

PROCEEDINGS OF THE NINETEENTH ANNUAL GENERAL MEETING OF THE COMPANY HELD AT SATHGURU GNANANANDA HALL, NARADA GANA SABHA, 314, T.T.K. ROAD, ALWARPET, CHENNAI-600018, ON THURSDAY, THE 11TH DAY OF SEPTEMBER 2014 AT 11.00 A.M:

PRESENT :

DIRECTORS:

1. Shri.Vinod R. Sethi, Executive Chairman
2. Smt. Irmgard Velagapudi M. Rao, Managing Director
3. Smt.V.Kiran Rao, Executive Director
4. Shri.K.A.Rangaswamy, Director (Chairman, Stakeholders Relationship Committee)
5. Dr. Vithal Rajan, Director (Chairman, Nomination & Remuneration Committee)
6. Shri.M.S.V.M.Rao, Director. (Chairman, Audit Committee)
7. Shri.Prathap K. Moturi, Director.

BY INVITATION:

1. Mr. B.S. Purshotham, Partner, M/s. B.Purushottam & Co., Statutory Auditors.
2. Mr.V.Srinivasn, Cost Auditor.
3. Mr.V.Mahesh, Practising Company Secretary, Scrutinizer.

IN ATTENDANCE:

Members present in person : 730 (including authorized representatives)
Members present by Proxy : 6

In terms of Article 106 read with Article 82 of the Articles of Association, Shri.Vinod R. Sethi, Chairman of the Board of Directors, presided over the Meeting.

The Chairman welcomed the Shareholders present at the Meeting.

The Chairman then informed that as of the Book Closure date, the Company had 24,803 Shareholders.

QUORUM:

The Chairman ascertained that the requisite Quorum of 30 Nos. stipulated under Companies Act, 2013, as applicable to the Company, was personally present, and called the meeting to order. The Meeting commenced at 11.00 A.M.

He then briefly introduced the Directors seated on the dais, statutory auditors and cost auditor, to the Members present.



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The Chairman announced that all the statutory Registers in compliance with the provisions of the Companies Act, 2013, were kept open and made accessible to the members at the meeting venue.

The Shareholders present agreed to the Chairman's suggestion that the Notice convening the Meeting and Directors' Report be taken as read.

The Chairman informed the members that Mr. B. Purshotham, partner, M/s. B.Purushottam & Co., Chartered Accountants, was present, in pursuance of section 146 of the Companies Act, 2013. Since there were no qualifications, observations or comments on financial transactions or matters which have any adverse effect on the functioning of the Company, the Independent Auditors Report was taken as read with the consent of members. The Independent Auditors Report was kept open for inspection by any member of the Company.

The Chairman informed the members that Chairman of each of the Committees, viz, Audit Committee, Nomination & Remuneration Committee and Stakeholders Relationship Committee, were present, as required under section 178(7) of the Companies Act, 2013.

E-VOTING:

The Chairman informed the members that the Company has offered E-voting facility to all the shareholders under section 108 of the Companies Act, 2013, engaging the services of National Securities Depository Limited (NSDL) and appointed M/s.V.Mahesh & Associates, Practising Company Secretaries, as Scrutinizer for E-voting process. The Chairman informed that E-voting on all the 9 resolutions set out in the Notice for the Nineteenth Annual General Meeting commenced on 5th September 2014 at 9.00 AM and closed on 7th September 2014 at 6.00 PM. The Chairman further informed the members that the Scrutinizers have since submitted their report on E-voting results and all the resolutions were passed with requisite majority.

The Chairman informed the members that in pursuance of clause 35-B of the Listing Agreement, the Company has provided facility in the form of physical ballot to enable those shareholders who could not access to the e-voting facility during the e-voting period and were present in person or by proxy, to cast their votes on all the resolutions. He further informed that the poll would be taken up after all resolutions were proposed and seconded, and that the Scrutinizers for E-voting would also act as Scrutinizer for poll process as well.

The Chairman laid before the Members the audited financial statements including Balance Sheet, Statement of profit and Loss and the consolidated financial statements of the Company and its subsidiaries together with the Report of the Auditors and Directors thereon for the year ended 31st March 2014.

The meeting then proceeded to deal with the items listed in the notice seriatim.

1. ADOPTION OF ACCOUNTS - ORDINARY RESOLUTION:

The Chairman, Shri. Vinod R.Sethi, a Member (DP/Client ID 120117 0000039353) proposed the following Ordinary Resolution in respect of adoption of Accounts for the year-ended 31.03.2014:



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"Resolved that the Audited Financial Statements including Balance Sheet, statement of Profit and Loss Account and the Consolidated Financial Statements of the Company and its Subsidiaries together with the Report of the Auditors and Directors thereon for the year ended 31st March, 2014 be and are hereby considered and adopted."

