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MINUTES OF THE 26TH ANNUAL GENERAL MEETING OF IFB
AGRO INDUSTRIES LIMITED HELD ON 29TH AUGUST 2008
AT 10.00 A.M. AT PASCHIMBANGA BANGLA ACADEMY,
RABINDRA OKAKURA BHAWAN, 27A/1, D.D. BLOCK, SECTOR-1,
SALT LAKE, KOLKATA-700 064

Directors Present : Mr Bikramjit Nag
Mr A.K. Banerjee
Mr Nandan Bhattacharya
Mr A.K. Nag
Mr Allen Lawrence
Mr H.R. Agarwal
Mr M.K. Vijay

50 Members were present in person and 11 Members by proxy.

By reason of absence of Mr. Bijon Nag, Chairman of the Board of Directors, the name of Mr Bikramjit Nag, Executive Director of the Company was proposed to Chair the Meeting by Mr. A.K.Nag and seconded by Mr. Nandan Bhattacharya, Director. Mr. Bikramjit Nag accordingly took the Chair.

The Chairman requested the members present to observe one minute's silence as a mark of respect to Mr K. Srinivasan, Vice Chairman of the Company who had expired in February 2008.

The Chairman, having ascertained that the requisite quorum for the Meeting was present, called the meeting to order.

The Register of Attendance, Register of Proxies and other statutory Registers of the Company produced at the commencement of the meeting, were kept open and were accessible during the continuance of the meeting to the persons having right to attend the meeting.

At the beginning the meeting, the authorized representative attending on behalf of one Sicgil India Limited, a shareholder of the Company stated that for consecutive last four years Sicgil India Ltd. and its other supporting group shareholders had been receiving the notice calling the meeting only a few days before the date of the meeting by reason of which he could not lodge proxies on their behalf. The Chairman after listening to his grievances, informed him that notice calling the annual general meeting had been dispatched within the prescribed time by 4 August 2008 and that in view of the complain now received, adequate care shall be taken by the Company to post the notices further in advance.

Notice dated 30th July 2008 convening the Annual General Meeting, having been circulated amongst the members of the Company, was taken as read by general consent.

The Chairman welcomed the members to the Annual General Meeting and introduced the Board members sitting on the dais.

The Chairman thereafter briefed the shareholders about various aspects of the working of the Company. It was stated that the Company had achieved 20% growth in Gross Sales during the year 2007-08. During the last quarter the profits had come down as the Molasses prices had gone up due to scarcity of Molasses and transport costs having also increased resulting in higher costs and lower sales volume. In order

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to conserve the resources of the Company and to deploy the same in the capital expenditure at its distillery and the proposed Bottling plant, the Board had not recommended any dividend for this year.

The Chairman briefed the shareholders also about the developments in various divisions of the Company and their performance. He also expressed his gratitude towards the Bankers and shareholders of the Company.

The Audited Annual Accounts for the year ended March 31, 2008 being the Balance Sheet made as at that date together with the Auditors' Report and Directors' Report thereon were placed before the meeting. The Auditors' Report was read out by Mr. Rahul Choudhary, Secretary of the Company.

The Shareholders considered the Profit & Loss Accounts and Cash Flow for the year ended 31.3.2008 and the Balance Sheet as at that date alongwith the Auditors' Report and Directors' Report with annexure attached thereto. Thereafter, the Chairman invited the members present to raise queries and comments on the Audited Accounts of the Company.

Few queries were raised by Mr. V.N.Vijay Kumar representative of SICGIL India Limited on the Audited Accounts of the Company for the year ended March 31, 2008. The queries were regarding declaration of dividend, sale of Carbon credits, option to issue shares on Rights basis rather than the preferential route, disqualification u/s 274(1)(g), disclosure of Information u/s 217(2A), applicability of section 58A, applicability of Central Government approval for related party contracts, status of approval for excess remuneration paid to the MD during 2000-2001, which were answered by the Chairman to the satisfaction of the members.

1. Mr. J.N. Kundu, member proposed and Mr. Somen Bal, member seconded the following resolution as an **Ordinary Resolution**.

"RESOLVED that the Audited Balance Sheet as on 31st March, 2008 and Profit & Loss Accounts and the Cash Flow for the year ended on that date together with Auditors' Report and Directors' Report thereon as published and circulated to all the shareholders and submitted at this meeting be and are hereby approved and adopted".

