

KSE LIMITED

MINUTES OF THE 50TH ANNUAL GENERAL MEETING

Nature of Meeting : Annual General Meeting
Venue : Registered Office, Irinjalakuda
Date : 25.09.2014 Time : 3.00 P.M.

Present

206 members were present in person and 4 persons representing proxies.

In Attendance

Mr. R. Sankaranarayanan, Company Secretary Cum General Manager (Finance)

Chairman

Sri M.C. Paul Chairman and Managing Director presided over the meeting.

Quorum

The Chairman declared that pursuant to the provisions of Section 103 (1) (a) (2) of the Companies Act, 2013, fifteen members personally present shall form the quorum for the meeting. since more than 15 members are present in person for the meeting, Chairman declared that there is proper quorum.

Chairman's Speech

Welcoming the members to the 50th Annual General Meeting, he briefly covered the current status of Indian economy. In his speech he touched up on the change in Government at Centre and the introduction of new Companies Act, 2013.

He has informed the meeting that the property at Mysore having extent slightly above 4 acres has been sold for a net consideration of Rs. 12.90 crores in August, 2014 and the sales proceeds will be utilised for augment of the working capital.

He informed that the turnover of the Company results and turnover of the Company for the year 2013-14 was the best in the history of the Company. The turnover has increased by 16 %. He added that the company had earned after tax profit amounting to Rs. 15.37 crores for the year 2013-14 and that considering the same the Board has recommended a dividend of 200 %.

It was announced that the cattle feed market was affected by the wide-spread and severe foot and mouth disease in Kerala and Tamil Nadu in the second half of financial year 2013-14. This has affected the volume of sale of cattle feed. He then presented the performance of the three divisions cattle feed, oil cake processing and Dairy separately during the year 2013-14 and also discussed the prospects of these divisions in the current year. He added that since the monsoon rain was near normal, crop of cereals, oil seeds etc. will be good. He informed that this in turn will reduce the price of raw material on improved availability, and thereby better the performance of the Company in 2014-15. He also informed that the Company will be in a better position on power front as all the reservoirs are either full or nearly full.

He emphasized that the growth that was achieved by the Company was by the sincere and cooperative efforts of the Board of Directors, Chief General Manager, Corporate Managers, Managers, Officers, Staff and Workers of all units.



For KSE LIMITED

R. SANKARANARAYANAN
Company Secretary and General Manager (Finance)

He thanked the shareholders, employees, dealers, suppliers Bank and other agencies connected with the business of the Company for their wholehearted cooperation.

Notice of meeting

The Notice of the meeting dated 24.07.2014 was read and with the approval of members, the Chairman declared that the Balance sheet, Statement of Profit and Loss, Director's Report and Auditor's Report which have already been circulated among the members be taken as read.

Business Agenda and announcement of results for e-voting and postal ballot

Chairman informed the Members that pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules 2014 the Company had extended e-voting facility and further in terms of Clause 35B of the Listing Agreement facility of Post Ballot was also extended to the members of the Company in respect of businesses to be transacted in the Annual General Meeting. The e-voting commenced from 18th September, 2014 at 9.00 a.m. and ended on 20th September, 2014 at 5.00 p.m. The last date fixed for receipt of postal ballot was 20th September, 2014 5.00 p.m. The Board has appointed Mr. Sathish V., Practicing Company Secretary as the Scrutinizer for scrutinizing the e-voting and postal ballot process. After scrutiny of the votes casted in the e-voting and postal ballot for all the sixteen resolutions, Mr. Sathish V. submitted the Report to the Chairman. Thereafter, the Chairman approved the same for taking on record.

Chairman announced the result of e-voting and postal ballot in respect of the businesses to be transacted in the annual general meeting as per the business agenda laid before the meeting on the following items

ORDINARY BUSINESS –Ordinary Resolutions

1. Adoption of Accounts for the year ended 31st March, 2014

"Resolved that the audited financial statements of the Company for the year ended 31st March, 2014 including balance sheet as at 31st March, 2014 and the statement of profit and loss for the year ended 31st March, 2014 together with the reports of the directors and the auditors of the Company thereon, as presented to the meeting, be and are hereby received, approved and adopted."

