



# PONNI SUGARS (ERODE) LIMITED

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PEL/ SH/ 118

August 7, 2018

National Stock Exchange of India Ltd  
Exchange Plaza  
5<sup>th</sup> 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

**Scrip Code: PONNIERODE**

**Scrip Code: 532460**

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 22<sup>nd</sup> Annual General Meeting of our company, held on 25<sup>th</sup> July 2018, for your reference and records.

Thanking you

N Ramanathan  
Managing Director

Encl: As above

**Proceedings of 22<sup>nd</sup> Annual General Meeting**

Date: Wednesday, the 25<sup>th</sup> July 2018

Time: 10.30 AM

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 Bimal Poddar	Director
Mr N R Krishnan	Director
Dr Nanditha Krishna	Director
Mr V Sridar	Director

Statutory Auditor	Mr Chella K Srinivasan, Partner, M/s S Viswanathan LLP
Secretarial Auditor	Mr V Suresh
Cost Auditor	Mr M Gopalakrishnan, 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

**IN ATTENDANCE**

Members present in Person: 345 representing 3188947 Equity Shares.

Member present by Proxy: 1 representing 11 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 345 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 informed that Mr K.Bharathan, an independent director has left abroad and sought leave of absence for the meeting. He then 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 S Viswanathan LLP were present through their partner. The Chairman confirmed that there are no observations or comments by the Auditors on financial transactions or matters 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 57 & 58 of the 22<sup>nd</sup> Annual Report. He informed the members that there are no qualifications, observations or comments or other remarks 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. Finally, he also made an appeal to the shareholders holding shares in physical form to take immediate steps for its conversion to demat form in view of SEBI's ultimatum of prohibiting share transfers in physical form from 5<sup>th</sup> Dec'18.

*(J) Introduction to resolutions*

The Chairman observed that there are 4 resolutions proposed to be passed at the 22<sup>nd</sup> AGM – 1 Special Resolution and 3 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, 18<sup>th</sup> July 2018 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 21.07.2018 (10.30 AM) and closed on 24.07.2018 (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 four 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, suggestions made and clarifications sought, broadly covered the following:
  - Issue of Bonus shares and stock split.
  - Conversion of physical holdings into demat form – communication to shareholders, guidance and assistance by the company.
  - Appreciation for making the company debt free, declaring dividend in a difficult year and excellent arrangements made during factory visit in Feb'18.
  - Concern over falling turnover and profitability.
  - Long drawn battle on cane price front between cane suppliers and sugar companies in Tamil Nadu.
- (iii) Responding to the issues raised by shareholders, the Chairman clarified:
  - Mode of cane price fixation by Centre and State.
  - Mismatch between cane and sugar price leading to systemic problems.
  - State Advised Price (SAP) though recommendatory raises farmers' expectation and leads to dissatisfaction when sugar mills could not pay SAP during times of low sugar prices.

- Settlement reached by the company with cane farmers involving one of the highest goodwill amount.
- Improved planting prospects for current year due to better monsoon and river flow.

**(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.

**(Q) Completion of Voting**

After getting confirmed that shareholders present at the meeting have exercised their voting through poll, he declared that voting concluded at 11.30 hrs.

The Chairman informed the members that the Scrutinizer would submit his report 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 11.45 hrs.

**(S) Scrutinizer Report**

The Scrutinizer furnished his report to Chairman as under:

<b>Item No. of Notice &amp; Description</b>	<b>Votes For</b>			<b>Votes Against</b>		
	<b>No. of members</b>	<b>No. of votes</b>	<b>Vote %</b>	<b>No. of members</b>	<b>No. of votes</b>	<b>Vote %</b>
1. Adoption of Financial Statements FY 2017-18 - Ordinary Resolution	74	3708084	100	0	0	0
2. Declaration of Dividend – Ordinary Resolution	74	3708084	100	0	0	0
3. Reappointment of retiring Director Mr Bimal K Poddar – Special Resolution	74	3708084	100	0	0	0
4. Remuneration to Cost Auditor for FY 2018-19 - Ordinary Resolution	74	3708084	100	0	0	0

Note: (1) There were no invalid votes.

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

**(T) Voting Results**

The Chairman noted that all the 4 resolutions proposed as Ordinary or Special resolution as mentioned in the Notice for the 22<sup>nd</sup> AGM have been passed unanimously 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, 25<sup>th</sup> July 2018.

**ORDINARY BUSINESS**

**1. Adoption of Financial Statements**

“RESOLVED that the Financial Statements for the year ended 31<sup>st</sup> March 2018, the Auditors' Report thereon and the Board's Report be and are hereby approved 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.1.00 (Rupee one only) per Equity Share for the Financial Year ended 2017-18 be and is hereby declared on the 8598418 Equity Shares of Rs.10 each fully paid-up;
- (ii) 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 25<sup>th</sup> July 2018.”

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

**3. Reappointment of retiring Director**

“RESOLVED that Mr Bimal K Poddar (DIN:0031146), 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 a Special Resolution.

**SPECIAL BUSINESS**

**4. 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 2018-19 at Rs.1,00,000/- (Rupees one lakh only) plus tax and reimbursement of travel and out of pocket expenses incurred for purpose of such audit.”

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

Chennai  
Date: 03.08.2018

CHAIRMAN