

Minutes of the Extraordinary General Meeting of THE ANDHRA SUGARS LIMITED held on Saturday the 17th December, 2022 at 3.00 p.m. at the Registered Office of the Company, Venkatarayapuram, Tanuku.

Members Present : 79

Pursuant to Article 110 of the Articles of Association of the Company, the Chairman of the Board of Directors of the Company, Sri P.Narendranath Chowdary presided over the meeting and conducted the proceedings after ascertaining that the quorum is present.

The Notice to the Shareholders was read.

Chairman then welcomed the Members present at the Extraordinary Annual General Meeting of the Company and informed the members that the purpose of this meeting is to pass Special Resolution for the re-appointment of Whole-time Directors who have attained the age of 70 years to be in line with the provisions of Companies Act, 2013.

Chairman informed the Meeting that Whole-time Directors Sri Mullapudi Narendranath, Sri Mullapudi Thimmaraja have attained the age of 70 years and Sri P. Achuta Ramayya will attain the age of 70 years on 12th February, 2025. These Whole-time Directors are experts in their respective fields, their experience and valuable guidance is beneficial to the Company. As such their appointment is placed before the Meeting which is required be approved by way of Special Resolution to be in line with the provisions of Companies Act, 2013.

Chairman informed the meeting that the Company provided Members the facility of e-voting and expressed hope that they would have availed the facility. He also informed that those who have not availed the e-voting facility, can now participate in the Poll to be taken up at the Meeting pursuant to the provisions of the Companies Act, 2013. In this regard he also informed that Sri Nekkanti S R V V Satyanarayana, Company Secretary in practice has been appointed as Scrutiniser for the poll who was present at the Meeting.



ITEM NO. 1: To appoint Sri Mullapudi Narendranath as Joint Managing Director

Chairman informed the Members that the Provisions of Sections 196 of Companies Act, 2013 stipulates that no Company shall appoint or continue the employment of any person as Managing Director, Whole-time Director or Manager who has attained the age of Seventy Years unless a Special Resolution is passed.

Chairman further informed the members that Sri Mullapudi Narendranath, Joint Managing Director has attained the age of 70 years and as such as per the provisions of Companies Act, 2013 his appointment is required to be approved by the Shareholders by way of Special Resolution.

Chairman further informed the members that the current term of Sri Mullapudi Narendranath as Joint Managing Director will expire on 31.12.2022. Sri Mullapudi Narendranath has been incharge of the 3 Sugar Plants of your Company since taking charge as Joint Managing Director on 01.01.1998. He has been instrumental in taking up Co-Generation at Sugar Unit-II, Taduvai setting up of Bagasse Driers at 3 Sugar Plants, Flotation Clarifiers at the 3 Sugar Plants, SRI Continuous Pans at Sugar Unit-I, Tanuku and Sugar Unit-II, Taduvai Latest Falling Film Evaporators at Sugar Unit-III, Bhimadole SRI New Generation Clarifiers at Sugar Unit I & III, LLT Clarifier at Sugar Unit-II, Modification of the Diffuser that brought down pol in Bagasse from 1.3 to 0.8.

In view of the need to produce Cane Varieties suited to Mechanical Harvesting, he was instrumental in setting up a Cane Breeding Programme that is giving Higher Yielding and Higher Sugar content Varieties of Cane. He has been on the Executive Committees of the "**Sugar Processing Institute**", New Orleans (USA), and "**Sugar Industry Technologists Inc**", Sugarland, USA. He is also a Director on the Board of Sree Akkamamba Textiles Limited and Hindustan Allied Chemicals Limited. In view of his wide exposure in Sugar Technology and Sugarcane development, your Board of Directors consider it advisable to re-appoint him as Joint Managing Director for a further period of 5 years with effect from 01.01.2023.



The following Resolution with regard to the appointment of Sri Mullapudi Narendranath, as Joint Managing Director (Whole-time Director) was passed as Special Resolution.

