

HELD AT _____

ON _____

TIME _____

MINUTES OF THE 76TH ANNUAL GENERAL MEETING OF THE SHAREHOLDERS OF KESAR ENTERPRISES LTD. HELD ON THURSDAY 23RD DECEMBER, 2010 AT 3:30 P.M. AT M. C. GHIA HALL, BHOGILAL HARGOVINDAS BUILDING, 2ND FLOOR, 18/20, KAIKHUSHRU DUBASH MARG, MUMBAI 400001 WHEREIN THE FOLLOWING SHAREHOLDERS WERE PRESENT

Shri H. R. Kilachand ...	Chairman & Managing Director and Member
Shri A. S. Ruia ...	Director & Member
Shri K. Kannan ...	Director & Member
Shri K. D. Sheth ...	Director & Member
Smt. M. H. Kilachand ...	Director & Member
Shri N. J. Vakil ...	Director & Member
Shri Ajeet Prasad ...	Director & Member
Shri D. J. Shah ...	Vice President (Legal) & Company Secretary and Member
Shri N. N. Jambusaria ...	Partner, M/s Haribhakti & Co., Statutory Auditors

and 63 other Shareholders including proxy holders as per the Attendance Register.

Shri H. R. Kilachand, Chairman & Managing Director took the Chair. As the requisite quorum was present, he called the Meeting to order at 3:30 p.m.

The Chairman welcomed the Shareholders present at the Meeting and introduced the Directors present.

The Chairman stated that Shri N. N. Jambusaria, of M/s. Haribhakti & Co., the Auditors of the Company, and Smt. Ragini Chokshi, Practicing Company Secretary were present at the meeting.

The Chairman announced that 26 valid proxies for 37,36,294 shares representing 55.03% of the total voting power, were received. The Proxy Register and duly filled in proxy forms were laid on the table and were kept open for inspection.

The Register of Directors' Shareholding was placed on the table and was kept open & accessible for the Shareholders during the continuance of the Meeting.

The Notice dated 22nd November, 2010, convening the Meeting was taken as read with the permission of the Shareholders.

The printed Statement of the Chairman, giving the gist of operations of the various Divisions of the Company during the years 2009-10 and 2010-11, was circulated before the Meeting. The same was taken as read with the permission of the Shareholders. However, the Chairman briefly reviewed the working of the Company for the years 2009-10 and 2010-11. At the outset, the Chairman thanked the Shareholders for voting in favour of the Scheme of Arrangement for Demerger of the erstwhile Storage Division of the Company. He stated that the process of Demerger was complete and Kesar Terminals & Infrastructure Ltd. was functioning as a separate Company. Its shares were listed on the Stock Exchanges from 22.12.2010. As it had a great future, he expected that its Shareholders would benefit substantially in future.



CHAIRMAN'S INITIALS _____

HELD AT _____ ON _____ TIME _____

The Chairman then briefed the Shareholders about the performance of the Company during the year. The previous year was very unusual for the Company due to shortage of sugarcane; increase in the State Advised Price (SAP) of sugarcane by Rs.25/- a quintal fixing it to Rs.165/- a quintal. However, the Company had to pay a much higher price of Rs.270 a quintal due to shortage of cane; very high fluctuations in the sugar prices; compulsion for the Company to sell sugar at a very low price due to various government measures like restricting the stock limit for institutional buyers & wholesalers, higher monthly quota as against the demand etc., which affected heavily the working of the last year resulting into lower profits.

For the current year season, he said that the Central Government has fixed an FRP of Rs.139/- a quintal and the State Government has announced a hike in cane price to Rs.205 a quintal; the factory would run for the entire season due to more plantation of cane in the surrounding areas due to higher cane price; sugar recovery could be much higher; sugar prices could be higher due to government measures to protect the sugar factory like announcement of sugar export; increasing trend in international prices of sugar anticipating shortage of sugar world-over. The Distillery would also run at a full capacity and overall it is expected to do better than last year. The seed business is expected to do well this year. Regarding expansion and modernisation, he said that the Company had started construction of the Co-generation Power Plant on 15.12.2010; the purchase orders for Boiler & Turbines were issued; power purchase agreement was signed and the Plant would be commissioned by March 2012, and would be the most efficient Co-generation power plant in the country and will give substantial returns to the Company.