The Resolution was put to vote and declared carried unanimously.

2. Mr J. N. Kundu, member proposed and Mr Uttam Bhattacharya, member seconded the following resolution as an **Ordinary Resolution**.

"RESOLVED that Mr Nandan Bhattacharya, Director who retires from the Board by rotation and being eligible, offers himself for reappointment, be and is hereby reappointed as Director of the Company."

The Resolution was put to vote and declared carried unanimously.

3. Mr Uttam Bhattacharya, member proposed and Mr Somen Bal, member seconded the following resolution as an **Ordinary Resolution**.

"RESOLVED that Mr. A. K. Nag, Director who retires from the Board by rotation and being eligible, offers himself for reappointment, be and is hereby reappointed as Director of the Company."

The Resolution was put to vote and declared carried unanimously.

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4. Mr Subrata Dasgupta, member proposed and Mr T.K.Mukherjee member seconded the following resolution as an **Ordinary Resolution**.

"RESOLVED that M/s Maheshwari & Associates, Chartered Accountants of 8B, Middleton Street, Kolkata - 700 071 be and are hereby reappointed the Auditors of the Company from the conclusion of this Annual General Meeting upto the next Annual General Meeting of the Company and the Board of Directors be and is hereby authorised to fix their remuneration."

On being put to vote by show of hands, the above Resolution was carried unanimously.

5. Mr. Somen Bal, member proposed and Mr. J.N.Kundu member seconded the following resolution as an **Ordinary Resolution**.

"RESOLVED that Mr. H.R.Agarwal, Director who vacates the office of the Board by reason of Section 260 of the Companies Act, 1956, read with Article 83 of the Articles of Association of the Company, but, being eligible, offers himself for re-appointment, be and is hereby reappointed as Director of the Company."

On being put to vote by show of hands, the above Resolution was carried unanimously.

6. Mrs. Ratna Devi Agarwal, member proposed and Mr. J.N.Kundu member seconded the following resolution as an **Ordinary Resolution**.

"RESOLVED that Mr. M.K.Vijay, Director who vacates the office of the Board by reason of Section 260 of the Companies Act, 1956, read with Article 83 of the Articles of Association of the Company, but, being eligible, offers himself for re-appointment, be and is hereby reappointed as Director of the Company."

On being put to vote by show of hands, the above Resolution was carried unanimously.

7. Mr. T.K.Mukherjee, member proposed and Mr. Subrata Dasgupta member seconded the following resolution as a **Special Resolution**.

"RESOLVED THAT pursuant to the provisions of Section 81(1A) and all other applicable provisions, if any, of the Companies Act, 1956 (including any amendment thereto or re-enactment thereof), applicable rules, guidelines, regulations, notifications and circulars of the Securities and Exchange Board of India ("SEBI"), Reserve Bank of India ("RBI") and other concerned and relevant authorities and enabling provisions of the Memorandum and Articles of Association of the Company, the listing agreements entered into by the Company with the Stock Exchanges where the shares of the Company are listed, in accordance with the applicable provisions of the SEBI (Disclosure and Investor Protection) Guidelines, 2000 ("Guidelines") and subject to the consent, approval, permission or sanction of SEBI, RBI and any other bodies, authorities and institutions, as may be necessary and further subject to such terms and conditions as may be prescribed by any of them while granting any approval, consent, permission or sanction and considered appropriate by the Board of Directors (hereinafter referred to as "Board" which shall be deemed to include any committee which the Board may constitute to exercise its powers) at its absolute discretion, the Company is hereby accorded to create, offer, issue and allot upto 3,00,000 Equity shares of nominal value of Rs 10 each, on a

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preferential basis (hereinafter referred to as "Shares") to such companies, promoters, persons of management group, their respective friends, relatives, and associates ("Allottees") as the Board may decide in its absolute discretion, at a price of Rs 67/- per share ("Consideration") which includes a premium of Rs.57/- per share calculated in accordance with the Guidelines for preferential allotment of equity shares and on such terms and conditions as may be decided and deemed appropriate by the Board at the time of issue or allotment."