“RESOLVED THAT pursuant to the provisions of Section 196, 197 and 203 read with Schedule V of the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 including any statutory modification or re-enactment thereof, for the time being in force and subject to such other approvals, if and as may be required, and based on the recommendation of the Nomination and Remuneration Committee, the consent and approval of the Company be and is hereby accorded to the re-appointment of Sri Mullapudi Narendranath (DIN: 00016764), who has attained the age of 70 years, as a Whole-time Director designated as Joint Managing Director of the Company for a period of five years w.e.f. 1st January, 2023 on the following terms and conditions as approved by the shareholders at the 75th Annual General Meeting of the Company held on 26th September, 2022.

Sri Mullapudi Narendranath is subject to retirement by rotation during the tenure of his office as Joint Managing Director from 01-01-2023 to 31-12-2027.

1. Salary:

Rs. 1,50,000/- per month.

2. Commission

Upto 1.25% of the net profits of the Company subject to the overall ceiling stipulated in Sections 198 & 309 of the Companies Act.

3. Perquisites:

(i) Housing – if required, free furnished residential accommodation with all facilities and amenities including Gas, Electricity, Water, Furniture/Fittings etc., the monetary value of which may be evaluated as per Rule 3 of the Income-Tax Rules, 1962. The expenditure incurred by the Company on Gas, Electricity, Water and Furnishings shall be subject to a ceiling of 10% of the Salary. In case where the Company does not provide accommodation, House Rent Allowance shall be paid at the rate of 50% of the Salary. (ii) Medical reimbursement of the expenses incurred for the treatment in India / Abroad for self and family, (iii) Leave Travel Concession – for himself and his family as per the rules of the Company, (iv) Club Fees, (v) Personal Accident Insurance, (vi) Provident Fund, Company's contribution towards Provident



Fund at 12% of his salary or any rate applicable from time to time, (vii) Superannuation Fund – Company's contribution towards Superannuation Fund as per the rules of the Company, such contribution together with Company's contribution shall not exceed 27% of the salary as laid down under the Income tax Rules, 1962 or such other ceiling as may be prescribed from time to time, (viii) Gratuity – not exceeding ½ a month's salary for each completed year of service, (ix) Leave – entitled to one month's leave, as per the rules of the Company on full pay for every 11 months of service. Encashment of leave at the end of tenure will not be included in computation of ceiling on perquisites, (x) Telephone – one or more free telephone facility at the residence for the use of Company's business, (xi) Car – usage of one or more Company's car for Company's business with driver and all expenses of maintenance, repairs and cost of petrol. (provision of Car for use of Company's business and telephone at residence will not be considered as perquisites), (xii) any other perquisites that may be allowed as per the guidelines issued by the Central Government from time to time.

The above perquisites including salary and commission shall be subject to the overall ceiling of remuneration stipulated under Section 197 of the Companies Act, 2013 read with Schedule V thereto or any statutory modification thereof.

Company's contribution to Provident Fund and Superannuation Fund and Gratuity payable at the end of the tenure to the extent these either singly or together are not taxable under the Income-tax Act shall not be included in the computation of limits for the perquisites aforesaid.

"RESOLVED FURTHER THAT the Board be and is hereby authorised to alter and vary the terms and conditions of the above salary and perquisites in such manner as may be agreed to between Sri Mullapudi Narendranath and the Board."

"RESOLVED FURTHER THAT in the event of loss or inadequacy of profit in any financial year of the Company during the term of his Office as Joint Managing Director, the remuneration and perquisites set out above be paid or granted to Sri Mullapudi Narendranath as minimum remuneration stipulated in Section II of Part II of Schedule V of the said Act or such other amount and perquisites as may be provided in the said Schedule V as may be amended from time to time or any equivalent statutory re-enactment(s) thereof."

"RESOLVED FURTHER THAT in the event of any amendment made by Ministry of Corporate Affairs or Securities and Exchange Board of India or any Statutory



Authority to the provisions concerning the said appointment, the Board at its 1st Meeting after the said amendment coming into force be and is hereby authorised to effect necessary modification as may be required and till the date of the Board Meeting this Resolution shall continue to hold good and thereafter the same may be placed before the 1st General Meeting held after amendment for information and ratification.”

