiring to exercise vote by Postal Ballot

- a) In terms of Clause 35B of the Listing Agreement in order to enable its members who do not have access to e-voting facility to send their assent or dissent in writing in respect of the resolutions as set out in this notice a postal ballot form is annexed A member desiring to exercise vote by postal ballot shall complete the enclosed postal ballot form with assent (for) or dissent (against) and send it to Scrutinizers M/s C Thirumurthy & Associates Company Secretaries C/o Bannari Amman Sugars Limited 1212 Trichy Road Coimbatore 641 018 Tamilnadu so as to reach him on or before 11th September 2014 Any Postal Ballot Form received after the said date shall be treated as the reply from the members has not been received
 - b) The items of Business given in this notice are proposed to be transacted through electronic voting/postal ballot system/ poll Voting by show of hands will not be available to the members at the 30th Annual General Meeting in view of provisions of Section 107 read with section 114 of the said Act
- 13 Kindly note that members can opt for only one mode of voting i.e either through e-voting or by postal ballot If members are opting for e-voting then do not vote by postal ballot or vice versa. However in case of members casting their vote both by postal ballot and e-voting then voting done through e-voting shall prevail and voting done by postal ballot will be treated as invalid



ANNEXURE TO NOTICE

STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT 2013

ITEM NOS. 4 & 5

Sri E P Muthukumar and Dr M P Vijayakumar Independent Directors are liable to retire at the ensuing Annual General Meeting of the Company under the provisions of the Companies Act 1956. The company has received notices along with requisite deposits proposing the candidature of above Directors for the office of Independent Directors under Section 160 of the Companies Act 2013.

Pursuant to provisions of Sections 149, 152 Schedule IV of the Companies Act 2013 read with the Companies (Appointment and Qualification of Directors) Rules 2014 it is proposed to appoint the above Independent Directors of the Company for a term of five consecutive years up to 14th September 2019.

Brief profiles along with other details of Sri E P Muthukumar and Dr M P Vijayakumar are as follows

I	Name of the Director	Sri E P Muthukumar
	Director Identification Number	00003740
	Date of joining the Board	6.2.1984
	Profile of the Director	Sri E P Muthukumar B E aged 66 years is associated with the Company as a Director since 6.2.1984. He has more than 37 years experience in sugarcane cultivation. He is a member of Audit Committee.
	No. of shares held in the company	1000 equity shares
	Directorships and Committee Membership in other companies	Stream Technologies (P) Ltd GeoEdge Technologies (P) Ltd
II	Name of the Director	Dr M P Vijayakumar
	Director Identification Number	05103089
	Date of joining the Board	14.11.2011
	Profile of the Director	Dr M P Vijayakumar aged 66 years is associated with the company as Director since 14.11.2011. Dr M P Vijayakumar IAS (Retd) is a post graduate in Economics and a member of Institute of Cost and Works Accountant of India (AICWA). He also holds Degree in Law. He was conferred doctoral degree in Education and Management by Alagappa University. He joined Tamilnadu Government Civil Service in the year 1975 and occupied various positions in the Government including position as District Collector Commissioner of Chennai Corporation etc. He served as General Manager of Government Undertakings viz SIPCOT SIDCO etc and as Managing Director of Tamilnadu State Marketing Corporation Limited and Southern Agrifurane Industries Limited. He has rich experience in administration of undertakings. Dr M P Vijayakumar is the Chairman of Audit Committee & Remuneration Committee.
	No. of shares held in the company	Nil
	Directorships and Committee Membership in other companies	Nil

The company has received the following Forms/details from the above Independent Directors

- Consent in writing to act as Director in Form DIR-2 under Rule 8 of the Companies (Appointment & Qualification of Directors) Rules 2014
- Intimation in Form DIR-8 under Rule 14 of the Companies (Appointment & Qualification of Directors) Rules 2014 to the effect that they are not disqualified under Section 164 of the Companies Act 2013 and
- A declaration to the effect that they meet the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act 2013

In the opinion of the Board of Directors the above Independent Directors fulfil the conditions specified in the Companies Act 2013 and the Rules made thereunder and they are independent of management

The Board considers that their continued association would be of immense benefit to the company and it is desirable to continue to avail the services of above Directors as Independent Directors

None of the Directors Key Managerial Personnel or their relatives except the said Independent Directors and their relatives are concerned or interested in the proposed Ordinary Resolutions

ITEM NOS. 6 & 7

Sri A K Perumalsamy and Sri T Gundan are the Independent Directors of the company whose period of office were liable to retirement by rotation under the provisions of the Companies Act 1956. The company has received notices along with requisite deposits proposing the candidature of above Directors for the office of Independent Directors under Section 160 of the Companies Act 2013

Pursuant to provisions of Sections 149, 152 Schedule IV of the Companies Act 2013 read with Companies (Appointment and Qualification of Directors) Rules 2014 it is proposed to appoint the above Independent Directors of the Company for a term of five consecutive years up to 14th September 2019

