

K.P.R. MILL LIMITED

MINUTES OF THE 11th ANNUAL GENERAL MEETING OF THE MEMBERS OF K.P.R. MILL LIMITED HELD ON WEDNESDAY THE 27TH DAY OF AUGUST, 2014 AT 11.30 A.M. AT BALL ROOM, HOTEL THE RESIDENCY, AVINASHI ROAD, COIMBATORE – 641 018.

MEMBERS PRESENT:

In Person - 254

By Proxy - 28

DIRECTORS PRESENT - 10

Sri. K.P. Ramasamy, Chairman Occupied the chair.

The Company Secretary announced "The Meeting call to order".

The Quorum being present, the Meeting commenced with prayer.

The Company Secretary announced the following:

- a. The Register of Directors' shareholding maintained pursuant to the provisions of Section 307 of the Companies Act, 1956 is open for inspection.
- b. Proxies and Register of proxies are placed on the table and are open for inspection by the Members of the Company.
- c. 40 nos. valid Proxies for 7,63,863 Equity Shares have been received within the prescribed time limit. Further 1 Authorization pursuant to Section 113 of the Companies Act 2013 for 10,38,000 Equity Shares has been received from a Body Corporate.

It was noted that :

- ✓ The Chairman of the Audit Committee and the Nomination & Remuneration Committee Sri. M.J.Vijayaraaghavan was present.
- ✓ Sri.K.Sabapathy Chairman, Stakeholders Relationship Committee has authorized Sri. M.J.Vijayaraaghavan to represent at the meeting for and on behalf of him as the Chairman of the said committee.

The Chairman welcomed the Members present.

The Chairman informed that the Notice of the 11th Annual General Meeting of the Company circulated to the Members may be taken as read.

As requested by the Chairman, the Statutory Auditors M/s. Deloitte Haskins & Sells, represented by its Partner Sri. C.R. Rajagopal, read the Auditors Report on the Financials of the Company for the year ended 31st March, 2014.

The Chairman informed that:

- ✓ In pursuance of the Listing agreement, E-Voting and Postal Ballot facilities were extended to all the Shareholders of the company to facilitate Voting on the Subjects/Resolutions contained in the 11th AGM notice.



- ✓ To conduct the voting procedure in a fair and transparent manner ,a Scrutinizer was appointed. Accordingly the Scrutinizer conducted the voting process and submitted his report on the voting polled , to the Chairman of the company.
- ✓ As per the said Report, the results of the voting on the Subjects/ Resolutions, contained in the Agenda of the meeting will be announced.

Then the subjects contained in the Agenda were taken up.

The Chairman stated that the Annual Report containing the Financial Reports for the year ended 31st March 2014 was circulated to the entire Shareholders through post /e-mail and hoped that the same would have been perused by the Members and be taken as read. He invited the Members for discussions on the same .Some of the Members viz., K.S.Balasubramanian, M.Rajangam, CS.Pillai, Alagappan, Balasubramanian, Ramasamy and Arumugam participated in the discussions congratulating the Management for the commendable performance of the Company and for the declaration of considerable dividend for the Financial Year 2013-2014.During their speech they conveyed their hope that the Company would repeat the excellent performance in the years to come also. A few members expressed their views on Sugar Industry as a whole.

The Chairman thanked the Members for their congratulatory remarks & suggestions and responded to the various queries raised by them.

As advised and authorised by the Chairman, the Company Secretary conveyed the results of E-Voting/Postal Ballot on the Resolutions/Subjects covered in the Notice of 11th AGM as follows,

1. CONSIDERATION OF ANNUAL ACCOUNTS, REPORTS ETC- RESOLUTION

“RESOLVED that the Audited Balance Sheet as at 31st March 2014 and the Statement of Profit & Loss for the year ended on that date together with the Directors’ Report and Auditors’ Report thereon, be and are hereby approved and adopted”.

The Resolution is passed on the E-Voting/Postal Ballot.