The Resolution was passed with requisite majority based on the results of e-voting and the poll conducted at the Meeting.

ITEM NO. 2: To appoint Sri Mullapudi Thimmaraja as Joint Managing Director

Chairman informed the Members that the Provisions of Sections 196 of Companies Act, 2013 stipulates that no Company shall appoint or continue the employment of any person as Managing Director, Whole-time Director or Manager who has attained the age of Seventy Years unless a Special Resolution is passed.

Chairman further informed the members that Sri Mullapudi Thimmaraja, Joint Managing Director has attained the age of 70 years and as such as per the provisions of Companies Act, 2013 his appointment is required to be approved by the Shareholders by way of Special Resolution.

Chairman further informed the Meeting that the present term of Sri Mullapudi Thimmaraja as Joint Managing Director will be expiring by 31.12.2022. Sri Mullappudi Thimmaraja has been the Whole-time Director of your Company from 1978. Sri Mullapudi Thimmaraja as Joint Managing Director has been looking after General Administration of the Company besides supervision of day to day Administration of all the units at Tanuku, other than Sugar. In view of the growing stature of the Company, your Board of Directors consider it advisable to re-appoint Sri Mullapudi Thimmaraja as Joint Managing Director in the best interests of the Company for a further period of 5 years with effect from 01.01.2023.



The following Resolution with regard to the appointment of Sri Mullapudi Thimmaraja, as Joint Managing Director (Whole-time Director) was passed as Special Resolution.

“RESOLVED THAT pursuant to the provisions of Section 196, 197 and 203 read with Schedule V of the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 including any statutory modification or re-enactment thereof, for the time being in force and subject to such other approvals, if and as may be required, and based on the recommendation of the Nomination and Remuneration Committee, the consent and approval of the Company be and is hereby accorded to the re-appointment of Sri Mullapudi Thimmaraja (DIN: 00016711), who attained the age of 70 years, as a Whole-time Director designated as Joint Managing Director of the Company for a period of five years w.e.f. 1st January, 2023 on the following terms and conditions as approved by the shareholders at the 75th Annual General Meeting of the Company held on 26th September, 2022.

Sri Mullapudi Thimmaraja is subject to retirement by rotation during the tenure of his office as Joint Managing Director from 01.01.2023 to 31.12.2027.

1. Salary:

Rs. 1,50,000/- per month.

2. Commission

Upto 1.25% of the net profits of the Company subject to the overall ceiling stipulated in Sections 198 & 309 of the Companies Act.

3. Perquisites:

(i) Housing – if required, free furnished residential accommodation with all facilities and amenities including Gas, Electricity, Water, Furniture/Fittings etc., the monetary value of which may be evaluated as per Rule 3 of the Income-Tax Rules, 1962. The expenditure incurred by the Company on Gas, Electricity, Water and Furnishings shall be subject to a ceiling of 10% of the Salary. In case where the Company does not provide accommodation, House Rent Allowance shall be paid at the rate of 50% of the Salary. (ii) Medical reimbursement of the expenses incurred for the treatment in India / Abroad for self and family, (iii) Leave Travel Concession – for himself and his family as per the rules of the Company, (iv) Club Fees, (v) Personal Accident Insurance, (vi) Provident Fund, Company’s contribution towards Provident Fund at 12% of his salary or any rate applicable from time to time, (vii) Superannuation Fund – Company’s contribution towards Superannuation Fund as per the rules of the Company, such contribution together with



Company's contribution shall not exceed 27% of the salary as laid down under the Income tax Rules, 1962 or such other ceiling as may be prescribed from time to time, (viii) Gratuity – not exceeding ½ a month's salary for each completed year of service, (ix) Leave – entitled to one month's leave, as per the rules of the Company on full pay for every 11 months of service. Encashment of leave at the end of tenure will not be included in computation of ceiling on perquisites, (x) Telephone – one or more free telephone facility at the residence for the use of Company's business, (xi) Car – usage of one or more Company's car for Company's business with driver and all expenses of maintenance, repairs and cost of petrol. (provision of Car for use of Company's business and telephone at residence will not be considered as perquisites), (xii) any other perquisites that may be allowed as per the guidelines issued by the Central Government from time to time.

