

Ponni Sugars (Erode) Limited**Proceedings of 24th Annual General Meeting thro'****Video Conference/ Other Audio Visual Means**

Date: Wednesday, the 19th August 2020
Time: 11.00 AM
Deemed Venue: Ponni Sugars (Erode) Limited
ESVIN House, 13 Rajiv Gandhi Salai (OMR)
Perungudi, Chennai 600096

PRESENT**Directors**

<i>Name of the Director</i>	<i>Particulars</i>	<i>Participating from</i>
Mr N Gopala Ratnam	Chairman- Non Independent	Erode
Dr L M Ramakrishnan	Vice Chairman- Independent	Erode
Mr N Ramanathan	Managing Director	Chennai
Mr Arun G Bijur	Non Independent	Bangalore
Mr Bimal K Poddar	Non Independent	Bangalore
Mr K Bharathan	Independent	Chennai
Dr Nanditha Krishna	Independent	Chennai
Mr V Sridar	Independent	Chennai

Auditors

<i>Name</i>	<i>Particulars</i>	<i>Participating from</i>
Mr Chella K Srinivasan	Partner, M/s S Viswanathan LLP, Statutory Auditor	Chennai
Mr N R Suresh	Partner, M/s Maharaj N R Suresh And Co, Internal Auditor	Chennai
Ms Meena Ramji	Partner, M/s S Mahadevan & Co, Cost Auditor	Coimbatore
Mr V Suresh	V Suresh Associates, Secretarial Auditor	Chennai

IN ATTENDANCE

Members present: 62 representing 3711689 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

- (i) The Chairman noted that 62 members were present thro' Video Conference that could be reckoned for purpose of quorum under Section103 of the Companies Act, 2013 in accordance with extant MCA circulars.
- (ii) The Chairman observed that the requirement for the presence of at least one independent director and the auditor or his authorized representative in terms of relevant MCA circular has been complied with.
- (iii) The Chairman accordingly called the meeting to order and welcomed the members. The meeting commenced at 11.00 AM.

(C) Introduction

- (i) The Chairman informed that in view of the restrictions due to Covid-19 outbreak and considering the social distancing norms, the AGM is being conducted as an e-AGM thro' Video Conference/ Other Audio Visual Means (VC/OAVM). This is in accordance with relevant circulars issued by MCA and SEBI. The Company had tied up with Central Depository Services (India) Limited (CDSL) to provide facility for Remote E-voting, E-voting during the AGM and participation in the AGM thro' VC/OAVM facility.
- (ii) The Chairman thereupon requested the directors to introduce themselves. All the directors present briefly introduced themselves to the shareholders.
- (iii) The Chairman then requested the statutory auditors, secretarial auditor, cost auditors, internal auditors and the scrutinizer present at the meeting to introduce themselves to the members. All of them did so accordingly.
- (iv) The Chairman further informed that the core operating team of the Company is also available at this e-AGM for providing/ supplementing information as may be required.

(D) Notice and Board's Report

The Chairman informed that the 24th Annual Report 2019-20 containing the AGM Notice, Board's Report and Financial Statements were circulated thro' e-mail to all shareholders. With the consent of members, these were taken as read.

(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. Per advice of the Chairman, the Managing Director 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, Practicing Company Secretary, pursuant to Section 204 of the Companies Act, 2013 and Reg.24A of the Listing Regulations, which is included in pages 67 & 68 of the 24th Annual Report. The Managing Director informed the members that there are no qualifications or adverse observations, comments or remarks in the Secretarial Audit Report.

(G) General information to shareholders

At the behest of Chairman, the Managing Director read out the general information and advice to shareholders regarding participation in the 24th AGM.

- (i) Shareholders may note that this 24th AGM is being held through Video Conference (e-AGM) in accordance with the Companies Act, 2013 and circulars issued by MCA and SEBI.
- (ii) Facility for joining the meeting through Video Conference is made available for the shareholders on first come, first served basis. In the case of our Company, all our shareholders desiring to join the AGM would be able to do so.
- (iii) The facility for joining the meeting was opened at 10.30 AM which is 30 minutes before the time scheduled to start the meeting. It will be kept open for joining till the meeting is closed by the Chairman.