Thereafter, the Auditor's Report to the Shareholders was read by Shri D. J. Shah, Vice President (Legal) & Company Secretary.

RESOLUTION NO.: 1

The Chairman then proposed the following as an **Ordinary Resolution**:

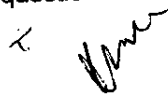
'RESOLVED THAT the Balance Sheet as at 30th June 2010, Profit & Loss A/c. for the year ended on that date together with the Directors' Report and Auditor's Report thereon, be and are hereby received, approved and adopted."

Before the said resolution was put to vote, the Chairman invited the Shareholders to speak on the Statement of Accounts placed before the Meeting.

The shareholders viz. Shri Hariram Chaudhary, Smt. Shobhana Mehta, Shri Jadhav Jhaveri, Shri P. D. Shah, Shri Aspi Bhesania, Smt. C. E. Mascarenhas and Smt. Ashalata Maheshwari expressed their views on various matters pertaining to the Company and requested for information / enquired about various matters like possibility of the Company's plan to venture into solar power; welfare activities / donations; capex plan; export turnover; present strength of the employees; cost per unit of the power to be produced; sugar content of sugarcane crushed; sales target for the year 2010-11; existing rates of the Fixed Deposit Schemes; reason for absence of GIC Nominee Director Shri I. S. Phukela at the meeting; amount of salary drawn by Shri H. R. Kilachand from both the Companies i.e. KEL and Kesar Terminals and Infrastructure Ltd.; future plans of the Agrotech Division; increase in the rate of dividend; welcomed Shri Ajeet Prasad on Board; suggested to appointment Shri H. R. Kilachand for 5 years instead of 3 years; congratulated the Chairman on listing shares of Kesar Terminals and Infrastructure Limited and appreciated the efforts taken by the Management in unlocking value for the Shareholders; suggested to increase substantially the remuneration of Shri Rohan H. Kilachand, Executive (Projects) as per market rate considering his experience and qualification etc.

The Chairman replied satisfactorily to the above questions.



CHAIRMAN'S INITIALS

HELD AT _____

ON _____

TIME _____

Then, Shri J. P. Maheshwari seconded the said resolution. Thereafter, the resolution was put to vote and was declared carried unanimously.

RESOLUTION NO.: 2

Shri Bharat Negandhi proposed the following Resolution as an Ordinary Resolution for declaration of Dividend for the year 2009-10 @ Re.0.10 (1%) per share on 20,00,000 Cumulative Redeemable Preference Shares of Rs.10/- each issued to IDBI Ltd.

"RESOLVED THAT pursuant to the provisions of Section 205 of the Companies Act, 1956, Dividend for the year 2009-10 @ Re.0.10 (1%) per share on 20,00,000 Cumulative Redeemable Preference Shares of Rs.10/- each, issued to IDBI Ltd., amounting to Rs.2.00 lac plus dividend tax as applicable be and is hereby declared."

Smt Shobhana Mehta seconded the same. The Resolution was then put to vote and was declared carried unanimously.

RESOLUTION NO.: 3

Smt. C Mascarenhas proposed the following Resolution as an Ordinary Resolution for the declaration of Dividend @ Re.1.00 per equity share of Rs.10/- each (10%), for the year 2009-10 on 67,90,162 equity shares.

"RESOLVED THAT pursuant to the provisions of Section 205 of the Companies Act, 1956, Dividend @ Re.1.00 per equity share of Rs.10/- each (10%) for the year 2009-10 on 67,90,162 equity shares amounting to Rs.67.90 lac plus dividend tax as applicable, be and is hereby declared AND THAT the said Dividend be paid to the Shareholders of the Company whose names stand on the Register of Shareholders and Share Transfer Books of the Company as on 16th December, 2010."

Shri Jagdish Jhaveri seconded the same. The Resolution was then put to vote and was declared carried unanimously.

RESOLUTION NO.: 4

Shri Hariram Chaudhary proposed the following Resolution as an Ordinary Resolution for reappointment of Shri A. S. Ruia.

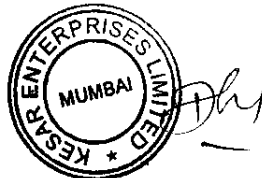
"RESOLVED THAT Shri A. S. Ruia, who retires by rotation and being eligible under Articles of Association of the Company, be and is hereby reappointed as Director of the Company."