2. DECLARATION OF DIVIDEND - RESOLUTION

“Resolved That a Final Dividend of Rs.3/- per Equity Share of the Company, which together with the Interim Dividend of Rs.4/- per share declared in October 2013, would aggregate to a total Dividend of Rs.7/- per share (70%), for the Financial year 2013-2014 be paid to those Share holders who are entitled for the same”.

The Resolution is passed on the E-Voting/Postal Ballot.

3. RE-APPOINTMENT OF RETIRING DIRECTOR SRI.SHUJAAT KHAN- RESOLUTION

“Resolved That Mr.Shujaat Khan, who retires by rotation and is eligible for re-appointment, be and is hereby re-appointed as a Director of the Company”.

The Resolution is passed on the E-Voting/Postal Ballot.



4. APPOINTMENT OF STATUTORY AUDITORS & FIX THEIR REMUNERATION- RESOLUTION

"RESOLVED THAT M/s.Deloitte Haskins & Sells, Chartered Accountants (ICAI Registration no.008072S) the retiring Auditors, be and are hereby appointed as Auditors of the Company to hold office until the conclusion of the next Annual General Meeting of the Company to audit the accounts of the Company for the Financial Year 2014 – 15 and on recommendation of Audit Committee, the Managing Director be and is hereby authorized to fix their remuneration plus traveling and other out of pocket expenses incurred by them in connection with the audit."

The Resolution is passed on the E-Voting/Postal Ballot.

5. APPOINTMENT OF DR.K.SABAPATHY AS INDEPENDENT DIRECTOR-RESOLUTION

"RESOLVED that pursuant to the provisions of Sections 149,150, 152 and any other applicable provisions of the Companies Act,2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act,2013, Dr. K. Sabapathy (holding DIN 00001794), Director of the Company who retires by rotation at the Annual General Meeting be and is hereby appointed as an Independent Director of the Company to hold office for a term of five consecutive years up to 31st March, 2019."

The Resolution is passed as Special Resolution on the E-Voting/Postal Ballot.

6. APPOINTMENT OF G.P.MUNIAPPAN AS INDEPENDENT DIRECTOR-RESOLUTION

"RESOLVED that pursuant to the provisions of Sections 149, 150,152 and any other applicable provisions of the Companies Act,2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Sri.G.P.Muniappan (holding DIN 01653599), Director of the Company who retires by rotation at the Annual General Meeting be and is hereby appointed as an Independent Director of the

Company to hold office for a term of five consecutive years up to 31st March, 2019."

The Resolution is passed as Special Resolution on the E-Voting/Postal Ballot.

7. APPOINTMENT OF M.J.VIJAYARAAGHAVAN AS INDEPENDENT DIRECTOR-RESOLUTION

"RESOLVED that pursuant to the provisions of Sections 149, 150,152 and any other applicable provisions 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) read with Schedule IV to the Companies Act, 2013, Sri. M.J.Vijayaraaghavan (holding DIN 00013948), Director of the Company whose period of office is liable to determination by retirement of directors by rotation and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for a term of five consecutive years up to 31st March, 2019."

The Resolution is passed as Special Resolution on the E-Voting/Postal Ballot.



8. APPOINTMENT OF K.N.V. RAMANI AS INDEPENDENT DIRECTOR-RESOLUTION

"RESOLVED that pursuant to the provisions of Sections 149,150, 152 and any other applicable provisions of the Companies Act,2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Sri. K.N.V.Ramani (holding DIN 00007931), Director of the Company whose period of office is liable to determination by retirement of directors by rotation and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for a term of five consecutive years up to 31st March, 2019."

The Resolution is passed as Special Resolution on the E-Voting/Postal Ballot.

