

MINUTES OF THE SIXTIETH ANNUAL GENERAL MEETING OF THE MEMBERS OF DALMIA BHARAT SUGAR AND INDUSTRIES LIMITED HELD ON SATURDAY , THE 18th AUGUST, 2012 AT 10.00 A.M. AT THE REGISTERED OFFICE OF THE COMPANY AT DALMIAPURAM, DISTRICT TIRUCHIRAPALLI, TAMIL NADU.

ATTENDED IN PERSON AND THROUGH PROXY:

1. Shri N. Kamraj
2. Shri M. Desingu
3. Shri V. Arunagirinathan
4. Shri S. Ramasubramanian
5. Shri S. Sundaresan
6. Shri K.V. Mohan
7. Shri N. Santhanam
8. Shri R. Raghunathan
9. Shri V. Sundararaj
10. Shri M. Ganesan
11. Shri K.V. Gopal

Besides the above, 17 more shareholders attended in Person and 2 persons attended as proxy holders for 24 shareholders as per the attendance list on file.

1. CHAIRMAN:

The Secretary welcomed the Members for the 60th Annual General Meeting of the Company. He informed that Shri M. Raghupathy, Director of the Company was present and he would Chair the meeting in terms of Article 109 of the Articles of Association of the Company. He also added that Shri P. Kannan, Director and Chairman of the Audit Committee was also present at the meeting.

2. QUORUM:

The Secretary informed the Chairman that the requisite quorum was present and the Chairman called the Meeting to order.

3. NOTICE:

With the consent of the Members present, the Chairman took the Notice convening the Meeting as read.

4. REPORTS AND ACCOUNTS:

The Auditors' Report was then read out to the Shareholders present, by Shri V. Sundararaj.

Thereafter, with the permission of Members present, the Audited Accounts of the Company for the financial year ended 31st March, 2012, and the Directors' Report thereon, as circulated with the Notice of the Meeting were taken as read.

The Chairman enquired from the Members present as to whether they need any clarification with regard to the Annual Accounts of the Company for the year ended 31st March, 2012 and the Director's Report thereon.

There being no questions, the Chairman took up the first item on the agenda for consideration.

Shri S. Sundaresan proposed and Shri S. Ramasubramanian seconded the following Resolution:

" RESOLVED that Audited Accounts of the Company for the year ended 31st March, 2012 and the Reports of the Directors and Auditors thereon, placed before the Meeting, be and are hereby approved and adopted."

The Chairman put the Resolution to vote by a show of hands and as all the members present voted in favour of the Resolution, the Chairman declared the Resolution as having been carried unanimously.

5. RE-APPOINTMENT OF SHRI M. RAGHUPATHY, AS DIRECTOR:

The next item on the agenda was the taken up for consideration by Chairman.

Shri N. Kamraj proposed and Shri V. Arunagirinathan seconded the following Resolution:

" RESOLVED that Shri M. Raghupathy, a Director retiring by rotation, be and is hereby re-appointed as a Director of the Company."

The Chairman put the Resolution to vote by a show of hands and as all the members present voted in favour of the Resolution, the Chairman declared the Resolution as having been carried unanimously.

6. RE-APPOINTMENT OF SHRI T. VENKATESAN, AS DIRECTOR:

The next item on the agenda was the taken up for consideration by Chairman.

Shri N. Santhanam proposed and Shri R. Raghunathan seconded the following Resolution:

"RESOLVED that Shri T. Venkatesan, a Director retiring by rotation, be and is hereby re-appointed as a Director of the Company."

The Chairman put the Resolution to vote by a show of hands and as all the members present voted in favour of the Resolution, the Chairman declared the Resolution as having been carried unanimously.

7. AUDITORS:

The next item on the agenda was the taken up for consideration by Chairman.

Shri V. Sundararaj proposed and Shri M. Ganesan seconded the following Resolution:

"RESOLVED THAT pursuant to Section 224 and other applicable provisions of the Companies Act, 1956 M/s. S.S. Kothari Mehta & Co., Chartered Accountants, New Delhi (Firm Registration No.-000756N) be and are hereby appointed as auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting on payment of such remuneration, including traveling and other out of pocket expenses as may be incurred by them for the purposes of conducting the audit, as may be decided by the Board of Directors of the Company or any Committee thereof."