Shri Sudhir Mehta seconded the same. The Resolution was then put to vote and was declared carried unanimously.

RESOLUTION NO.: 5

Shri J. P. Maheshwari proposed the following as an Ordinary Resolution for reappointment of Shri I. S. Phukela.

"RESOLVED THAT Shri I. S. Phukela, who retires by rotation and being eligible under Articles of Association of the Company, be and is hereby reappointed as Director of the Company."



CHAIRMAN'S INITIALS _____

HELD AT _____ ON _____ TIME _____

Smt. Shobhana Mehta seconded the same. The Resolution was then put to vote and was declared carried unanimously.

RESOLUTION NO.: 6

Smt Ashalata Maheshwari proposed the following as an Ordinary Resolution for appointment of M/s. Haribhakti & Co., Chartered Accountants, Mumbai as Auditors of the Company.

"RESOLVED THAT pursuant to Section 224 and other applicable provisions, if any, of the Companies Act, 1956, M/s. Haribhakti & Co., Chartered Accountants, be and are hereby appointed as Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting of the Company on a remuneration as may be decided by the Board of Directors, plus reimbursement of traveling and other out-of-pocket expenses incurred by them in performance of their duties including auditing of the accounts at the factories of the Company."

Shri S. S. Jain seconded the same. The resolution was then put to vote and was declared carried unanimously.

RESOLUTION NO.: 7

The Chairman proposed the following as an Ordinary Resolution for appointment of Shri Ajeet Prasad as Director.

"RESOLVED THAT Shri Ajeet Prasad who was appointed by the Board of Directors as an Additional Director of the Company on 29.1.2010 and who holds office up to the date of this Annual General Meeting of the Members of the Company in terms of Section 260 of the Companies Act, 1956 read with Article 161 of the Articles of Association of the Company and in respect of whom the Company has received a notice in writing from a Member under Section 257 of the Act, proposing the candidature of Shri Ajeet Prasad for the office of Director of the Company, be and is hereby appointed as Director of the Company liable to retire by rotation."

Shri Sudhir Mehta seconded the same. The resolution was then put to vote and was declared carried unanimously.

The Chairman then requested Shri A. S. Ruia to take the Chair as he was considered interested in the following two resolutions. Shri A. S. Ruia took the Chair and proceeded with the meeting.

RESOLUTION NO.: 8

Shri A. S. Ruia proposed the following as a Special Resolution for appointment of Shri Rohan H. Kilachand as Executive (Projects).

"RESOLVED THAT pursuant to Section 314 and any other applicable provisions, if any, of the Companies Act, 1956, consent of the Members of the Company, be and is hereby accorded to holding of an office or place of profit under the Company by Shri Rohan H. Kilachand, a relative (son) of Shri H. R. Kilachand, Chairman and Managing Director and Smt. M. H. Kilachand, Director of the Company, who is appointed by the Board of Directors as "Executive (Projects)" on a consolidated salary of Rs.50,000/- per month w.e.f. 1.10.2010.



HELD AT _____ ON _____ TIME _____

"RESOLVED FURTHER THAT the above remuneration be reviewed subsequently for fixing his salary in a Special Grade in the scale of 38000-2500-50500 with a starting Basic Salary of Rs.38,000 per month plus the annual increment and other allowances aggregating to Rs.10,70,520/- per annum as applicable to other employees in that grade as may be recommended by the Remuneration Committee and approved by the Board of Directors of the Company subject to prior approval of the Central Government in terms of Section 314(1B) of the Companies Act, 1956 for which consent of the Members be and is hereby accorded."

"RESOLVED FURTHER THAT the Board / Company Secretary be and is hereby authorized to do all such acts, deeds and things as may be necessary to give effect to this resolution."

Smt. C Mascarenhas seconded the same. The resolution was then put to vote and was declared carried unanimously.

RESOLUTION NO.: 9

Shri J. P. Maheshwari proposed the following as a Special Resolution for appointment of Shri H. R. Kilachand as Chairman & Managing Director.