9. APPOINTMENT OF A.M.PALANISAMY AS INDEPENDENT DIRECTOR-RESOLUTION

"RESOLVED that pursuant to the provisions of Sections 149, 150,152 and any other applicable provisions 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) read with Schedule IV to the Companies Act, 2013, Sri. A.M.Palanisamy (holding DIN 00112303), Director of the Company whose period of office is liable to determination by retirement of directors by rotation and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for a term of five consecutive years up to 31st March, 2019."

The Resolution is passed as Special Resolution on the E-Voting/Postal Ballot.

10. APPOINTMENT OF C.THIRUMURTHY AS INDEPENDENT DIRECTOR-RESOLUTION

"RESOLVED that pursuant to the provisions of Sections 149,150, 152 and any other applicable provisions of the Companies Act,2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act,2013, Sri.C.Thirumurthy (holding DIN 00001991), Director of the Company whose period of office is liable to determination by retirement of directors by rotation and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for a term of five consecutive years up to 31st March, 2019."

The Resolution is passed as Special Resolution on the E-Voting/Postal Ballot.

11. TO ACCORD BORROWING POWER TO BOARD OF DIRECTORS - RESOLUTION

"RESOLVED THAT pursuant to the provisions of section 180 (1)(c) of the Companies Act, 2013 and in pursuance of all earlier Resolutions passed in this regard under the Companies Act, 1956, consent of the company be and is hereby accorded to the Board of Directors of the Company and / or any Committee thereof to borrow at its



discretion, either from the Company's Bank or any other Indian or Foreign Bank(s), Financial Institution(s) and /or any other lending Institution or Persons from time to time such sum(s) of money(s) and the sum(s) to be borrowed together with the money(s) already borrowed by the Company (apart from temporary loans obtained from the Company's Bankers/Financial Institution in the ordinary course of business) with or without security on such terms and conditions as they may think fit may exceed the aggregate of the Paid-up Capital and Free Reserves of the Company that is to say, Reserves not set apart for any specific purpose, provided that the total amount of borrowing together with the money(s) already borrowed by the Board of Directors shall not exceed the sum of ₹ 3000 Crores (Rupees Three Thousand Crores only) at any one time."

The Resolution is passed as Special Resolution on the E-Voting/Postal Ballot.

12. TO ACCORD SECURITY CREATION POWER TO BOARD OF DIRECTORS- RESOLUTION

"RESOLVED THAT pursuant to the provisions of section 180 (1) (a) of the Companies Act, 2013 and subject to other approvals, if applicable or required under any statute(s)/ rule(s) regulation(s) or any law for the time being in force or required

from any other concerned authorities and in pursuance of earlier Resolutions passed in this regard under the Companies Act, 1956, the Board of Directors of the Company and / or any committee thereof, be and are hereby authorized and shall be deemed to have always been so authorized to create such mortgages/charges/hypothecation and / or other encumbrances, in addition to the existing mortgages, charges, hypothecation and other encumbrances, if any, created by the company on all or any part of the immovable and /or movable properties, current and / or fixed assets, tangible or intangible assets, book debts and/or claims of the Company wheresoever situate, present and future, with power to enter upon and take possession of assets of the company in certain events when so provided in the agreement(s) entered into, such charges to rank either pari-passu with or second, subsequent, subservient and subordinate to all mortgages, charges, hypothecation and other encumbrances created / to be created by the Company in favor of Indian or Foreign Financial Institutions, Banks and other Lending Institutions and / or to such other persons, if any, from whom the Company has / or proposed/proposes to borrow money / sums of money's by way of term loans, cash credits, over drafts, discounting of bills, inter-corporate deposits, commercial papers or such other financial instruments permitted to be issued by the appropriate authorities from time to time together with interest, cost, charges and other incidental expenses and other monies in terms of the agreement(s) entered / to be entered into by the Board of Directors/any Committee thereof of the Company within the overall borrowing limits of ₹ 3000 Crores (Rupees Three Thousand Crores only) as fixed pursuant to section 180 (1) (c) of the Companies Act, 2013."