The above perquisites including salary and commission shall be subject to the overall ceiling of remuneration stipulated under Section 197 of the Companies Act, 2013 read with Schedule V thereto or any statutory modification thereof.

Company's contribution to Provident Fund and Superannuation Fund and Gratuity payable at the end of the tenure to the extent these either singly or together are not taxable under the Income-tax Act shall not be included in the computation of limits for the perquisites aforesaid.

"RESOLVED FURTHER THAT the Board be and is hereby authorised to alter and vary the terms and conditions of the above salary and perquisites in such manner as may be agreed to between Sri Mullapudi Thimmaraja and the Board."

"RESOLVED FURTHER THAT in the event of loss or inadequacy of profit in any financial year of the Company during the term of his Office as Joint Managing Director, the remuneration and perquisites set out above be paid or granted to Sri Mullapudi Thimmaraja as minimum remuneration stipulated in Section II of Part II of Schedule V of the said Act or such other amount and perquisites as may be provided in the said Schedule V as may be amended from time to time or any equivalent statutory re-enactment(s) thereof."

"RESOLVED FURTHER THAT in the event of any amendment made by Ministry of Corporate Affairs or Securities and Exchange Board of India or any Statutory Authority to the provisions concerning the said appointment, the Board at its 1st Meeting after the said amendment coming into force be and is hereby authorised to effect necessary modification as may be required and till the date



of the Board Meeting this Resolution shall continue to hold good and thereafter the same may be placed before the 1st General Meeting held after amendment for information and ratification”

The Resolution was passed with requisite majority based on the results of e-voting and the poll conducted at the Meeting.

ITEM NO. 3: To appoint Sri P. Achuta Ramayya as Joint Managing Director

Chairman informed the Members that the Provisions of Sections 196 of Companies Act, 2013 stipulates that no Company shall appoint or continue the employment of any person as Managing Director, Whole-time Director or Manager who has attained the age of Seventy Years unless a Special Resolution is passed.

Chairman further informed the members that Sri P. Achuta Ramayya, Joint Managing Director has attaining the age of 70 years on 12th February, 2025 and as such as per the provisions of Companies Act, 2013 his appointment is required to be approved by the Shareholders by way of Special Resolution.

Chairman further informed the members that the Shareholders the present term of Sri P. Achuta Ramayya as Joint Managing Director will be expiring by 31.12.2022. Sri P. Achuta Ramayya has been the Executive Director of your Company from 1983 and subsequently re-designated as Joint Managing Director with effect from 01.04.2012.

Sri P. Achuta Ramayya has been looking after Marketing of various products of the company and the activities of Cotton and Oil Products Division, Guntur. In view of the growing stature of the Company, your Board of Directors consider it advisable to re-appoint Sri P. Achuta Ramayya as Joint Managing Director in the best interests of the Company for a further period of 5 years with effect from 01.01.2023 on the terms and conditions as set out in the Resolution.

The following Resolution with regard to the appointment of Sri P. Achuta Ramayya, as Joint Managing Director (Whole-time Director) was passed as Special Resolution.



“RESOLVED THAT pursuant to the provisions of Section 196, 197 and 203 read with Schedule V of the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 including any statutory modification or re-enactment thereof, for the time being in force and subject to such other approvals, if and as may be required, and based on the recommendation of the Nomination and Remuneration Committee, the consent and approval of the Company be and is hereby accorded to the re-appointment and continuation of Sri Pendyala Achuta Ramayya (DIN: 00015065), who is attaining the age of 70 years on 12/02/2025, as a Whole-time Director designated as Joint Managing Director of the Company for a period of five years w.e.f. 1st January, 2023 on the following terms and conditions as approved by the shareholders at the 75th Annual General Meeting of the Company held on 26th September, 2022.

