

RECORDED TRANSCRIPT OF 27th ANNUAL GENERAL MEETING OF K.C.P.SUGAR AND INDUSTRIES CORPORATION LIMITED (28/09/2022 / Wednesday)

At 10.00 AM, at the end of countdown, Moderators told the Chairman '***Chairman may please start the proceedings of the Annual General Meeting. The Meeting is on live.***'

Chairman

Good Morning Shareholders.

I am Vinod Sethi, the Executive Chairman of the Board.

I am going to chair and conduct the proceedings of the 27th Annual General Meeting of the Company, from Mumbai.

Firstly, I take pleasure in welcoming you all to the 27th Annual General Meeting of K.C.P.Sugar and Industries Corporation Limited.

This AGM is being convened through video conferencing and we have engaged NSDL for this purpose.

This Meeting is being recorded and the recorded transcript will be placed in the Website of the Company.

I am informed that the Requisite Members for the Purpose of Quorum has joined and I call the Meeting to be in order.

Let me introduce the Fellow Panellists who have joined the Annual General Meeting:

1. Ms.Irmgard Velagapudi, the Managing Director, from the Registered Office of the Company;
2. Ms.Kiran Velagapudi, the Executive Director, from the Registered Office;
3. Mr.M.S.V.M.Rao, Independent Director and Chairman of Audit Committee has joined the AGM from Telegana;
4. Dr.Vithal Rajan, Independent Director and Chairman of Nomination and Remuneration Committee has joined the Meeting from Nilgris;
5. Mr.Adivarahan, Independent Director and Chairman of Stakeholders Relationship Committee from the Registered Office of the Company; and
6. Mr.Pratap Moturi, Independent Director has joined from Registered Office, Chennai
7. Ms.Florence, Senior General Manager (HR and Administration) and Executive Secretary from the Registered Office;
8. Mr. K. Panneer Selvan, Chief Financial Officer from the Registered Office;
9. Mr.Aravindkumar. V, Company Secretary and Compliance officer from the Registered Office;
10. Mr.Siva kumar, representing M/s.Suri & Siva, the Statutory Auditor of the Company has joined the AGM from Alwarpet, Chennai;
11. Ms.Rajashree Santhanam, the Secretarial Auditor and Scrutiniser of e-Voting Process has joined from Nungambakkam, Chennai;

	<p>I call upon the Company Secretary to rush through the rights of the Shareholders in respect of AGM held through Video Conferencing and the adherence of the Company.</p>
<p>Company Secretary</p>	<p>Good Morning everyone.</p> <ol style="list-style-type: none"> 1. In compliance with the circulars issued by MCA and SEBI, this AGM is being convened through video conferencing and the Company has engaged NSDL for this purpose. 2. The soft copy of the Register of Directors and Key Managerial Personnel and their shareholdings, Register of Contracts, Register of Members are accessible on the company's website www.kcpsugar.com during the proceedings of this AGM. 3. As per the guidelines and enabling circulars, the company has sent Annual Reports to the shareholders through email only. 4. Shareholders who hold shares as on the Cut-Off Date, September 21, 2022 are eligible to cast their vote through e-Voting and attend the AGM through Video Conferencing. 5. Shareholders participating in the AGM who have not cast their vote earlier through e-voting, can exercise their votes by using the link provided on the NSDL website. 6. Ms.Rajashree Santhanam, Practising Company Secretary has been appointed as Scrutiniser for scrutinising the e-Voting Process; 7. The Company is in due compliance of applicable provisions of the Companies Act, 2013 and SEBI Regulations, in respect of this 27th Annual General Meeting. <p>Thank You Sir.</p>

Chairman	<p>Thank You Mr.Aravind.</p> <p>Now we have come to the core part of the Meeting.</p> <p>As the Annual Report containing Notice of 27th AGM and Directors' Report has been sent to the Shareholders by email, I take it to be read.</p> <p>The Statutory Auditors Report and the Secretarial Audit Report are already available with you and both the reports are free from any qualifications or observations or any other remarks.</p> <p>Chairman then briefed about the performance of the Company.</p> <p>Let us proceed with transacting the businesses stated in the Notice of 26th Annual General Meeting of the Company one by one.</p> <p><u>Ordinary Business - Item No.1</u></p> <p>Adoption of Both, Standalone and Consolidated Audited Financial Statements, together with Directors' Report And Auditors' Report of The Company and its subsidiaries For The Financial Year ended 31/03/2022.</p> <p>This resolution is proposed as an Ordinary Resolution.</p> <p>I request the Managing Director to take up the next business.</p> <p>Over to Managing Director.</p>
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<p>Managing Director</p>	<p>Thank you Chairman.</p> <p>I am Irmgard Velagapudi, Managing Director of the Company.</p> <p>I take up the Ordinary Business - Item No.2 - To declare Dividend at the rate of 10% on the face value of the Equity Shares of the Company.</p> <p>This resolution is proposed as an Ordinary Resolution.</p> <p>Thank you.</p> <p>Over to Chairman</p>
<p>Chairman</p>	<p>Thank you Managing Director.</p> <p>Since, I am interested in the business stated in Item No.3, 5, 7, I vacate the Chair and I request Mr.Adivarahan, Independent Director to take the Chair and proceed with the above Items.</p>
<p>Mr.K.R.Adivarahan</p>	<p>Thank you Chairman.</p> <p>Ordinary Business - Item No.3 - Reappointment of Ms. Irmgard Velagapudi liable to retire by rotation.</p> <p>The above ordinary Business is Proposed as an Ordinary Resolution.</p> <p>Special Business – Item No.5 – Ratification of Minimum Remuneration paid to Ms.Kiran Velagapudi, Executive Director of the Company during the Financial Year 2021 – 2022, the fifth year of inadequate</p>

