

PONNI SUGARS (ERODE) LIMITED

CIN : L15422 TN1996 PLC037200

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PEL/ SH/ 104

July 25, 2019

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 23rd Annual General Meeting of our company, held on 23rd July 2019, for your reference and records.

For Ponni Sugars (Erode) Ltd


N Ramanathan
Managing Director

Encl: As above

Proceedings of 23rd Annual General Meeting

Date: Tuesday, the 23rd July 2019
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 K Bharathan	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	Ms 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

IN ATTENDANCE

Members present in Person: 277 representing 3184962 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 277 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 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 and Reg.24A of the Listing Regulations, which is included in pages 62 & 63 of the 23rd Annual Report. He informed the members that there are no qualifications or adverse observations, comments or remarks in the Secretarial Audit Report.

(G) Registers & Reports

The Chairman informed that following were being 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) The Register of contracts or arrangements in which directors are interested under Sec.189(4) of the Companies Act, 2013.

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

(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 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 – global and domestic, industry, company performance and outlook in his address.

(J) Introduction to resolutions

The Chairman observed that there are 4 resolutions proposed to be passed at the 23rd AGM – all four are Ordinary Resolutions. He briefly narrated the background and purpose for each of these resolutions and observed that they are all 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, 16th July 2019 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 19.07.2019 (10.00 AM) and closed on 22.07.2019 (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.

- Shareholders actively participated and 5 shareholders spoke at the meeting. Issues raised, suggestions made and clarifications sought broadly covered:
- Appreciation for declaring dividend of Rs.2 per share in a difficult year.
- Seeking issue of bonus shares and stock split.
- Transfer of unclaimed dividend and Equity shares to IEPF – assisting shareholders in avoiding same.
- Suggesting CSR spend on rain-water harvesting, desilting of rivers and ponds.
- Action required to avert undue delay in receiving payment from TANGEDCO.
- Reducing tax disputes, payment of disputed sums in instalments and provisioning for disputed sums.

(ii) Responding to the issues raised by shareholders, the Chairman clarified:

- The Board will consider the issue of Bonus / stock split at appropriate time but this may not be in the short run.
- Suggestions for improved functioning are taken note of.

- The near-term performance involves huge challenges and the Board would endeavour to do its best.
- (iii) The Chairman advised the Managing Director to respond to certain specific queries. Accordingly, the Managing Director clarified:
- Rising power dues is causing grave concern. Considering the preferential tariff under long term Power Purchase Agreement, it has been considered prudent to persist with this agreement despite difficulties faced.
 - Tax disputes are inevitable in any business environment. Liability is recognized, provision made or contingent liability disclosed in respect of tax disputes in accordance with applicable Accounting Standards. The company would weigh the benefits under the latest Dispute Resolution Scheme and take an appropriate call.
 - As regards transfer of dividend and equity shares to IEPF, the company sends two reminders to concerned shareholders before effecting transfer thereof. The list is also put on the company website for instant access by the member. The company would further offer any necessary assistance required by the member to claim the unpaid dividend and unclaimed shares back from IEPF.

(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

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 Exchanges and CDSL.

(R) Conclusion of Meeting

After vote of thanks proposed by a shareholder, the Chairman declared the meeting closed at 12.05 PM.

(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 2018-19 - Ordinary Resolution	61	3708721	100	-	-	-
2. Declaration of Dividend – Ordinary Resolution	61	3708721	100	-	-	-
3. Reappointment of retiring Director, Mr Arun G Bijur – Ordinary Resolution	61	3708721	100	-	-	-
4. Remuneration to Cost Auditor for FY 2019-20 - Ordinary Resolution	61	3708721	100	-	-	-

Note: (1) There were 4 .invalid votes comprising 41 shares for each resolution.

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

(T) Voting Results

The Chairman noted that all the 4 ordinary resolutions proposed as mentioned in the Notice for the 23rd 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, 23rd July 2019.

ORDINARY BUSINESS**1. Adoption of Financial Statements**

“RESOLVED that the Financial Statements for the year ended 31st March 2019, 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.2.00 (Rupees two only) per Equity Share for the Financial Year 2018-19 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 Tuesday, the 23rd July 2019.”

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

3. Reappointment of retiring Director

“RESOLVED that Mr Arun G Bijur (DIN:00024434), 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.

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, for the financial year 2019-20 at Rs.1,00,000/- (Rupees one lakh only) plus GST 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: 24.07.2019

CHAIRMAN