The Chairman put the Resolution to vote by a show of hands and as all the members present voted in favour of the Resolution, the Chairman declared the Resolution as having been carried unanimously.

SPECIAL BUSINESS

8. APPOINTMENT OF SHRI JAI HARI DALMIA, AS MANAGING DIRECTOR DESIGNATED AS VICE - CHAIRMAN:

The next item on the agenda was taken up for consideration by Chairman.

Shri M. Desingu proposed and Shri V. Arunagirinathan seconded the following Resolution:

- (a) " **RESOLVED** by way of a Special Resolution, that subject to the approval of Central Government and pursuant to the provisions of Sections 198, 269, 309, and other applicable provisions, if any, of the Companies Act, 1956, the Company hereby approves the appointment of Shri Jai Hari Dalmia as Managing Director, designated as Vice-Chairman of the Company, for a period of 5 years with effect from 1-4-2012 on the salary, perquisites etc. set out in the agreement entered into between the Company and Shri Jai Hari Dalmia."
- (b) " **RESOLVED FURTHER** that, subject to the approval of the Central Government, in the event of loss or inadequacy of profits in any financial year within a period of three years from the date of this appointment, the remuneration as aforesaid and as existing during any of the preceding year in which there was a profit, shall be continued to be paid to Shri Jai Hari Dalmia, as minimum remuneration."
- (c) " **RESOLVED FURTHER** that the Board of Directors of the Company be and are hereby authorised to enhance and/or vary the remuneration and to alter/make or accept variations in the terms of appointment and in the other terms of the agreement, so however that, the remuneration and other terms and conditions are in accordance with the provisions of the Companies Act, 1956 including any statutory modifications or re-enactment thereof or any further amendments/substitution thereto and any guidelines or notifications on managerial remuneration which may be issued or any rules that may be prescribed by the Central Government from time to time, and acceptable to Shri Jai Hari Dalmia."

The Chairman put the Resolution to vote by a show of hands and as all the members present voted in favour of the Resolution, the Chairman declared the Resolution as having been carried unanimously.

9. APPOINTMENT OF SHRI YADU HARI DALMIA, AS MANAGING DIRECTOR DESIGNATED AS VICE – CHAIRMAN:

The next item on the agenda was the taken up for consideration by Chairman.

Shri K.V. Gopal proposed and Shri R. Raghunathan seconded the following Resolution:

- (a) " **RESOLVED** by way of a Special Resolution, that pursuant to the provisions of Sections 198, 269,309, and other applicable provisions, if any, of the Companies Act, 1956, the Company hereby approves the appointment of Shri Yadu Hari Dalmia as Managing Director, designated as Vice-Chairman of the Company, for a period of 5 years with effect from 16-1-2012, on the salary, perquisites etc. set out in the agreement entered into between the Company and Shri Yadu Hari Dalmia."
- (b) " **RESOLVED FURTHER** that, subject to the approval of the Central Government, in the event of loss or inadequacy of profits in any financial year within a period of three years from the date of this appointment, the remuneration as aforesaid and as existing during any of the preceding year in which there was a profit, shall be continued to be paid to Shri Yadu Hari Dalmia, as minimum remuneration."
- (c) " **RESOLVED FURTHER** that the Board of Directors of the Company be and are hereby authorised to enhance and/or vary the remuneration and to alter/make or accept variations in the terms of appointment and in the other terms of the agreement, so however that, the remuneration and other terms and conditions are in accordance with the provisions of the Companies Act, 1956 including any statutory modifications or re-enactment thereof or any further amendments/substitution thereto and any guidelines or notifications on managerial remuneration which may be issued or any rules that may be prescribed by the Central Government from time to time, and acceptable to Shri Yadu Hari Dalmia."

The Chairman put the Resolution to vote by a show of hands and as all the members present voted in favour of the Resolution, the Chairman declared the Resolution as having been carried unanimously.

10. APPOINTMENT OF SHRI GAUTAM DALMIA, AS MANAGING DIRECTOR:

The next item on the agenda was taken up for consideration by Chairman.

