



PONNI SUGARS (ERODE) LIMITED

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PEL/ SH/ 187

August 12, 2017

National Stock Exchange of India Ltd
Exchange Plaza
5th Floor, Flat No.C/ 1 G Block
Bandra-Kurla Complex
Bandra East, Mumbai 400 051

BSE Ltd
Phiroze Jeejeebhoy Towers
Dalal Street, Fort
Mumbai 400001

Dear Sirs,

In deference to Regulation 30 read with Part-A of the Listing Regulations, we send herewith a copy of the proceedings of the 21st Annual General Meeting of our company, held on 2nd August 2017, for your reference and records.


N Ramanathan
Managing Director

Encl: As above

Proceedings of 21st Annual General Meeting

Date: Wednesday, the 2nd August 2017
Time: Commenced at 10.30 AM
Concluded at 12.50 PM
Venue: New Woodlands Hotel Pvt Ltd
72-75 Dr Radhakrishnan Road
Mylapore, Chennai 600 004

PRESENT

Mr N Gopala Ratnam	Chairman
Dr L M Ramakrishnan	Vice Chairman
Mr N Ramanathan	Managing Director
Mr Arun G Bijur	Director
Mr K Bharathan	Director
Ms Bharti Chhotubhai Pithawalla	Director
Mr Bimal Poddar	Director
Mr N R Krishnan	Director
Dr Nanditha Krishna	Director
Mr V Sridar	Director

Statutory Auditors

Mr R Subramanian | Partners, M/s R Subramanian And Company LLP,
Mr N Krishnamurthy | Chartered Accountants

Secretarial Auditor Mr V Suresh

Cost Auditor Mrs Meena Ramji, Partner, M/s S Mahadevan & Co.
Mr M Ramji, Associate Consultant, M/s S Mahadevan & Co.

Internal Auditor Mr N R Suresh, Partner, M/s Maharaj N R Suresh And Co

By Invitation

Mr Chella K Srinivasan, Partner, M/s S Viswanathan LLP, Chartered Accountants

IN ATTENDANCE

Members present in Person: 360 representing 3689263 Equity shares.

Members present by Proxy: 1 representing 40 Equity shares.

(A) Chairman of the Meeting

Mr N Gopala Ratnam, Chairman of the Board of Directors, who by virtue of Article 70 of the Articles of Association of the Company is also the Chairman of the General Meetings of the Company, took the Chair.

(B) Quorum

The Chairman noted that 360 members were present in person and 1 member by Proxy. Having ascertained that the requisite quorum of thirty members stipulated under Section 103 of the Companies Act, 2013 as applicable to the company was personally present in person, the Chairman called the meeting to order and welcomed the Members present. The meeting commenced at 10.30 AM.

(C) Introduction

The Chairman introduced all the Directors seated at the dais. He also introduced the Statutory Auditors, Secretarial Auditor, Cost Auditors and Internal Auditors present at the meeting to the Members.

(D) Notice & Board's Report

The Notice for the meeting and the Board's Report to Shareholders were taken as read with the consent of the Members present.

(E) Audit Report

The Chairman informed that pursuant to Section 146 of the Companies Act, 2013, the Statutory Auditors, namely, M/s R Subramanian And Company were present through their partners. The Chairman confirmed that there are no observations or comments by the Auditors which have adverse effect on the functioning of the company. Thereupon the Auditors' Report to shareholders was taken as read.

(F) Secretarial Audit Report

The Chairman informed that the company has obtained Secretarial Audit Report from Mr.V.Suresh, Practising Company Secretary, pursuant to Section 204 of the Companies Act, 2013 which is included in pages 61 & 62 of the 21st Annual Report. He informed the members that there are no qualifications, observations or comments or other remarks mentioned in the Secretarial Audit Report.

(G) Registers & Reports

The Chairman informed that following were kept open and made accessible for members at the meeting venue:

- (i) The Register of Directors and Key Managerial Personnel and their shareholdings.
- (ii) Auditors' Report

(iii) Secretarial Audit Report

(iv) Documents referred to in the Statement pursuant to Sec.102(1) of the Companies Act, 2013 attached to AGM Notice.

(H) Chairman of Committees

The Chairman mentioned that (i) Mr V Sridar, Chairman of the Nomination cum Remuneration Committee and the Audit Committee and (ii) himself as Chairman of the CSR Committee and Stakeholders Relationship Committee are present at the meeting.

(I) Chairman's Speech

The Chairman delivered his speech. Printed text of the Chairman's Speech was distributed to the Members and others present. The Chairman covered the state of economy, industry, company performance and outlook in his address.

(J) Introduction to resolutions

The Chairman observed that there are 7 resolutions proposed to be passed at the 21st AGM – 1 Special Resolution and 6 Ordinary Resolutions. He briefly narrated the background and purpose for each of these resolutions - all of which are routine in nature.