Sri P. Achuta Ramayya is subject to retirement by rotation during the tenure of his office as Joint Managing Director from 01.01.2023 to 31.12.2027.

1. **Salary:** Rs. 1,50,000/- per month.

2. **Commission :**

Upto 1.25% of the net profits of the Company subject to the overall ceiling stipulated in Sections 198 & 309 of the Companies Act.

3. **Perquisites:**

(i) Housing – if required, free furnished residential accommodation with all facilities and amenities including Gas, Electricity, Water, Furniture/Fittings etc., the monetary value of which may be evaluated as per Rule 3 of the Income-Tax Rules, 1962. The expenditure incurred by the Company on Gas, Electricity, Water and Furnishings shall be subject to a ceiling of 10% of the Salary. In case where the Company does not provide accommodation, House Rent Allowance shall be paid at the rate of 50% of the Salary. (ii) Medical reimbursement of the expenses incurred for the treatment in India / Abroad for self and family, (iii) Leave Travel Concession – for himself and his family as per the rules of the Company, (iv) Club Fees, (v) Personal Accident Insurance, (vi) Provident Fund, Company’s contribution towards Provident Fund at 12% of his salary or any rate applicable from time to time, (vii) Superannuation Fund – Company’s contribution towards Superannuation Fund as per the rules of the Company, such contribution together with Company’s contribution shall not exceed 27% of the salary as laid down under the Income tax Rules, 1962 or such other ceiling as may be prescribed from time to time, (viii) Gratuity – not exceeding ½ a month’s salary for each



completed year of service, (ix) Leave – entitled to one month's leave, as per the rules of the Company on full pay for every 11 months of service. Encashment of leave at the end of tenure will not be included in computation of ceiling on perquisites, (x) Telephone – one or more free telephone facility at the residence for the use of Company's business, (xi) Car – usage of one or more Company's car for Company's business with driver and all expenses of maintenance, repairs and cost of petrol. (provision of Car for use of Company's business and telephone at residence will not be considered as perquisites), (xii) any other perquisites that may be allowed as per the guidelines issued by the Central Government from time to time.

The above perquisites including salary and commission shall be subject to the overall ceiling of remuneration stipulated under Section 197 of the Companies Act, 2013 read with Schedule V thereto or any statutory modification thereof.

Company's contribution to Provident Fund and Superannuation Fund and Gratuity payable at the end of the tenure to the extent these either singly or together are not taxable under the Income-tax Act shall not be included in the computation of limits for the perquisites aforesaid.

"RESOLVED FURTHER THAT the Board be and is hereby authorised to alter and vary the terms and conditions of the above salary and perquisites in such manner as may be agreed to between Sri Pendyala Achuta Ramayya and the Board."

"RESOLVED FURTHER THAT in the event of loss or inadequacy of profit in any financial year of the Company during the term of his Office as Joint Managing Director, the remuneration and perquisites set out above be paid or granted to Sri Pendyala Achuta Ramayya as minimum remuneration stipulated in Section II of Part II of Schedule V of the said Act or such other amount and perquisites as may be provided in the said Schedule V as may be amended from time to time or any equivalent statutory re-enactment(s) thereof."

"RESOLVED FURTHER THAT in the event of any amendment made by Ministry of Corporate Affairs or Securities and Exchange Board of India or any Statutory Authority to the provisions concerning the said appointment, the Board at its 1st Meeting after the said amendment coming into force be and is hereby authorised to effect necessary modification as may be required and till the date of the Board Meeting this Resolution shall continue to hold good and thereafter the same



may be placed before the 1st General Meeting held after amendment for information and ratification”

The Resolution was passed with requisite majority based on the results of e-voting and the poll conducted at the Meeting.

The Meeting concluded with vote of thanks to the Chairman by Sri K.V.S.D. Sasikanth at 3.30 P.M.



CHAIRMAN