Shri M. Desingu proposed and Shri N. Kamraj seconded the following Resolution:

- (a) " **RESOLVED** by way of a Special Resolution, that pursuant to the provisions of Sections 198, 269, 309, and other applicable provisions, if any, of the Companies Act, 1956, the Company hereby approves the appointment of Shri Gautam Dalmia as Managing Director of the Company, for a period of 5 years with effect from 16-1-2012, on the salary, perquisites etc. set out in the agreement entered into between the Company and Shri Gautam Dalmia."
- (b) " **RESOLVED FURTHER** that, subject to the approval of the Central Government, in the event of loss or inadequacy of profits in any financial year within a period of three years from the date of this appointment, the remuneration as aforesaid and as existing during any of the preceding year in which there was a profit, shall be continued to be paid to Shri Gautam Dalmia, as minimum remuneration."
- (c) " **RESOLVED FURTHER** that the Board of Directors of the Company be and are hereby authorised to enhance and/or vary the remuneration and to alter/make or accept variations in the terms of appointment and in the other terms of the agreement, so however that, the remuneration and other terms and conditions are in accordance with the provisions of the Companies Act, 1956 including any statutory modifications or re-enactment thereof or any further amendments/substitution thereto and any guidelines or notifications on managerial remuneration which may be issued or any rules that may be prescribed by the Central Government from time to time, and acceptable to Shri Gautam Dalmia."

The Chairman put the Resolution to vote by a show of hands and as all the members present voted in favour of the Resolution, the Chairman declared the Resolution as having been carried unanimously.

**11. APPOINTMENT OF SHRI PUNEET YADU DALMIA, AS
MANAGING DIRECTOR:**

The next item on the agenda was the taken up for consideration by Chairman.

Shri N. Santhanam proposed and Shri S. Ramasubramanian seconded the following Resolution:

- (a) * **RESOLVED** by way of a Special Resolution, that pursuant to the provisions of Sections 198, 269, 309, and other applicable provisions, if any, of the Companies Act, 1956, the Company hereby approves the appointment of Shri Puneet Yadu Dalmia as Managing Director, of the Company, for a period of 5 years with effect from 16-1-2012, on the salary, perquisites etc. set out in the agreement entered into between the Company and Shri Puneet Yadu Dalmia."
- (b) * **RESOLVED FURTHER** that subject to the approval of the Central Government, in the event of loss or inadequacy of profits in any financial year within a period of three years from the date of this appointment, the remuneration as aforesaid and as existing during any of the preceding year in which there was a profits, shall be continued to be paid to Shri Puneet Yadu Dalmia, as minimum remuneration."
- (c) * **RESOLVED FURTHER** that the Board of Directors of the Company be and are hereby authorised to enhance and/or vary the remuneration and to alter/make or accept variations in the terms of appointment and in the other terms of the agreement, so however that, the remuneration and other terms and conditions are in accordance with the provisions of the Companies Act, 1956 including any statutory modifications or re-enactment thereof or any further amendments/substitution thereto and any guidelines or notifications on managerial remuneration which may be issued or any rules that may be prescribed by the Central Government from time to time, and acceptable to Shri Puneet Yadu Dalmia."

The Chairman put the Resolution to vote by a show of hands and as all the members present voted in favour of the Resolution, the Chairman declared the Resolution as having been carried unanimously.

12. APPOINTMENT OF SHRI P. KANNAN, AS DIRECTOR:

The next item on the agenda was the taken up for consideration by Chairman.

Shri K.V. Mohan proposed and Shri M. Ganesan seconded the following Resolution:

" RESOLVED THAT Shri P. Kannan who holds office till the conclusion of the ensuing Annual General Meeting, be and is hereby appointed as a Director of the Company whose office is liable to be determined by retirement by rotation."

The Chairman put the Resolution to vote by a show of hands and as all the members present voted in favour of the Resolution, the Chairman declared the Resolution as having been carried unanimously.

13. ISSUE OF SECURITIES:

The next item on the agenda was the taken up for consideration by Chairman.