	<p>profits.</p> <p>This item is proposed as a Special Resolution.</p> <p>Special Business – Item No.7 – Re-appointment of Ms. Kiran Velagapudi, as an Executive Director of the Company for a further period of 5 years.</p> <p>This item is proposed as an Ordinary Resolution.</p> <p>Thank You.</p> <p>Over to Chairman.</p>
<p>Chairman</p>	<p>Thank you Mr.Adivarahan.</p> <p>Now I will take up the business set out in the remaining items.</p> <p>Ordinary Business - Item No.4 - Appointment of M/s. B.Purushottam & Co, Chartered Accountants as Statutory Auditors of the Company for the first term of 5 Years.</p> <p>This item is proposed as an Ordinary Resolution.</p> <p>Special Business - Item No.6 - Re-appointment of Mr. K. R. Adivarahan, as an Independent Director of the Company for the second term of 5 Years.</p>

This item is proposed as a Special Resolution.

Special Business - Item No.8 - To invite, accept and renew, Unsecured Deposits from Shareholders and Public from time to time.

This is for the business operations of the Company. The Company has not made any default either in payment of interest or repayment of principal of deposits accepted by the Company till date. The Company is in due compliance of applicable law, in this respect.

This item is proposed as an Ordinary Resolution.

And finally, Item No.9 - Special Business - Ratification of remuneration payable to M/s.SRR & Associates, Cost Accountants, for conducting Cost Audit for the financial year ending 31/03/2023.

This item is proposed as an Ordinary Resolution.

I am informed that there are Two shareholders who have registered as Speaker Shareholders for the meeting.

Request the shareholders to keep their questions short in the interest of time of all concerned.

Have the Shareholders joined the meeting?

<p>Company Secretary</p>	<p>Yes sir, only one shareholder has joined the meeting and we will connect them now.</p> <p>Before Connecting, I will request the speaker shareholders put their questions in short in the interest of time of all concerned and adhere to time limit of 2 minutes and if possible, avoid repeating questions. The responses to the questions raised will be done after all the shareholders are spoken.</p> <p>I now, call upon the first speaker shareholder Mr.Sakeet Kapoor to ask your question</p>
<p>Mr. Sakeet Kapoor Speaker Shareholder</p>	<p>Yes sir,</p> <p>First of all thank you for this opportunity sir, it is only possible because of Technology that i would participate in the annual general meeting having attending from Kolkata, it is all possible because of VC facility that has come at this period not only for me but also for the Directors who can join the meeting across the globe. This VC mode has got good merits and going forward as well we woul have this hybrid form of medium so that participation can happen at ease and coming down to registered office and attend for 20 to 25 minutes of meeting can be avoided.</p> <p>Coming to business part, i have gone through the Rating report given by CARE, wherein they have given a negative rating; i would like to understand what factors they take into give such ratings?</p> <p>Next, in the opening remarks you had mentioned that you are looking for new areas and various report also mentions that post the disposal of Unit II cash accrual with respect to around 43 Crores, please throw light on how the revenue profile for the future will look?</p> <p>Please provide the details of which category of Engineering profile are we going to shape our</p>

	<p>company?</p> <p>How the profitability of the Company improve?</p> <p>The Fixed deposits of the Company is now at the rate of 8% and how comfortable is the Company in framing FD scheme keeping in mind various expansion palns?</p> <p>Further, request you to kindly allow me for factory visit and ask some more questions in person so that i can understand your Company and think of investing though i hold few shares only.</p>
Chairman	<p>Sakeet, please note that you need not restrict from asking questions in this forum alone, and you can very well get in touch with the Company Secretary and send your queries through mail anytime.</p> <p>Coming to your question on Credit rating, please note that, a rigid formats are followed by the Rating agency and the rating given may not really reflect reality in the Company. Many a times companies which are given good rating have become bankrupt and also Companies which have rich cash flow may not be have good rating, i am not criticising the judgment rather i presume that they have given such a rating as i feel Sugar industry, being the core industry is not generating sufficient money, request you to kindly do your home work more into the Company rather than rely on the Rating report before investing.</p> <p>With respect to question relating to Engineering activity, please note that the activity is not new one and we already have it in our existing revenue profile and our subsidiary deals with the said activity and you can find more information of the same in the Consolidated financial statements, we expect</p>