Chairman announced the following results of voting through e-voting and postal ballot in respect of above resolution, as submitted by the Scrutinizer:

Particulars	No. of Votes (in equity shares)			Percentage of Voting
	Postal Ballot	e-voting	Total	
Total Votes polled	1439336	1852	1441188	100.00
Votes cast in favour	1439236	1852	1441088	99.99
Votes cast against	100	--	100	0.01

Thereafter the Chairman has declared that the above **ordinary** resolution was passed with requisite majority.



For KSE LIMITED

R. SANKARANARAYANAN
Company Secretary and General Manager (Finance)

2. To declare dividend on equity shares at the rate of Rs. 20 per equity share.

"Resolved that final dividend of Rs. 20 per equity share on 32,00,000 equity shares of Rs. 10 each, as recommended by the Board, be and is hereby declared out of the profits of the Company for the year ended 31st March, 2014, absorbing an amount of Rs. 7,48,76,800 (including dividend distribution tax and cess thereon) and that the dividend be paid to those shareholders, whose names appear in the Company's register of members as on 25th September, 2014 and in respect of equity shares held in dematerialised form to those beneficial owners of the equity shares as at the end of business hours on 9th September, 2014 as per the details furnished by the depositories for this purpose."

Chairman announced the following results of voting through e-voting and postal ballot in respect of above resolution, as submitted by the Scrutinizer:

Particulars	No. of Votes (in equity shares)			Percentage of Voting
	Postal Ballot	e-voting	Total	
Total Votes polled	1439336	1852	1441188	100.00
Votes cast in favour	1439236	1852	1441088	99.99
Votes cast against	100	--	100	0.01

Thereafter the Chairman has declared that the above **ordinary** resolution was passed with requisite majority.

3. To appoint a Director in place of Dr. K.C. Vijayaraghavan (DIN : 00111953), who retires by rotation and being eligible, offers himself for re-appointment.

"Resolved that Dr. K.C. Vijayaraghavan (DIN : 00111953), who retires by rotation and being eligible for re-appointment, be and is hereby re-appointed as a director of the Company."

Chairman announced the following results of voting through e-voting and postal ballot in respect of above resolution, as submitted by the Scrutinizer:

Particulars	No. of Votes (in equity shares)			Percentage of Voting
	Postal Ballot	e-voting	Total	
Total Votes polled	1439241	1852	1441093	100.00
Votes cast in favour	1438991	1851	1440842	99.98
Votes cast against	250	1	251	0.02

Thereafter the Chairman has declared that the above **ordinary** resolution was passed with requisite majority.

4. To appoint a Director in place of Mr. P.D. Anto (DIN : 00106965), who retires by rotation and being eligible, offers himself for re-appointment.

"Resolved that Mr. P.D. Anto (DIN : 00106965), who retires by rotation and being eligible for re-appointment, be and is hereby re-appointed as a director of the Company."



For KSE LIMITED
R. SANKARANARAYANAN
Company Secretary cum General Manager (Finance)

Chairman announced the following results of voting through e-voting and postal ballot in respect of above resolution, as submitted by the Scrutinizer:

Particulars	No. of Votes (in equity shares)			Percentage of Voting
	Postal Ballot	e-voting	Total	
Total Votes polled	1439046	1852	1440898	100.00
Votes cast in favour	1438796	1851	1440647	99.98
Votes cast against	250	1	251	0.02

Thereafter the Chairman has declared that the above **ordinary** resolution was passed with requisite majority.

5. **To appoint a Director in place of Mr. John Francis K. (DIN : 00107016), who retires by rotation and being eligible, offers himself for re-appointment.**

"Resolved that Mr. John Francis K. (DIN : 00107016), who retires by rotation and being eligible for re-appointment, be and is hereby re-appointed as a director of the Company."

Chairman announced the following results of voting through e-voting and postal ballot in respect of above resolution, as submitted by the Scrutinizer:

Particulars	No. of Votes (in equity shares)			Percentage of Voting
	Postal Ballot	e-voting	Total	
Total Votes polled	1439051	1852	1440903	100.00
Votes cast in favour	1438801	1851	1440652	99.98
Votes cast against	250	1	251	0.02

Thereafter the Chairman has declared that the above **ordinary** resolution was passed with requisite majority.