The said resolution was then seconded by Shri.G.Venkateswara Rao (DP/Client ID IN302679-32291064).

The Chairman invited queries, if any, from the shareholders. A few members sought clarifications on comparative reduction in turnover and comparative increase of expenditure under a few heads of accounts which were general in nature and the same were clarified by the Chairman to the satisfaction of members.

2. DECLARATION OF DIVIDEND – ORDINARY RESOLUTION:

Smt. Irmgard Velagapudi M.Rao, Managing Director, a Member (with DP/Client ID No. IN301313 20599521) proposed the following Ordinary Resolution:

"RESOLVED that pursuant to the recommendations made by the Board of Directors of the Company and subject to the provisions of Section 123 and other applicable provisions of the companies act, 2013, a dividend at the rate of 85 paise per equity share, be and is hereby declared out of the current profits for the year ended 31st March, 2014 and paid to the Equity Shareholders of the Company whose names appear in the Register of Members of the Company in physical form and to the beneficial owners of shares recorded with the depositories as per the details to be furnished by NSDL / CDSL for the purpose as on 11th September 2014.

RESOLVED FURTHER that the dividend warrants be posted within 30 days hereof to all the shareholders who are entitled to receive the payment. "

Shri J. Satyanarayana, a Member (with DP ID / Client ID IN301313 20536604) seconded the resolution.

3. APPOINTMENT OF AUDITORS - ORDINARY RESOLUTION:

Shri.Y. Sita Ram Dasu, a Member (with DP/Client ID: IN-301549-19658578), proposed the following Ordinary Resolution:

"RESOLVED THAT pursuant to section 139 and other provisions of the Companies Act, 2013 and the rules made there-under and pursuant to the recommendations of the Audit Committee of the Board of Directors, M/s.B.Purushottam & Co, Chartered Accountants, Chennai, (FRN 002808S), the retiring Auditors of the Company, be and are hereby appointed as Statutory Auditors of the Company to hold office for a term of three years from the conclusion of this Annual General Meeting to the conclusion of Twenty second Annual General Meeting (subject to the ratification by the members at every AGM to be held after this AGM) and the Board of Directors be and is hereby authorized to fix their remuneration as may be determined by the Audit Committee each year."



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Shri. G.Kannappan, a Member (with Folio No.K-00628) seconded the resolution.

4. APPOINTMENT OF SHRI. RANVIR R. SHAH AS AN INDEPENDENT DIRECTOR – ORDINARY RESOLUTION:

Shri. P. Manohar, a Member (with DP/Client ID No. IN301696-11354426), proposed the following Ordinary Resolution:

“RESOLVED that pursuant to the provisions of Section 149, 152 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, read with Schedule IV of the Companies Act, 2013, Shri. Ranvir R.Shah (DIN 00041398), who retires by rotation at this AGM, be and is hereby appointed as an Independent Director of the Company not liable to retire by rotation, to hold office for a fixed term from 11.09.2014 to 31.03.2019, co-terminus with the expiry of five consecutive years in office from the commencement of section 149 of the Act.”

Shri K. Krishna, a Member (with DP / Client ID No.IN301696-11354426) seconded the resolution.

5. APPOINTMENT OF DR. VITHAL RAJAN AS AN INDEPENDENT DIRECTOR – ORDINARY RESOLUTION:

Shri.J. Satyanarayana, a Member (with DP/Client ID IN-301313-20536604), proposed the following Ordinary Resolution:

“RESOLVED that pursuant to the provisions of Section 149, 152 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, read with Schedule IV of the Companies Act, 2013, Dr.Vithal Rajan (DIN 00021571), who retires by rotation at this AGM, be and is hereby appointed as an Independent Director of the Company not liable to retire by rotation, to hold office for a fixed term from 11.09.2014 to 31.03.2019, co-terminus with the expiry of five consecutive years in office from the commencement of section 149 of the Act.”

Shri. Karlapudi Venkateswara Rao, a Member (with DP / Client ID – IN300513-11436645) seconded the resolution.

6. APPOINTMENT OF SHRI. M.S.V.M.RAO AS AN INDEPENDENT DIRECTOR – ORDINARY RESOLUTION:

Shri.G.Venkateswara Rao, a Member (with Client ID IN 302679-32291064) proposed the following Special Resolution:

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“RESOLVED that pursuant to the provisions of Section 149, 152 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, read with Schedule IV of the Companies Act, 2013, Sri.M.S.V.M.Rao (DIN 00432640), who retires by rotation at this AGM, be and is hereby appointed as an Independent Director of the Company not liable to retire by rotation, to hold office for a fixed term from 11.09.2014 to 31.03.2019, co-terminus with the expiry of five consecutive years in office from the commencement of section 149 of the Act.”