(K) Voting options

The Chairman mentioned that the company has offered two alternative voting options to shareholders (i) Remote e-voting (ii) Poll at AGM venue.

Shareholders holding shares as on the cut-off date fixed for the purpose, namely, 26th July 2017 are alone entitled to cast the vote under any one of the aforesaid options.

(L) Remote E-voting

The Chairman mentioned that remote E-voting facility has been offered pursuant to Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The company has engaged the services of Central Depository Services (India) Limited (CDSL) for this purpose. The remote E-voting commenced on 29.07.2017 (10.00 AM) and closed on 01.08.2017 (5.00 PM).

(M) Poll

The Chairman informed the members that pursuant to Rule 20 of the Companies (Management and Administration) Rules, 2014, the company is also offering the facility to vote on a polling paper at this meeting. However only shareholders who have not already exercised their voting rights under remote e-voting would now be entitled to cast their vote on the polling paper.

(N) Scrutinizer

The Chairman mentioned that Mr A S Kalyanaraman, Practicing Chartered Accountant (Membership No.201149) has been appointed as Scrutinizer for the two modes of voting. He would furnish individual as well as combined report in respect of votes cast for all the seven resolutions proposed at this meeting.

(O) Queries and Reply

- (i) The Chairman thereupon invited queries from the shareholders on the Financial Statements, resolutions proposed or about the general functioning of the company.
- (ii) Shareholders actively participated and 7 shareholders spoke at the meeting. Issues raised, appreciation / suggestions made and clarifications sought broadly covered the following:
 - Issue of Bonus / Split shares.
 - Steps taken for paying unclaimed dividend to shareholders.
 - GST impact.
 - Status of pending litigation and likely impact on the company.
 - Maximizing value realization from bagasse, molasses and ethanol.
 - Appreciation for excellent arrangement during factory visit in Oct'16.
 - Request for arranging another factory visit for those who missed out last year.
 - Appreciation for the content and coverage in Annual Report.
 - Appreciation for sending physical copy of Annual Report without inconveniencing shareholders.

- Circulation of shareholder survey form in physical mode.
 - Status of sugarcane price arrears.
 - Outlook for FY 2017-18.
- (iii) The Chairman furnished additional information and clarification responding to the issues raised by shareholders and to their satisfaction. He informed that factory visit would be arranged but the timing would be dependent on the start of next season crushing. He advised interested shareholders to get in touch with the company officials.
- (iv) The Managing Director informed the origin and current status of tax and subsidy cases, underlining the significant progress achieved last year that resulted in realization of two out of three subsidies. He mentioned that tax litigation is inevitable as the company seeks to protect its legitimate right through representations and meetings followed by legal remedy where considered necessary.

(P) Ordering Poll

At this stage, the Chairman ordered poll and requested the shareholders to follow the instructions given carefully so that the votes are valid. He mentioned that the Secretarial Department of the company is available to clarify any doubts or render assistance for shareholders in this behalf. He further mentioned that the poll would end 30 minutes after the conclusion of the meeting.

(Q) Completion of Voting

The Chairman informed the members that the Scrutinizer would submit his report in the evening and thereafter the results would be declared in the evening and uploaded in the website of the company, Stock Exchange, and CDSL.

(R) Conclusion of Meeting

After vote of thanks, the Chairman declared the meeting closed at 12.50 hrs.

(S) Scrutinizer Report

The Scrutinizer furnished his report to Chairman as under:

Item No. of Notice & Description	Votes For			Votes Against		
	No. of members	No. of votes	Vote %	No. of members	No. of votes	Vote %
1. Adoption of Financial Statements FY 2016-17 - Ordinary Resolution	95	4005838	100	0	0	0
2. Declaration of Dividend – Ordinary Resolution	95	4005838	100	0	0	0
3. Reappointment of retiring Director Ms Bharti Chhotubhai Pithawalla – Ordinary Resolution	95	4005838	100	0	0	0
4. Auditors' appointment – Ordinary Resolution	95	4005838	100	0	0	0
5. Reappointment of Managing Director – Special Resolution	94	4005833	99.99	1	5	0.0001
6. Commission to Non Executive Directors - Ordinary Resolution	92	4005820	99.99	3	18	0.0004
7. Remuneration to Cost Auditor for FY 2017-18 - Ordinary Resolution	93	4005825	99.99	2	13	0.0003

Note: (1) There was 1 invalid vote comprising 2 shares.