	<p>good future in India for the engineering.</p> <p>With respect to your third and fourth questions, with respect to profitability of the Company, our company being Cyclical in nature, it is difficult to forecast the profitablility of the Sugar business and there are many factors that go in , but yes our Balance sheet is strong and our investments are strong and new Engineering business is also strong and hopefully Sugar industry being cyclical will also have good time just like Cement, Iron & steel, and a combination of Engineering and business of Bio fertilizers which is business of future and over time we will be less dependent on Sugar and that process will happen in some time, so I have hesitant to make any comment on profitability because of the uncertainty but I do think that we have good management team and sensible processes and we hope to do good.</p> <p>In terms of FD rate, yes the rate is 8%, the reason keeping at that rate is to have money for the sugar business which is cyclical in nature, it is just to have a fall back option in case you don't get money from banks. And that is the reason we have a one more source of income.</p> <p>I think I have answered your questions and in case of any clarification you can get in touch with the Comp any Secretary and send your queries by Mail.</p> <p>Aravind, Do we have the second shareholder?</p>
Company Secretary	No sir, the other shareholder has not joined and you can continue with the proceedings of the meeting.

Chairman	<p>With all the resolutions of each business item is being put to vote, I request Ms.Kiran Velagapudi, Executive Director to give Vote of Thanks.</p> <p>Over to Ms.Kiran Velagapudi, Executive Director.</p>
Executive Director	<p>Thank You Chairman for giving me this opportunity. It is my privilege to thank all the Stakeholders on behalf of the Company.</p> <p>Thank You Chairman for giving me this opportunity. It is my privilege to thank all the Stakeholders on behalf of the Company.</p> <p>Good Morning one and all.</p> <p>Trust that you are keeping safe and healthy.</p> <p>Firstly, I would like to thank the Managing Director for her best efforts in managing the affairs of the Company.</p> <p>I thank the Executive Chairman for his inputs and all the Independent Directors for effectively taking part in the Board Process.</p> <p>I thank the Senior Officials, Factory Workers and all the employees of the Company who really put in hard work to cope up the challenging times.</p> <p>I take pleasure in thanking our Wholly Owned Subsidiary, The Eimco – K.C.P. Limited and its Senior</p>

Management Personnel and employees for scaling up year by year and also thank KCP Sugars Agricultural Research Farms Limited, another Wholly Owned Subsidiary for adding value to the Company.

I thank the Cane Growers, Sugar Dealers, Business Associates and Service Providers for cordial business dealings.

I also thank our Depositors for their continued trust and support. At this juncture, it would be appropriate to reiterate that the Company has never made any default either in payment of interest or repayment of principal.

I thank the Bankers who have given their continued support at appropriate time.

I thank the Statutory Auditor, Secretarial Auditor, Cost Auditor and Internal Auditor for performing their duties in the right spirit.

I thank our Share Transfer Agent, Integrated Registry Management Services Private Limited and National Stock Exchange of India Limited, Bombay Stock Exchange and our Depositories NSDL and CDSL for their prompt service.

I thank immensely the Shareholders of the Company for their trust. More particularly, I thank the Shareholders who have voted and participated in this Meeting.

Here, I have to thank the Organiser of Annual General Meeting, the NSDL for their best service and

	<p>our Share Transfer Agent for their best support service and also the Secretarial Department, IT and Admin Department of the Company.</p> <p>I would like to remind that the Shareholders who have participated in this 27th Annual General Meeting of the Company and have not cast their vote through Remote e-Voting may cast their vote till half an hour after the conclusion of the Meeting.</p> <p>Thank you all.</p> <p>Keep in good health.</p> <p>Over to Chairman.</p> <p>I am handing back to the Chairman.</p>
<p>Chairman</p>	<p>Thank you Ms.Kiran Velagapudi.</p> <p>I thank all the shareholders for participating in the virtual AGM. The voting facility will remain open upto 30 minutes from the conclusion of the meeting to enable shareholders to cast their vote through e-voting.</p> <p>The result of e-voting will be declared on or before 30th September 2022, the declared results will be made available on the website of the company, stock exchanges and NSDL.</p> <p>This concludes the meeting proceedings. I thank you all for your participation and declare the meeting closed. Thank you.</p> <p>Stay Healthy!!</p>
<p>At 10.28 AM, the 27th Annual General Meeting was concluded.</p>	