The Resolution is passed as Special Resolution on the E-Voting/Postal Ballot.



13. TO APPOINT K.P.RAMASAMY AS EXECUTIVE CHAIRMAN-RESOLUTION

RESOLVED THAT pursuant to the Provisions of Sections 196, 197 and 198 and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule V of the said Act, including any statutory modification(s) or re-enactment thereof, for the time being in force, Sri. K.P.Ramasamy be and is hereby re-appointed as Executive Chairman of the Company for a period of 5 (Five) years with effect from 1.4.2015 upon the Remuneration, Perquisites, Terms and Conditions as detailed in the Explanatory Statement under Section 102 of the Companies Act, 2013 annexed to the Notice convening the Meeting and reproduced as below:

1. Terms of Re-appointment: 5 (Five) years from 01.04.2015 to 31.03.2020

2. Remuneration

I. Salary:

₹ 6,00,000/- (Rupees Six Lakhs only) per month or ₹ 72,00,000/- (Rupees Seventy Two Lakhs only) per annum.

II. Provident Fund:

As per the Rules of the Company and as applicable to other employees of the Company. Contribution to Provident Fund, Superannuation Fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.

III. Gratuity:

As per the Rules of the Company and as applicable to other employees of the Company at a rate not exceeding half a month's salary for each completed year of service.

IV. Encashment of Leave:

Encashment of Leave at the end of tenure as per the Rules of the Company.

V. Medical Reimbursement:

Medical expenses incurred for self and family subject to a ceiling of one month's salary in a year or three months salary over a period of 3 years.

VI. Leave Travel Concession:

For self and family once in a year in accordance with the Rules of the Company.

VII. Club fees:

Fees of Clubs subject to a maximum of two clubs, excluding admission and life membership fees.

VIII. Car, Telephone at Residence:

Car with driver for use of the Company's business, Mobile Phone and Telephone at residence. Personal and long distance calls and use of car for private purpose shall be



billed by the Company.

IX. Commission:

2½% (Two and a Half per cent) of the Net Profits of the Company arrived at as per Section 198 of the Companies Act, 2013. The total remuneration including allowances and perquisite shall not exceed the limits specified in Sections 196, 197 and 198 of the Companies Act, 2013 read with Schedule V.

IX. Minimum Remuneration:

In the event of absence or inadequacy of profits in any financial year during the tenure of their re-appointment, they shall be paid the above remuneration subject to the provisions of Schedule V.

The Resolution is passed as Special Resolution on the E-Voting/Postal Ballot.

14. TO APPOINT KPD.SIGAMANI AS MANAGING DIRECTOR-RESOLUTION

RESOLVED THAT pursuant to the Provisions of Sections 196,197 and 198 and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule V of the said Act, including any statutory modification(s) or re-enactment thereof, for the time being in force, Sri.KPD Sigamani be and is hereby re-appointed as Managing Director of the Company for a period of 5 (Five) years with effect from 01.04.2015 upon the Remuneration, Perquisites, Terms and Conditions as detailed in the Explanatory Statement under Section 102 of the Companies Act, 2013 annexed to the Notice convening the Meeting and reproduced as below:

1. Terms of Re-appointment: 5 (Five) years from 01.04.2015 to 31.03.2020

2. Remuneration

I. Salary:

₹ 6,00,000/- (Rupees Six Lakhs only) per month or ₹ 72,00,000/- (Rupees Seventy Two Lakhs only) per annum.

II. Provident Fund:

As per the Rules of the Company and as applicable to other employees of the Company. Contribution to Provident Fund, Superannuation Fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.

III. Gratuity:

As per the Rules of the Company and as applicable to other employees of the Company at a rate not exceeding half a month's salary for each completed year of service.

IV. Encashment of Leave:

Encashment of Leave at the end of tenure as per the Rules of the Company.



V. Medical Reimbursement:

Medical expenses incurred for self and family subject to a ceiling of one month's salary in a year or three months salary over a period of 3 years.