(2) Vote % is based on total number of valid votes cast (for and against)

(T) Voting Results

The Chairman noted that all the 7 resolutions proposed as Ordinary or Special resolutions as mentioned in the Notice for the 21st AGM have been passed with requisite majority and in due compliance of relevant provisions of the Companies Act, 2013, the Companies (Management and Administration) Rules, 2014 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(U) Chairman's Declaration

The Chairman thereupon declared that following resolutions have been duly passed by the shareholders in terms of the voting done through remote e-voting or on polling paper at the meeting and these resolutions shall be deemed to be passed on the date of general meeting, namely, 2nd August 2017.

1. Adoption of Financial Statements

“RESOLVED that the Financial Statements for the year ended 31st March 2017, the Auditors’ Report thereon and the Board’s report be and are hereby considered and adopted.”

The Chairman declared that this resolution has been passed unanimously as an Ordinary Resolution.

2. Declaration of Dividend

“RESOLVED that

- (i) a dividend of Rs.2.50 (Rupees two and paise fifty only) per Equity Share for the Financial Year 2016-17 be and is hereby declared on the 8598418 Equity Shares of Rs.10 each fully paid-up;
- (ii) the dividend amount to each shareholder be rounded off to the nearest rupee.
- (iii) the dividend be paid to the shareholders 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 details to be furnished by National Securities Depository Ltd/ Central Depository Services (India) Ltd for the purpose, as on Wednesday, the 2nd August 2017. ”

The Chairman declared that this resolution has been passed unanimously as an Ordinary Resolution.

3. Reappointment of retiring Director

“RESOLVED that Ms Bharti Chhotubhai Pithawalla (DIN:00341382), who retires by rotation, be and is hereby reappointed as a Director of the Company, liable to retire by rotation.”

The Chairman declared that this resolution has been passed unanimously as an Ordinary Resolution.

4. Auditors' appointment

“RESOLVED that pursuant to Section 139 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder the Company do hereby appoint M/s S Viswanathan LLP, Chartered Accountants, Chennai (Firm Registration No.004770S/S200025) as the Auditors of the company to hold office from the conclusion of this Annual General Meeting till the conclusion of the 26th Annual General Meeting of the company on such remuneration fixed by the Board of Directors on the recommendation of Audit Committee from time to time.

PROVIDED THAT the appointment as above shall be subject to ratification by members at every AGM if so required by the Companies Act, 2013.”

The Chairman declared that this resolution has been passed unanimously as an Ordinary Resolution.

5. Reappointment of Managing Director

“RESOLVED that Mr N Ramanathan whose current term of office expired on 31.03.2017 be and is hereby re-appointed as Managing Director of the Company for a period of three years from 01.04.2017 to 31.03.2020.

RESOLVED FURTHER that pursuant to the provisions of Sections 197 read with Schedule V and other applicable provisions of the Companies Act, 2013, approval be and is hereby accorded for the remuneration of Mr N Ramanathan as Managing Director during the above tenure as set out in the Statement pursuant to Section 102(1) of the Act attached hereto.

RESOLVED FURTHER that the Board of Directors be and are hereby authorized to increase, vary or amend the remuneration and other terms of the appointment from time to time on the recommendation of the Nomination cum Remuneration Committee.

PROVIDED that such revised remuneration shall be within the limits of and in conformity with Part II of Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof or relaxation granted thereunder.

RESOLVED FURTHER that the Board of Directors be and are hereby authorized to take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

The Chairman declared that this resolution has been passed with requisite majority as a Special Resolution.

6. Commission to Non Executive Directors

“RESOLVED that pursuant to Section 197 and other applicable provisions, if any of the Companies Act, 2013, consent of the company be and is hereby accorded for payment of commission to Non Executive Directors out of the net profits of the company, over and above the sitting fees, for a period of three financial years from 1st April 2017 to 31st March 2020.

PROVIDED FURTHER that the aggregate commission for all the non-executive directors shall be within the ceiling prescribed from time to time under the Companies Act, 2013 or any modification or re-enactment thereof.

RESOLVED FURTHER that the commission be divisible among the directors in such manner and proportion as the Board of Directors may deem fit.

RESOLVED FURTHER that the Board of Directors be and are hereby authorized to take all such steps as may be necessary, proper and expedient to give effect to the resolution.”

The Chairman declared that this resolution has been passed with requisite majority as an Ordinary Resolution.

7. Remuneration to Cost Auditor

“RESOLVED that the Company do hereby confirm and ratify in terms of Section 148 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder the remuneration approved by the Board of Directors on the recommendations of the Audit Committee for M/s S Mahadevan & Co., Cost Accountants (Firm Regn.No.000007), for conducting the audit of cost records of the Company, including its Sugar and Cogen segments for the financial year 2017-18 at Rs.1,00,000/- (Rupees one lakh only) plus tax and reimbursement of travel & out of pocket expenses incurred for purpose of such audit.”

The Chairman declared that this resolution has been passed with requisite majority as an Ordinary Resolution.

Chennai

Date:04.08.2017

CHAIRMAN