6. **Appointment of Auditors**

"RESOLVED that pursuant to the provisions of section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder, as amended from time to time, M/s. Varma & Varma, Chartered Accountants (ICAI Firm Registration No. 004532 S), the retiring Auditors of the Company, be and are hereby re-appointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the fifty third AGM of the Company to be held in the year 2017 (subject to ratification of their appointment at every AGM, held after this AGM), on such remuneration plus service tax, out-of-pocket, travelling and living expenses, etc., as may be mutually agreed between the Board of Directors of the Company and the Auditors."

Chairman announced the following results of voting through e-voting and postal ballot in respect of above resolution, as submitted by the Scrutinizer:

Particulars	No. of Votes (in equity shares)			Percentage of Voting
	Postal Ballot	e-voting	Total	
Total Votes polled	1439106	1852	1440958	100.00
Votes cast in favour	1438956	1852	1440808	99.99
Votes cast against	150	--	150	0.01

Thereafter the Chairman has declared that the above **ordinary** resolution was passed with requisite majority.



For KSE LIMITED
R. SANKARANARAYANAN
Company Secretary (and General Manager / Finance)

SPECIAL BUSINESS – Ordinary Resolutions

7. Appointment of Independent Director

RESOLVED that pursuant to Sec.149, 152 and other applicable provisions if any of the Companies Act, 2013 and the Rules made thereunder, read with Schedule-IV of the Companies Act, 2013, Mr. K.P. John (DIN: 00106897), a non-executive independent director of the Company in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 signifying his intention to propose Mr. K.P. John, who has submitted a declaration that he meets the criteria for independence as provided in section 149(6) of the Act and who is eligible for appointment, as a candidate for the office of Independent Director of the Company be and is hereby appointed as an Independent Director of the Company to hold office for a period of five years from the conclusion of this Annual General Meeting and he is not liable to retire by rotation.

Chairman announced the following results of voting through e-voting and postal ballot in respect of above resolution, as submitted by the Scrutinizer:

Particulars	No. of Votes (in equity shares)			Percentage of Voting
	Postal Ballot	e-voting	Total	
Total Votes polled	1439061	1852	1440913	100.00
Votes cast in favour	1438761	1852	1440613	99.98
Votes cast against	300	0	300	0.02

Thereafter the Chairman has declared that the above **ordinary** resolution was passed with requisite majority.

8. Appointment of Independent Director

RESOLVED that pursuant to Sec.149, 152 and other applicable provisions if any of the Companies Act, 2013 and the Rules made thereunder, read with Schedule-IV of the Companies Act, 2013, Dr. Jose Paul Thaliyath (DIN: 01773031), a non-executive independent director of the Company in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 signifying his intention to propose Dr. Jose Paul Thaliyath, who has submitted a declaration that he meets the criteria for independence as provided in section 149(6) of the Act and who is eligible for appointment, as a candidate for the office of Independent Director of the Company, be and is hereby appointed as an Independent Director of the Company to hold office for a period of five years from the conclusion of this Annual General Meeting and he is not liable to retire by rotation.

Chairman announced the following results of voting through e-voting and postal ballot in respect of above resolution, as submitted by the Scrutinizer:

Particulars	No. of Votes (in equity shares)			Percentage of Voting
	Postal Ballot	e-voting	Total	
Total Votes polled	1439066	1852	1440918	100.00
Votes cast in favour	1438966	1852	1440818	99.99
Votes cast against	100	0	100	0.01

Thereafter the Chairman has declared that the above **ordinary** resolution was passed with requisite majority.



For KSE LIMITED
R. SANKARANARAYANAN
Company Secretary & General Manager (Financial)

9. Appointment of Independent Director

RESOLVED that pursuant to Sec.149, 152 and other applicable provisions if any of the Companies Act, 2013 and the Rules made thereunder, read with Schedule-IV of the Companies Act, 2013, Mr. Joseph Xavier (DIN: 02943750), a non-executive independent director of the Company in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 signifying his intention to propose Mr. Joseph Xavier, who has submitted a declaration that he meets the criteria for independence as provided in section 149(6) of the Act and who is eligible for appointment, as a candidate for the office of Independent Director of the Company, be and is hereby appointed as an Independent Director of the Company to hold office for a period of five years from the conclusion of this Annual General Meeting and he is not liable to retire by rotation.