"RESOLVED THAT pursuant to the provisions of Sections 198, 309, 316, Schedule XIII read with Section III thereto and other applicable provisions, if any, of the Companies Act, 1956 including any statutory amendment, modification or re-enactment thereof and in terms of the approval of the Remuneration Committee, other requisite approvals as may be necessary, approval of the Members of the Company, be and is hereby accorded for reappointment of Shri H. R. Kilachand as Chairman & Managing Director of the Company for a period of 3 years from 14.8.2010 to 13.8.2013, on a remuneration and on the terms and conditions as per Schedule XIII to the Act, and as specifically set out below:

I. SALARY:

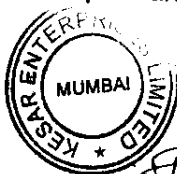
[A] In case, the Company has sufficient Net Profit (calculated as per Section 349 of the Act) in any financial year:

- (i) Salary upto Rs.3,00,000/- per month or Rs.36,00,000/- per annum in the scale as may be decided by the Board based on the performance of the Company plus Perquisites subject to ceiling limit of 5% of the said Net Profit;
- (ii) Incentives, not exceeding (5%) five percent of the said Net Profit of the Company for each financial year or part thereof computed in the manner as laid down under Section 349 of the Companies Act, 1956 and subject to the overall ceiling laid down under Section 198 and 309 of the Companies Act, 1956 after deducting Salary & Perquisites as provided herein.

OR

[B] In case, the Company has no profits or its profits are inadequate in any financial year:

Salary Rs.1,80,000/- per month or Rs.21,60,000/- per annum plus Perquisites as Minimum Remuneration as per Para (B) of Schedule XIII.



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CHAIRMAN'S INITIALS

II. PERQUISITES:

Shri H. R. Kilachand shall be entitled to House Rent Allowance not exceeding 60% of the salary, gas, electricity, medical reimbursement, leave travel concession for self and family, club fees, personal accident insurance, Company maintained car, telephone and such other perquisites in accordance with the Company's rules, the monetary value of such perquisites to be determined in accordance with the Income Tax Rules being restricted to an amount equal to the annual salary payable to Shri H. R. Kilachand, subject however to the limit of overall Minimum Remuneration as prescribed under Para (B) of Schedule XIII. Shri H. R. Kilachand shall be further eligible to the following perquisites also which shall not be included in the computation of the ceiling limit on remuneration by way of salary, perquisites, allowances etc.

- i. The Company's contribution to Provident Fund, Superannuation Fund or Annuity Fund. The same will not be included in the computation of the ceiling limit to the extent of the same either singly or put together are not taxable under the Income Tax Act.
- ii. Gratuity payable at a rate not exceeding half a month's salary for each completed year of service; and
- iii. Encashment of leave at the end of the tenure.

Shri H. R. Kilachand shall be entitled to reimbursement of expenses actually and properly incurred by him for the business of the Company.

"RESOLVED FURTHER THAT the remuneration as per Para (B) of Schedule XIII as mentioned above shall nevertheless be paid and allowed to Shri H. R. Kilachand as the Chairman & Managing Director as the minimum remuneration, but not exceeding overall ceiling limits specified in Schedule XIII, Section III to the Companies Act, 1956 or any amendments thereto from time to time, notwithstanding that in any financial year of the Company during the tenure of office of Shri H. R. Kilachand, the Company may have made no profits or its profits may be inadequate."

"RESOLVED FURTHER THAT Shri H. R. Kilachand shall not be liable to retire by rotation as a Director subject to Section 256 of the Companies Act, 1956."

"RESOLVED FURTHER THAT authority be and is hereby granted to the Remuneration Committee / Board to fix the remuneration of Shri H. R. Kilachand from time to time on a monthly / annual basis in view of the appointment of Shri H. R. Kilachand as Whole-time Director of Kesar Terminals & Infrastructure Ltd. [KTIL], subject to the total remuneration drawn & retained by him from both the Companies not exceeding the higher maximum limit admissible from any one of the Companies i.e. the Company or KTIL in terms of Section III of Schedule XIII to the Companies Act."

Shri S. S. Jain seconded the same. The resolution was then put to vote and was declared carried unanimously.

Shri A. S. Ruia then handed over the mike to the Chairman.

The Chairman then announced that the meeting was over.

The meeting was then terminated with a vote of thanks to the Chair as proposed by Smt. Ashalata Maheshwari, Smt. Shobhana Mehta, Shri Jagdish Jhaveri and Shri Sudhir Mehta.

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19/11/2011

CHAIRMAN & MANAGING DIRECTOR

19/11/11

CHAIRMAN'S INITIALS