VI. Leave Travel Concession:

For self and family once in a year in accordance with the Rules of the Company.

VII. Club fees:

Fees of Clubs subject to a maximum of two clubs, excluding admission and life membership fees.

VIII. Car, Telephone at Residence:

Car with driver for use of the Company's business, Mobile Phone and Telephone at residence. Personal and long distance calls and use of car for private purpose shall be billed by the Company.

IX. Commission:

2½% (Two and a Half per cent) of the Net Profits of the Company arrived at as per Section 198 of the Companies Act, 2013. The total remuneration including allowances and perquisite shall not exceed the limits specified in Sections 196, 197 and 198 of the Companies Act, 2013 read with Schedule V.

IX. Minimum Remuneration:

In the event of absence or inadequacy of profits in any financial year during the tenure of their re-appointment, they shall be paid the above remuneration subject to the provisions of Schedule V.

The Resolution is passed as Special Resolution on the E-Voting/Postal Ballot.

15. TO APPOINT P.NATARAJ AS MANAGING DIRECTOR-RESOLUTION

RESOLVED THAT pursuant to the Provisions of Sections 196, 197 and 198 and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule V of the said Act, including any statutory modification(s) or re-enactment thereof, for the time being in force, the approval of the Company be and is hereby accorded to the re-appointment of Sri. P. Nataraj as Managing Director of the Company for a period of 5 (Five) years with effect from 01.04.2015 upon the Remuneration, Perquisites, Terms and Conditions as detailed in the Explanatory Statement under Section 102 of the Companies Act, 2013 annexed to the Notice convening the Meeting and reproduced as below:

1. Terms of Re-appointment: 5 (Five) years from 01.04.2015 to 31.03.2020

2. Remuneration

1. Salary:

₹ 6,00,000/- (Rupees Six Lakhs only) per month or ₹ 72,00,000/- (Rupees Seventy Two



Lakhs only) per annum.

II. Provident Fund:

As per the Rules of the Company and as applicable to other employees of the Company. Contribution to Provident Fund, Superannuation Fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.

III. Gratuity:

As per the Rules of the Company and as applicable to other employees of the Company at a rate not exceeding half a month's salary for each completed year of service.

IV. Encashment of Leave:

Encashment of Leave at the end of tenure as per the Rules of the Company.

V. Medical Reimbursement:

Medical expenses incurred for self and family subject to a ceiling of one month's salary in a year or three months salary over a period of 3 years.

VI. Leave Travel Concession:

For self and family once in a year in accordance with the Rules of the Company.

VII. Club fees:

Fees of Clubs subject to a maximum of two clubs, excluding admission and life membership fees.

VIII. Car, Telephone at Residence:

Car with driver for use of the Company's business, Mobile Phone and Telephone at residence. Personal and long distance calls and use of car for private purpose shall be billed by the Company.

IX. Commission:

2½% (Two and a Half per cent) of the Net Profits of the Company arrived at as per Section 198 of the Companies Act, 2013. The total remuneration including allowances and perquisite shall not exceed the limits specified in Sections 196, 197 and 198 of the Companies Act, 2013 read with Schedule V.

IX. Minimum Remuneration:

In the event of absence or inadequacy of profits in any financial year during the tenure of their re-appointment, they shall be paid the above remuneration subject to the provisions of Schedule V.

The Resolution is passed as Special Resolution on the E-Voting/Postal Ballot.

The Chairman thanked the Members for enabling the Company to pass the entire Resolutions unanimously and for the active deliberation of the Members at the Meeting.



Sri.KPD Sigamani, Managing Director delivered Vote of Thanks.

With the following statement by the Company Secretary, the Meeting was concluded.

"The Meeting is adjourned"

Coimbatore


12.09.2013

(sd/-)

CHAIRMAN

CERTIFIED TRUE COPY

For K.P.R. MILL LIMITED


Company Secretary