Shri N. Santhanam proposed and Shri S. Ramasubramanian seconded the following Resolution:

- (a) **" RESOLVED THAT pursuant to the provisions of Section 81(1A)(a) read with Sections 292(1)(a)/ 292(1)(b)/ 292(1)(c), and other applicable provisions of the Companies Act, 1956, and relevant clauses of Memorandum and Articles of Association of the Company and the Listing Agreements entered into by the Company with the Stock Exchanges and the guidelines laid down by the Securities and Exchange Board of India in this behalf and further subject to such necessary approval, consent, permission and/or sanction of the Government of India, Reserve Bank of India, Securities and Exchange Board of India and any other appropriate authorities, if any, and subject to such conditions as may be prescribed by any of them in granting any such approval, consent, permission or sanction (which the Board is authorised to agree to), the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include any Committee thereof for the time being exercising the powers conferred on the Board by this resolution) be and is hereby authorised on behalf of the Company to issue and allot, on a private placement basis or under a Letter of Offer, in the course of Indian/International**

Offerings in one or more foreign markets, Equity Shares, Preference Shares, Non-Convertible Debentures/Partially Convertible Debentures / Optionally Convertible Debentures/ Indian Depository Receipts/ Qualified Institutional Placement/Global Depository Receipts /American Depository Receipts/Special Promissory Notes/Bonds/Foreign Currency Convertible Bonds/ Warrants, etc, (hereinafter referred to as "Securities") and/or any securities convertible into Equity Shares at the option of the Company and/or holder of the Securities subscribed in Indian/Foreign Currency(ies) to Indian/Foreign investors (whether institutions and/or incorporated Bodies and/or promoters and/or individuals or otherwise) of value not exceeding ₹ 50 crores, which upon conversion of all securities so issued or allotted, could give rise to the issue of Equity Capital of an aggregate face value upto ₹ 4 crores divided into 2,00,00,000 Ordinary Shares of ₹ 2/- each of the Company, such issue and allotment to be made at such time or times, in such tranche or tranches, at such price or prices at a premium to market price or prices in accordance with the prevailing guidelines issued by the Securities and Exchange Board of India, in such manner as the Board may, in its discretion think fit, in consultation with the Lead Managers and Underwrites, and otherwise on such terms and conditions as may be decided and deemed appropriate by the Board at the time of issue or allotment."

- (b) " **RESOLVED FURTHER THAT** without prejudice to the generality of the above, the aforesaid issue of Securities may have all or any terms or combination of terms in accordance with local/international practice including but not limited to conditions in relation to payment of interest, additional interest, premia on redemption, prepayment and any other debt service payments whatsoever, and all such terms as are provided in International Offerings of this nature including terms for issue of additional Equity Shares or variation of the conversion price of the Security during the duration of the Security."
- (c) " **RESOLVED FURTHER THAT** the Board is authorised to enter into and execute all such agreements with any Lead Managers, Managers, Underwriters, Guarantors, Depositories, Depositors, Trustees (in case of Debt Instruments), Custodians, Credit Rating Agencies and all such agencies, National and/or International as may be involved or

concerned in such offerings of Securities and to remunerate all such agencies including the payment of commission, brokerage, fees of the like, also to seek the listing of such Security or Securities representing the same in one or more International and/or National Stock Exchanges, so however that no commission or brokerage shall be payable in case of issue of such Securities to the Promoters".

- (d) " **RESOLVED FURTHER THAT** in event the Board decides to make a Qualified Institutional Placement under Chapter VIII of the SEBI (Issue of Capital & Disclosure Requirements) Regulations, 2009 (the Regulations), the allotment is to be made to the Qualified Institutional Buyers pursuant to Chapter VIII and the price of the underlying Equity Shares shall be determined with reference to the "relevant date" as defined in Regulation 81 of the said Regulations."
- (e) " **RESOLVED FURTHER THAT** the Company and/or any agency or body authorised by the Company may issue Depository Receipts representing the underlying Equity Shares issued by the Company in registered or bearer form with such features and attributes as are prevalent in international capital markets for instruments of this nature and to provide for the tradability or free transferability thereof as per the international practices and regulations, and under the forms and practices prevalent in the international markets."
- (f) " **RESOLVED FURTHER THAT** the issue as above shall be deemed to have been made in India or abroad in the market and/or at the place of issue of the Security in the Indian or international market and shall be governed by the Law as may be applicable and as decided by the Board."
- (g) " **RESOLVED FURTHER THAT** the Board be and is hereby authorised to issue and allot such number of Equity Shares as may be required to be issued and allotted upon conversion/exchange of any Securities referred to in paragraph (a) above or as may be necessary in accordance with the terms of the offering, all such shares ranking pari passu with the existing Equity Shares of the Company in all respects, excepting such right as to dividend as may be provided under the terms of the issue and in the Offer Document."
- (h) " **RESOLVED FURTHER THAT** consent of the Company be and is hereby granted in terms of