Chairman announced the following results of voting through e-voting and postal ballot in respect of above resolution, as submitted by the Scrutinizer:

Particulars	No. of Votes (in equity shares)			Percentage of Voting
	Postal Ballot	e-voting	Total	
Total Votes polled	1439071	1852	1440923	100.00
Votes cast in favour	1438971	1852	1440823	99.99
Votes cast against	100	0	100	0.01

Thereafter the Chairman has declared that the above **ordinary** resolution was passed with requisite majority.

10. Appointment of Independent Director

RESOLVED that pursuant to Sec. 149, 152 and other applicable provisions if any of the Companies Act, 2013 and the Rules made thereunder, read with Schedule-IV of the Companies Act, 2013, Mrs. Sathi A. Menon (DIN: 06931857), in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 signifying his intention to propose Mrs. Sathi A. Menon, who has submitted a declaration that she meets the criteria for independence as provided in section 149(6) of the Act and who is eligible for appointment, as a candidate for the office of Independent Director of the Company, be and is hereby appointed as an Independent Director of the Company to hold office for a period of five years from the conclusion of this Annual General Meeting and she is not liable to retire by rotation.

Chairman announced the following results of voting through e-voting and postal ballot in respect of above resolution, as submitted by the Scrutinizer:

Particulars	No. of Votes (in equity shares)			Percentage of Voting
	Postal Ballot	e-voting	Total	
Total Votes polled	1439126	1852	1440978	100.00
Votes cast in favour	1438826	1851	1440677	99.98
Votes cast against	300	1	301	0.02

Thereafter the Chairman has declared that the above **ordinary** resolution was passed with requisite majority.



For KSE LIMITED
R. SAMKARAN ARAYANAN
Company Secretary & General Manager (Financial)

11. Approval of remuneration to Cost Auditor

"Resolved that pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), M/s. A.R.Narayanan & Co, Cost Accountants, Cochin, (ICAI Firm Registration No. 101421) appointed by the Board of Directors of the Company, to conduct the audit of the Cost records of the Company for the financial year ending March 31, 2015 be paid the remuneration of Rs.2,50,000 plus service tax and out of pocket expenses.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

Chairman announced the following results of voting through e-voting and postal ballot in respect of above resolution, as submitted by the Scrutinizer:

Particulars	No. of Votes (in equity shares)			Percentage of Voting
	Postal Ballot	e-voting	Total	
Total Votes polled	1437781	1852	1439633	100.00
Votes cast in favour	1437541	1851	1439392	99.98
Votes cast against	240	1	241	0.02

Thereafter the Chairman has declared that the above **ordinary** resolution was passed with requisite majority.

SPECIAL BUSINESS – Special Resolutions

12. Approval for acceptance of Deposits from Public/Members

To consider and, if thought fit, to pass, with or without modification(s), the following as a Special Resolution:

"RESOLVED that pursuant to the provisions of sections 73, 76 and all other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Acceptance of Deposits) Rules, 2014 ("the Rules") (including any statutory modification(s) or re-enactment thereof for the time being in force), consent of the Members of the Company be accorded to the Company to invite/accept/renew from time to time unsecured/secured Deposits from the public and/or Members of the Company upto the permissible limits as prescribed under the Rules.

FURTHER RESOLVED that for the purpose of giving effect to this Resolution, the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include any Committee thereof) be authorised to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, proper or desirable for such invitation/acceptance/renewal of Deposits by the Company and to settle any questions, difficulties or doubts that may arise in this regard and further to execute all necessary documents, applications, returns and writings as may be necessary, proper, desirable or expedient."



For KSE LIMITED
R. SANKARANARAYANAN
Company Secretary cum General Manager (Financial)

Chairman announced the following results of voting through e-voting and postal ballot in respect of above resolution, as submitted by the Scrutinizer:

Particulars	No. of Votes (in equity shares)			Percentage of Voting
	Postal Ballot	e-voting	Total	
Total Votes polled	1438596	1852	1440448	100.00
Votes cast in favour	1438006	1852	1439858	99.96
Votes cast against	590	0	590	0.04

Thereafter the Chairman has declared that the above **Special** resolution was passed with requisite majority.