- (iv) This being an e-AGM, physical attendance of shareholders is dispensed with. Attendance through Video Conference would be reckoned for the purpose of quorum. Further, the facility for appointment of proxies by the shareholders is not applicable for this e-AGM and hence the proxy register for inspection is not available.
- (v) The Register of directors and key managerial personnel and the Register of contracts or agreements are made available electronically for inspection by the shareholders during the AGM. Shareholders desirous of inspecting such documents may send their request to admin@ponnisugars.com.
- (vi) The company has received requests from a few shareholders to register them as speakers at the meeting. Accordingly the floor will be open for them to ask questions or express their views. The moderator will facilitate this session once the Chairman opens the floor for same. The Company reserves the right to limit the number of shareholders asking questions depending on the availability of time at the AGM.
- (vii) Shareholders can also post their views or questions on the 'chat box' of the Video Conference screen at any time during the meeting. The Company would respond to them at the meeting and / or through e-mail.
- (viii) The Company had provided Remote E-voting facility for shareholders to cast their votes electronically on all the resolutions set forth in the Notice. This was closed on the 18th Aug'20 at 5.00 pm. Shareholders who have not cast their vote yet and are participating in this meeting may cast their votes during the meeting thro' E-voting system provided by CDSL. Shareholders can click on the EVSN 200715005 in the CDSL E-voting system already logged in to avail this facility.
- (ix) Shareholders are requested to refer to instructions provided in the AGM Notice for seamless participation through Video Conference. In case they face any difficulty, they may reach out on the helpline contact provided in Page 14 of Annual Report.

(H) Chairman of Committees

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

(I) Chairman's Speech

The Chairman mentioned that the full text of his speech is being uploaded on the Company website. In his speech delivered at the meeting, the Chairman touched on economy – global and domestic, industry, company performance and outlook.

(J) Presentation by Managing Director

- (i) The Chairman then advised the Managing Director to make a presentation on the Company performance in FY 2019-20.
- (ii) The Managing Director in his presentation briefly covered the global and Indian overview of sugar, performance highlights of the Company for the year and five year comparative chart on key indicators.

(K) Introduction to resolutions

- (i) The Chairman observed that there are 6 resolutions proposed to be passed at the 24th AGM. Out of these, 4 are Ordinary and 2 are Special resolutions.
- (ii) The Chairman briefly narrated the background and purpose for each of these resolutions. He expressly mentioned that item 3 relates to his reappointment. In the event of any discussion by shareholders on this subject, Dr. L M Ramakrishnan, Vice Chairman, would be the Chairman of the Meeting pertaining to this item.

(L) Voting options

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

(M) Remote E-voting

The Chairman mentioned that:

- (i) 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.
- (ii) The company has engaged the services of Central Depository Services (India) Limited (CDSL) for this purpose.
- (iii) Remote E-voting commenced on 15.08.2020 (10.30 AM) and closed on 18.08.2020 (5.00 PM).

(N) E-voting at AGM

- (i) The Chairman informed the members that the Company is also providing E-voting facility at the AGM. Only those shareholders who are present in the e-AGM and who have not cast their E-voting thro' Remote E-voting are eligible to vote at e-AGM.
- (ii) The Chairman recorded his satisfaction that all efforts feasible under the circumstances have been made by the Company to enable shareholders to participate and vote on the items being considered at this e-AGM.

(O) 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 on all the six resolutions proposed at this meeting.

(P) Queries and Reply

- (i) The Chairman observed that there are 4 shareholders who have registered as speakers at the e-AGM. He invited them to raise their queries and give their views/ suggestions.
- (ii) Of this, 2 shareholders spoke at the meeting appreciating the performance of the company and suggesting to the management to consider higher

dividend, bonus, stock split. It was further suggested that e-AGM should continue in the future years to benefit outstation shareholders to participate.

(iii) The Chairman observed that 2 shareholders have raised query thro' chat box appreciating the performance and seeking clarification on interest cost, minimum sale price of sugar and levy obligation. Requisite clarification was furnished by Chairman.

(iv) The Chairman thereupon thanked the shareholders for their participation as speaker and thro' chat box.

(Q) Ordering E-voting

At this stage, the Chairman ordered E-voting at the AGM. He requested the shareholders to follow the instructions given carefully so that the votes are valid. He mentioned that the E-voting facility would remain open for 30 minutes.