Shri. Y. Sita Ram Dasu, a Member (with DP / Client ID IN-301549-19658578 seconded the resolution.

7. APPOINTMENT OF SHRI. PRATHAP K. MOTURI AS AN INDEPENDENT DIRECTOR – ORDINARY RESOLUTION:

Shri.G.Kannappan, a Member (with Folio No.K-00628) proposed the following Special Resolution:

“RESOLVED that pursuant to the provisions of Section 149, 152 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, read with Schedule IV of the Companies Act, 2013, Sri.Prathap K.Moturi (DIN 00020630), who retires by rotation at this AGM, be and is hereby appointed as an Independent Director of the Company not liable to retire by rotation, to hold office for a fixed term from 11.09.2014 to 31.03.2019, co-terminus with the expiry of five consecutive years in office from the commencement of section 149 of the Act.”

Shri. P.Manohar, a Member (with DP / Client ID IN-301080-22194823) seconded the resolution.

8. REMUNERATION OF COST AUDITOR:

Shri.K.Krishna, a Member (with DP / Client ID No.IN301696-11354426) proposed the following Ordinary Resolution:

“RESOLVED that in pursuance of section 148 and other applicable provisions of the Companies Act, 2013 and the Companies (Audit & Auditors) Rules, 2014 (including any statutory modifications) or re-enactment thereof, the remuneration of Rs.2,00,000/- (Rupees Two lakhs only) plus service tax as applicable and reimbursement of out of pocket expenses to be paid to Mr.V.Srinivasan, Cost Accountant (Membership No.1248) to conduct the audit of cost records of the Company for the financial year ending 31st March 2015, as approved by the Board of Directors on the recommendations of the Audit Committee, , be and is hereby ratified and confirmed.”

Shri. C.Kali Vasantha Rao, a Member (with DP / Client ID IN-300484-15268600) seconded the resolution.



9. ACCEPTANCE / RENEWAL OF DEPOSITS FROM PUBLIC / MEMBERS

Shri. Karlapudi Venkateswara Rao, a Member (with DP / Client ID – IN300513-11436645) proposed the following Ordinary Resolution:

“RESOLVED that pursuant to the provisions of Section 73 and Section 76 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014 and other applicable provisions, if any, and subject to such conditions, approvals, permissions as may be necessary, consent of members of the Company be and is hereby accorded to invite / accept / renew from time to time unsecured deposits from public and / or members of the Company in accordance with the terms and conditions of Acceptance of Deposits by Companies, as prescribed under Rule 3 of the Companies (Acceptance of Deposits) Rules, 2014.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors and / or any Committee thereof is hereby authorized to do such acts, deeds, things and matters as the Board of Directors may in its absolute discretion consider necessary or appropriate for such invitation / acceptance / renewal of deposits by the Company.”

Shri. S.Sampathkumar, a Member (with Folio No.S-03704) seconded the resolution.

The Chairman requested the Company Secretary to explain the polling procedures to the members. The Company Secretary explained to the members the procedure to be followed as per the provisions of Companies (Management and Administration) Rules, 2014 with regard to poll. He informed the shareholders that the facility of physical ballot in pursuance of clause 35-B of the Listing Agreement is extended to those shareholders who could not avail the E-voting facility during E-voting period but are present in the annual general meeting either in person or by proxy. The Scrutinizer, Mr.V.Mahesh, was provided with the Register of Members, specimen signature of members, Attendance Register and Register of Proxies and all the documents received by the Company pursuant to sections 105, 112 and 113 of the Companies Act, 2013. The Scrutinizer distributed the ballot form to the members and proxies present at the meeting. The empty ballot box kept for the purpose was shown to the members and proxies and locked in their presence. The polling process went on in compliance with Companies (Management and Administration) Rules, 2014, and when it was ascertained that polling was complete, the Scrutinizer has opened the ballot box in the presence of witnesses, all the ballot forms polled were taken into the custody of Scrutinizer.

The Chairman requested the Scrutinizer to submit his report on physical ballot results within the stipulated time and informed the members that the combined voting results of E-voting and physical ballot will be hosted on the websites of NSDL, NSE and BSE and on the Company's website within the stipulated time.

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10. VOTE OF THANKS

Smt.V.Kiran Rao, Executive Director, then proposed the Vote of thanks.

THE CHAIRMAN THEN DECLARED THE NINETEENTH ANNUAL GENERAL MEETING AS
CLOSED.

DATE : 12 September 2014
PLACE : CHENNAI - 600 006

VINOD R. SETHI
EXECUTIVE CHAIRMAN

// CERTIFIED TRUE COPY //



For K.C.P. Sugar and Industries Corporation Ltd.

S. Chidambaram

S. CHIDAMBARAM
General Manager (Finance) & Company Secretary