13. To approve Borrowing limits of the Company

To consider and, if thought fit, to pass with or without modification, the following resolution as a Special Resolution:

"RESOLVED that in supersession of the Resolution passed under Section 293(1)(d) of the Companies Act, 1956, at the Annual General Meeting of the Company held on 27th August, 2009 and pursuant to Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013, as amended from time to time, the consent of the Company be and is hereby accorded to the Board of Directors of the Company or any Committee of the Board (hereinafter referred to as the "Board") for borrowing from time to time, any sum or sums of monies which together with the monies already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business), may exceed the aggregate of the paid-up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose, provided that the total outstanding amount so borrowed shall not at any time exceed the sum of Rs. 150 crores (Rupees One Hundred and Fifty Crores only)."

"RESOLVED FURTHER that the Board be and is hereby authorized and empowered to arrange or settle the terms and conditions on which all such monies are to be borrowed from time to time as to interest, repayment, security or otherwise howsoever as it may think fit and to do all such acts, deeds and things as may be necessary and incidental for giving effect to the above, including execution of all such documents, instruments and writings, as may be required."

Chairman announced the following results of voting through e-voting and postal ballot in respect of above resolution, as submitted by the Scrutinizer:

Particulars	No. of Votes (in equity shares)			Percentage of Voting
	Postal Ballot	e-voting	Total	
Total Votes polled	1438701	1852	1440553	100.00
Votes cast in favour	1437842	1851	1439693	99.94
Votes cast against	859	1	860	0.06

Thereafter the Chairman has declared that the above **Special** resolution was passed with requisite majority.



For KSE LIMITED

 R. EANKOTANARAYANAN
 Company Secretary & General Manager (Finance)

14. To create Charges on the assets of the Company

To consider and, if thought fit, to pass with or without modification, the following resolution as a Special Resolution:

"RESOLVED that in supersession of the Resolution passed under Section 293(1)(a) of the Companies Act, 1956, at the Annual General Meeting of the Company held on 27th August, 2009 and pursuant to Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013, as amended from time to time, the consent of the Company be and is hereby accorded to the Board of Directors of the Company or any Committee of the Board (hereinafter referred to as the "Board") for creation of such mortgages, charges and hypothecations as may be necessary on such of the assets of the Company, movable or immovable, wherever situate, both present and future, whether pari passu with the existing charges or not, in such manner as the Board may direct, to or in favour of financial institutions, investment institutions and their subsidiaries, banks, mutual funds, trusts, other bodies corporate (hereinafter referred to as the "Lending Agencies"), to secure rupee term loans/foreign currency loans, debentures, bonds and other instruments of an outstanding aggregate value not exceeding Rs. 150 crores (Rupees One Hundred and Fifty Crores only) together with interest thereon at the agreed rates, further interest, liquidated damages, premium on prepayment or on redemption, costs, charges, expenses and all other moneys payable by the Company to the Lending Agencies under their respective Agreements / Loan Agreements / Debenture Trust Deeds, etc. entered/to be entered into by the Company in respect of the said borrowings."

"RESOLVED FURTHER that the Board be and is hereby severally authorized to finalize with the Lending Agencies / Trustees, the documents for creating the aforesaid mortgages, charges and/or hypothecations and to accept any modifications to, or to modify, alter or vary, the terms and conditions of the aforesaid documents and to do all such acts and things and to execute all such documents as may be necessary for giving effect to this Resolution."

Chairman for this item announced the following results of voting through e-voting and postal ballot in respect of above resolution, as submitted by the Scrutinizer:

Particulars	No. of Votes (in equity shares)			Percentage of Voting
	Postal Ballot	e-voting	Total	
Total Votes polled	1438696	1852	1440548	100.00
Votes cast in favour	1438206	1852	1440058	99.97
Votes cast against	490	0	490	0.03

Thereafter the Chairman has declared that the above Special resolution was passed with requisite majority.

Mr. M.C. Paul being interested in resolution No. 15 moved from the Chair and Mr. P.K. Varghese, Executive Director, a non-interested Director, took the Chair and conducted the proceedings of the said Resolution until its completion.