sections 293(1)(a) and all other applicable provisions, if any, of the Companies Act, 1956 to the Board of Directors to mortgage and/or charge in addition to mortgages/charges created/to be created by the Company in such form and manner and with such ranking and at such time and on such terms as the Board may determine on all or any of the moveable and/or immovable properties of the Company, both present or future, and/or the whole or any part of the undertakings of the Company for securing any or all of the securities (if they comprise fully/partly secured debt instruments) together with interest, further interest thereon, compound interest in case of default, accumulated interest, remuneration of the Trustees, premium (if any) on redemption, all other costs, charges and expenses payable by the Company in terms of the Trust Deed/Other Documents to be finalised and executed by the Company."

- (i) "RESOLVED FURTHER THAT for the purpose of giving effect to any issue or allotment of Equity Shares or Securities or instruments or Securities representing the same, as described in paragraph (a) above, the Board be and is hereby authorised on behalf of the Company to do all such acts, deeds, matters and things as it may at its discretion deem necessary or desirable for such purpose including deferment of the proposal in whole or in part to some later date and without limitation the entering into of underwriting, marketing and depository arrangements and with powers on behalf of the Company to settle any questions, difficulties or doubts that may arise in regard to any such issue or allotment as it may in its absolute discretion deem fit."

The Chairman put the Resolution to vote by a show of hands and as all the members present voted in favour of the Resolution, the Chairman declared the Resolution as having been carried unanimously.

14. PAYMENT OF COMMISSION TO NON WHOLETIME DIRECTORS:

The next item on the agenda was the taken up for consideration by Chairman.

Shri K.V. Gopal proposed and Shri R. Raghunathan seconded the following Resolution:

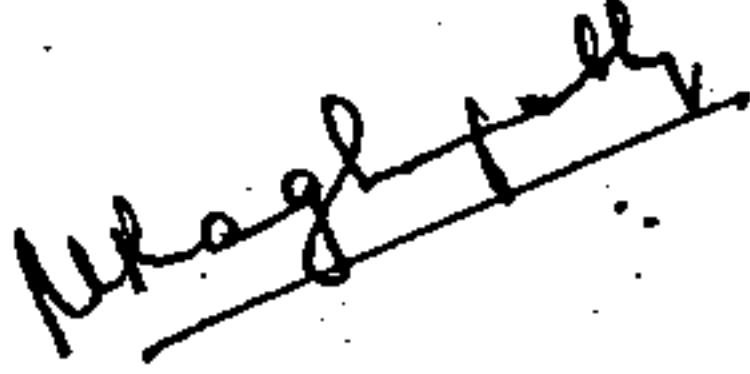
" RESOLVED THAT pursuant to the provisions of Section 309 and other applicable provisions of the Companies Act, 1956, the payment of commission of upto one percent of the net profits of the Company, (in addition to the sitting fees) in the aggregate each year to all Directors (other than the Whole-time Director(s) or the Vice-Chairman/Managing Director/Joint Managing Director) of the Company, be and is hereby approved for a period of five years with effect from the financial year ending on 31st March, 2013, and that such remuneration be divided amongst the Directors (other than the Whole-time Director(s) or Vice-Chairman/Managing Director/Joint Managing Director) of the Company in such proportion as may be decided by the Board of Directors of the Company, from time to time."

The Chairman put the Resolution to vote by a show of hands and as all the members present voted in favour of the Resolution, the Chairman declared the Resolution as having been carried unanimously.

15. VOTE OF THANKS:

There being no other business to transact, the Meeting terminated with a vote of thanks to the Chair.

Date: 24-8-2012


**M. RAGHUPATHY
CHAIRMAN OF THE MEETING**