(R) Transcript of e-AGM proceedings

The Chairman mentioned that the transcript of the proceedings of 24th AGM will be maintained in safe custody by the Company. The recorded transcript is also being posted on the Company website.

(S) Conclusion of Meeting

The Chairman thanked the shareholders for their participation, views and suggestions. He declared the meeting closed at 12.10 PM.

The Chairman informed the shareholders that based on the Scrutinizer's Report, the Managing Director is authorized to declare the voting results that would be posted on the company website before end of the day.

(T) Scrutinizer Report

Post completion of the e-AGM and conclusion of E-voting, the Scrutinizer furnished his report to the Managing Director on 19th Aug'20 at 4.30 PM. This report contains summary of the votes cast at Remote E-voting and E-voting at AGM 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 audited Financial Statements together with the Reports of Board of Directors and Auditors thereon for the financial year ended 31 st March 2020 – Ordinary Resolution	61	3712178	99.99	1	250	0.01
2. Declaration of Dividend on Equity Shares – Ordinary Resolution	60	3712158	99.99	2	270	0.01
3. Reappointment of Mr N Gopala Ratnam, who retires by rotation – Special Resolution	61	3712178	99.99	1	250	0.01
4. Re-appointment of Mr.N.Ramanathan as Managing Director –Special Resolution	61	3712178	99.99	1	250	0.01
5. Commission to Non-Executive Directors – Ordinary Resolution	60	3712158	99.99	2	270	0.01
6. Remuneration to Cost Auditor – Ordinary Resolution	61	3712178	99.99	1	250	0.01

Note: (1) There were no invalid votes for any resolution.

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

(U) Voting Results

The Managing Director noted that all the six resolutions proposed as ordinary/special resolutions as mentioned in the Notice for the 24th 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.

(V) Managing Director's Declaration

The Managing Director as authorized by 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 E-voting at the e-AGM and these resolutions shall be deemed to be passed on the date of general meeting, namely, 19th Aug'20.

1. Adoption of Financial Statements – Ordinary Resolution

“RESOLVED that the audited Financial Statements for the year ended 31st March 2020 and the reports of the Board of Directors and Auditors thereon be and are hereby considered and adopted.”

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

2. Dividend declaration – Ordinary Resolution

“RESOLVED that

- (i) a dividend of Rs.4.00 (Rupees four only) per Equity Share for the Financial Year 2019-20 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 the case of physical holding and to the beneficial owners of shares recorded with the depositories in the case of demat holding as per details to be furnished by National Securities Depository Ltd/ Central Depository Services (India) Ltd for the purpose, as on Wednesday, the 19th August 2020.”

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

3. Reappointment of retiring Director – Special Resolution

“RESOLVED that Mr N Gopala Ratnam (DIN:0001945), who retires by rotation, be and is hereby reappointed as a Director of the Company, liable to retire by rotation.”

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

4. Reappointment of Managing Director – Special Resolution

- (i) “RESOLVED that Mr N Ramanathan (DIN:00001033) whose current term of office expired on 31.03.2020 be and is hereby re-appointed as

Managing Director of the Company for a period of three years from 01.04.2020 to 31.03.2023.

- (ii) 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.
- (iii) 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 and Remuneration Committee provided that it shall not result in an increase of 50% or more.
- (iv) 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 Managing Director declared that this resolution has been passed with requisite majority as a Special Resolution.

5. Commission to Non-Executive Directors – Ordinary Resolution

- (i) “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 2020 to 31st March 2023.
- (ii) PROVIDED FURTHER that the commission for all the non-executive directors shall in aggregate not exceed one percent of the net profit of the company in terms of Section 197 of the Companies Act, 2013.
- (iii) RESOLVED FURTHER that the commission be divisible among the directors in such manner and proportion as the Board of Directors may deem fit.

(iv) 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 Managing Director declared that this resolution has been passed with requisite majority as an Ordinary Resolution.

6. Remuneration to Cost Auditor – Ordinary Resolution

”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 2020-21 at Rs.1,50,000/- (Rupees one lakh fifty thousand only) plus tax and reimbursement of travel and out of pocket expenses incurred for purpose of such audit.”

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

Chennai
Date: 20.08.2020

CHAIRMAN