Brief profiles along with other details of the Independent Directors are as follows

I	Name of the Director	Sri A K Perumalsamy
	Director Identification Number	00313769
	Date of joining the Board	18.5.1984
	Profile of the Director	Sri A K Perumalsamy aged 73 years is associated with the company as Director since 18.5.1984. He has more than 50 years experience in sugarcane cultivation
	No. of shares held in the company	1500 equity shares
	Directorships and Committee Membership in other companies	Nil
II	Name of the Director	Sri T Gundan
	Director Identification Number	00624804
	Date of joining the Board	23.6.2008
	Profile of the Director	Sri T Gundan aged 72 years is associated with the company as Director since 23.6.2008. Sri T Gundan a Senior Cambridge is the Managing Director of Kothagiri Rob Roy Tea Estates Private Limited and has got rich experience in business. He is a member of Audit Committee



No. of shares held in the company Nil

Directorships and Committee

Membership in other companies

Madras Sugars Limited

Glenburn Estates and Enterprises Pvt Limited

Hotel Jagadeeswari Pvt Limited

Kothagiri Rob Roy Tea Estates Pvt Limited

Ootacamund Gymkhana Club

He is Chairman of Audit Committee of Madras Sugars Limited

The company has received the following Forms/details from the above Independent Directors:

- Consent in writing to act as Director in Form DIR-2 under Rule 8 of the Companies (Appointment & Qualification of Directors) Rules 2014
- Intimation in Form DIR-8 under Rule 14 of the Companies (Appointment & Qualification of Directors) Rules 2014 to the effect that they are not disqualified under Section 164 of the Companies Act 2013 and
- A declaration to the effect that they meet the criteria of independence as provided in Sub-Section (6) of Section 149 of the Companies Act 2013

In the opinion of the Board of Directors the above Independent Directors fulfils the conditions specified in the Companies Act 2013 and the Rules made thereunder and they are independent of management

The Board considers that their continued association would be of immense benefit to the company and it is desirable to continue to avail the services of above Directors as Independent Directors

None of the Directors Key Managerial Personnel or their relatives except the said Independent Directors and their relatives are concerned or interested in the proposed Ordinary Resolutions

ITEM NO. 8

The Board of Directors on the recommendation of the Audit Committee has approved the appointment of Sri M Nagarajan Cost Accountant as Cost Auditor to conduct audit of cost records of the company for the financial year ending March 31, 2015 and fixed his remuneration at Rs 150000/- plus reimbursement of actual out of pocket expenses

In accordance with the provisions of Section 148 of the Companies Act 2013 read with the Companies (Audit and Auditors) Rules 2014 the remuneration payable to the cost auditor has to be ratified by the shareholders of the company

Accordingly consent of the members is sought for passing an ordinary resolution as set out at Item No 8 of the notice for ratification of the remuneration payable to the cost auditor for the financial year ending March 31, 2015

None of the Directors Key Managerial Personnel or their relatives are in any way concerned or interested in the proposed ordinary resolution

ITEM NOS. 9 & 10

The members had accorded their consent to the Board of Directors to borrow a sum of Rs 300 crores over and above the aggregate of the paid up share capital and free reserves of the company under Section 293(1)(d) at the Annual General Meeting held on 22nd January 1996 Thereafter the company has acquired a sugar factory at Kunthur Village Kollegal Taluk in Karnataka and established a sugar factory at Kolundampattu Village Thiruvannamalai District in Tamilnadu The company has established co-generation facilities in all sugar factories Hence it has become necessary to borrow more funds from time to time

and considering the increase in volume of business the Board recommended the revised limit of Rs 500 crores over and above the aggregate of the paid up share capital and free reserves of the Company

The members of the company have authorized the Board of Directors through Postal Ballot on 5th October 2012 to create charges mortgages and hypothecations on the movable and immovable properties of the company under section 293(1)(a) of the Companies Act 1956

Under Section 180 of the Companies Act 2013 the power to borrow money in excess of the aggregate of paid up share capital and free reserves of the company and to create mortgages charges and hypothecations are required to be exercised only with the consent of the company by Special Resolutions

Hence approval of the members to borrow Rs 500 crores over and above the aggregate of the paid up share capital and free reserves of the company apart from temporary loans obtained / to be obtained from the company's bankers in the ordinary course of business under Section 180(1)(c) of the Companies Act 2013 and to create mortgages charges and hypothecations on the total assets of the company (both movable and immovable) under Section 180(1)(a) of the Companies Act 2013 is therefore now sought by way of Special Resolutions

None of the Directors Key Managerial Personnel or their relatives are in any way concerned or interested in the proposed Special Resolutions

Coimbatore
30.7.2014

By Order of the Board
C PALANISWAMY
Company Secretary