

**MINUTES OF THE 31ST ANNUAL GENERAL MEETING OF MEMBERS/
SHAREHOLDERS OF IFB AGRO INDUSTRIES LIMITED HELD ON FRIDAY,
THE 26TH JULY, 2013 AT 12.00 NOON AT ECOHUB,ECOSPACE, (BUSINESS
PARK), AMBUJA REALITY, PLOT NO. 2E/11, NEW TOWN, RAJARHAT,
NORTH 24 PARGANAS, KOLKATA - 700 156**

Directors Present : Mr Bikram Nag
Mr A.K. Banerjee
Mr Nandan Bhattacharya
Mr A.K. Nag
Mr H.R. Agarwal
Mr M.K. Vijay
Mr S.K. Mukherji

53 Members were present in person and 9 Members by proxy.

By reason of absence of Mr. Bijon Nag, Chairman of the Company, the name of Mr Bikram Nag, Joint Executive Chairman of the Company was proposed to Chair the Meeting by Mr.J. N. Kundu and seconded by Mr.U.S. Ghosh Dastidar, Member. Mr. Bikram Nag accordingly took the Chair.

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.

Notice dated 30th May 2013 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 briefed the shareholders about the developments in various divisions of the Company and their performance. It was stated that the Company had achieved 9 % growth in gross turnover and has achieved a profit before tax of Rs 39.10 crore.

The Chairman also briefed about the closure of the old bottling unit of the company at Maheshtala and Serampore due to insufficient space available for expansion and problem faced in implementing the Fire safety regulations. The capacity of Panagarh Unit has been increased to meet the supply of Serampore Unit.

The IMFL unit at Dankuni has been converted into IMIL facility but the operation could not be started as the requisite Excise License from the State Government is awaited.

- 2 -

Margins in distillery were affected in the last quarter of the year due to the imposition of spirit removal fee of Rs. 2 per BL imposed by the Excise Department, Govt. of West Bengal. The expansion plan for the distillery has been post-pond due to a sudden change in the West Bengal Government's Excise Policy; hence, currently the Company will be investing value amounting to Rs. 55 crore only for a 5.0 MW Captive Power Plant and DDGS Plant for our existing Distillery.

Marine Export registered a growth of 36%. Domestic sales of our Marine Products have a growth of 31% but margins are under pressure due to high cost of raw material and distribution expenses. Plans are underway to increase distribution and the availability of the products in the Domestic Market.

The current financial year would be more difficult and challenging as:

- (i) The margins in the Distillery will decline due to imposition of spirit removal fee and increase in the prices of grain on account of higher MSP declared by the Government.
- (ii) Severe competition in the IMIL segment due to new entrants into the Industry.
- (iii) Lower margins of Company's IMFL and Marine products due to increase in taxes, duties and raw material input.

The capex at the distillery is being funded from the internal accruals and minimum borrowings. For future growth, conversion of the molasses distillery, expansion of bottling capacities, technological up-gradation, building up of the grain stock for distillery etc. further capital would be required. Keeping in mind the tight liquidity in the market and high interest cost, it would be prudent to conserve cash. It will not be prudent to recommend any dividend.

He also expressed his gratitude towards the colleagues in the Board, employees, customers, and the valued shareholders for their continuous support.

Audited Annual Accounts for the year ended March 31, 2013 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 Statement of Profit & Loss and Cash Flow for the year ended March 31, 2013 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. Since there was no query from any of the shareholders of the Company, the Chairman proceeded with the items of the Agenda.

- 3 -

Item No. 1

ADOPTION OF ACCOUNTS FOR THE YEAR ENDED 31st MARCH, 2013

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

"RESOLVED that the Audited Balance Sheet as at 31st March, 2013 and Statement of Profit & Loss along with the Cash Flow statement for the year ended 31st March 2013 together with Reports of Auditors and Directors for the year ended 31st March 2013 as published and circulated to all the shareholders and submitted to this meeting be and are hereby approved and adopted".

The Resolution was put to vote and declared carried unanimously.

2. **Item No. 2**

REAPPOINTMENT OF MR S.K.MUKHERJI, DIRECTOR WHO RETIRES BY ROTATION

Mr. U S Ghosh Dastidar, member proposed and Mr. Ritesh Agarwal, member seconded the following resolution as an **Ordinary Resolution**.

Resolved that Mr S. K.Mukherji, 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. **Item No. 3**

REAPPOINTMENT OF MR H.R. AGARWAL, DIRECTOR WHO RETIRES BY ROTATION

Mr J. N. Kundu, member proposed and Mr M K Das, member seconded the following resolution as an **Ordinary Resolution**.

' RESOLVED that Mr. H.R. Agarwal, 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.

4. **Item No. 4**

APPOINTMENT OF THE AUDITORS OF THE COMPANY

Mr. Dipayan Basu, member proposed and Mr. U. S. Ghosh Dastidar, member seconded the following resolution as an **Ordinary Resolution**.

- 4 -

“RESOLVED that subject to the provisions of Section 224, 225 and other applicable provisions, if any, of the Companies Act, 1956, M/s Walker, Chandiook & Co., Chartered Accountants be and are hereby appointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company at such remuneration as may be mutually agreed between the Board of Directors of the Company and the Auditors.”

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

5. Item No. 5

REAPPOINTMENT OF MR BIKRAM NAG AS JOINT EXECUTIVE CHAIRMAN

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 re-appointment of, and terms of remuneration of Mr. Bikram Nag, Joint Executive Chairman of the Company for a further period of three years with effect from 27th January 2013 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. Bikram Nag provided however, such alterations are within the maximum limits laid down in the Companies Act, 1956 for the time being in force.”

All other terms and conditions of his appointment will remain unaltered.

The Resolution was put to vote and declared carried unanimously.

The Chairman thanked the members for their participation in the proceedings and the members thanked the Chairman for the conduct of the proceedings.

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

ss/-
CHAIRMAN