RESOLVED FURTHER THAT the 'relevant date' in relation to the issue and for the purposes of pricing of Equity shares in accordance with Explanation (a) to Clause 13.1.1 of the Guidelines would be, 30th Day of July 2008, being the date 30 days prior to the date on which this meeting of the members is held."

RESOLVED FURTHER THAT the issue of Equity, if any, as above, shall be subject to the following terms and conditions:

1. The applicants for Equity shares shall, on or before the date of allotment, pay an amount equivalent to 100% of the consideration per share.
2. The equity shares so allotted shall rank pari passu, with existing equity shares of the Company.
3. The lock in of equity shares acquired by the Allottees shall be for a period of 3 years from the date of the allotment.
4. The equity shares acquired are transferable among the promoter/promoter group inter se in accordance with the provisions of the Guidelines.
5. The allotment of equity shares and creeping acquisition of share(s), if any, by promoters together shall not exceed 5% of the prevailing resultant share capital of the Company or such other limit as may be prescribed by appropriate authority from time to time during any financial year ending 31st March and that promoters shall comply with the provisions of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 1997 as amended and prevailing from time to time.

"RESOLVED FURTHER THAT the Board be and is hereby authorised in its entire discretion to decide to proceed with the issue of the Equity shares, to finalise the list of Allottee(s) including the size and relative components of the same and for the purpose of giving effect to this issue or allotment of equity shares and to do all such acts, deeds, matters and things as it may deem necessary or desirable for such purpose, including without limitation, appointment of consultants, solicitors, merchant bankers, or any other agencies as may be required, and entering into arrangements for listing, trading, depository services and such other arrangements and agreements as may be necessary, and also to seek listing of the equity shares representing the same in any Indian Stock Exchanges with power on behalf of the Company to settle any questions, difficulties, or doubts that may arise in regard to any such issue, offer or allotment of equity shares and in complying with any regulations, as it may in its absolute discretion deem fit, without being required to seek any further clarification, consent or approval of the members or otherwise to the end and intent that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution."

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"RESOLVED FURTHER THAT for the purpose of giving effect to the aforesaid Resolution, the Board be and is hereby authorized to agree to, make and accept such conditions, modifications and alterations as may be stipulated by the relevant authorities and to take such actions as may be necessary, desirable or expedient to effect such modifications and alterations and to resolve and settle all questions and difficulties that may arise in the proposed issue and allotment of equity shares and the underlying shares and to do all acts, deeds, matters and things as it may at its discretion consider necessary or desirable."

"RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred to any Committee of Directors to give effect to the aforesaid resolution."

Upon the resolution being put to vote by show of hands, the authorized representative of Sicgil India Limited, a shareholder of the Company, stood up and stated that by reason of the late receipt of the notice calling the annual general meeting, he could not lodge several proxies and could only fax the same to the Company one day before the meeting and that such proxies had been rejected by the Company. He therefore was in doubt whether or not to demand poll, and ultimately did demand a poll to be taken up on the said resolution. Such demand for poll was forthwith acceded to by the Chairman and he declared that the poll will be conducted on the next date, i.e. on 30 August 2008 at the Registered office of the Company between 11 AM to 12 noon. Upon such declaration, the representative of the said Sicgil India Ltd. unconditionally withdrew his demand for the poll stating that he was not available on the next date.

The Chairman accordingly put the said resolution to vote by show of hands. The above Resolution was passed by the requisite majority.

8. Mr. J.N.Kundu, member proposed and Mr. Ritesh Agarwal member seconded the following resolution as a **Special Resolution**.

"RESOLVED THAT pursuant to Sections 198, 269, 309, 310, 311, Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 the Company hereby accords its approval to the appointment of, and terms of remuneration of Mr. Arup Kumar Banerjee as Managing Director for a period of three years with effect from 30th July, 2008 on such terms and conditions as set out in Explanatory Statement, with liberty given to the Board of Directors to alter and vary the terms and conditions in such manner as may be agreed to by and between the Company and Mr. Arup Kumar Banerjee provided however, such alterations are within the maximum limits laid down in the Companies Act, 1956 for the time being in force."

On being put to vote by show of hands, the above Resolution was passed unanimously.

There being no other business to transact the Meeting ended with a vote of thanks to the Chair.

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