For KSE LIMITED
R. SAMANARAYANAN
Company Secretary & General Manager (Finance)

15. Reappointment of Managing Director

To consider and, if thought fit, to pass with or without modification, the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 196 , 197 and 203 and other applicable provisions, if any, of the Companies Act, 2013, (including any amendment thereto or enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013 (corresponding to Sections 198, 269, 309 and any other applicable provisions of the Companies Act, 1956, read with Schedule XIII to the Companies Act, 1956), the consent of the Company be and is hereby accorded to the reappointment of Mr. M.C. Paul (DIN 00105776) as Managing Director of the Company for a period of three years from 23rd October, 2014 to 22nd October, 2017 on the terms and conditions of reappointment and remuneration as set out in the draft agreement of the reappointment submitted to the meeting and initialed by the Chairman for the purpose of identification and that he be paid following remuneration by way of salary, bonus, perquisites and allowances as approved by the Board of Directors of the Company and the Nomination & Remuneration Committee:

a) Salary

Rs. 2,00,000 (Rupees Two Lakhs only) per month with annual increment in the scale of Rs. 2,00,000 -10,000 -2,20,000

b) Bonus

Bonus at the rates and in accordance with the rules of the Company as applicable to the senior managerial personnel of the Company with in the overall limit under Schedule V to the Companies Act, 2013.

c) Gratuity

Gratuity, as per the Rules of the Company, at the rate of half a month's salary for each year of completed service including past service with the Company.

d) Contribution to funds

Company's contribution to provident fund will not be included in the computation of the ceiling on perquisites to the extent the same is not taxable under the Incometax Act, 1961.

e) Benefits, Perquisites and Allowances

- i. Provision of a car with driver for official purposes and such driver's remuneration/ expenses as fixed/approved by the Board shall be reimbursed to him, if he is not provided with Company's driver.
- ii. Free use of Company's Mobile Phone and telephone at his residence.
- iii. Reimbursement of medical expenses incurred for himself and family subject to a ceiling of one month's salary in a year or three month's salary over a period of three years.
- iv. Actual leave travel expenses, as per the Rules of the Company, excluding hotel charges once in a year to any place in India to himself and his family.
- v. Fees to clubs subject to a maximum of two clubs provided that no life membership fee or admission fee is paid.

The value of the perquisites would be evaluated as per Incometax Rules, 1962 wherever applicable and at cost in the absence of any such Rule.



For KSE LIMITED
R. SANKARANARAYANAN
Company Secretary & Joint Manager (Finance)

RESOLVED FURTHER THAT the Board of Directors and the Nomination & Remuneration Committee be and are hereby severally authorised to alter and vary such terms of reappointment and remuneration so as to not exceed the limits specified in Schedule V to the Companies Act, 2013 (corresponding to Schedule XIII to the Companies Act, 1956), as may be agreed to by the Board of Directors and Mr. M.C. Paul.”

“Resolved further that in the event of there being inadequacy or absence of profits in any financial year, during the currency of tenure of the Managing Director, he will be paid remuneration in terms of Part II of Schedule V to the Companies Act, 2013 including any statutory modification(s) or re-enactments thereof or such other limit as may be prescribed by the government from time to time as minimum remuneration.”

Mr. P.K. Varghese, who is the Chairman for this item, announced the following results of voting through e-voting and postal ballot in respect of above resolution, as submitted by the Scrutinizer:

Particulars	No. of Votes (in equity shares)			Percentage of Voting
	Postal Ballot	e-voting	Total	
Total Votes polled	1411953	1852	1413805	100.00
Votes cast in favour	1411713	1852	1413565	99.98
Votes cast against	240	0	240	0.02

Thereafter the Chairman has declared that the above **Special** resolution was passed with requisite majority.

Mr. P.K. Varghese, Executive Director handed over the Chair back to Mr. M.C. Paul for conducting the remaining proceedings.

16. Alteration of Articles of Association

To consider and if deemed fit to pass with or without modification the following resolution as a Special Resolution:

“RESOLVED that pursuant to the provisions of Sec. 14 of the Companies Act, 2013 (hereinafter in this resolution referred to as “the Act”), existing Articles 78, 80, 102 and 110 of the Articles of Association of the Company be and are hereby deleted and in its place the following Articles shall be substituted:

Quorum	78. No business shall be transacted at any general meeting unless a quorum of members as provided in Section 103 of the Companies Act, 2013 is present at the time when the meeting proceeds to business. If within half an hour from the time appointed for the meeting a quorum is not present, the meeting if convened upon the requisition of members, shall stand dissolved; but in any other case it shall stand adjourned to the same day in the next week, at the same time and place, or to such other day, time and place as the Board may determine. If at such adjourned meeting also a quorum is not present within half an hour from the time appointed for holding the meeting any two members who are personally present shall be a quorum and may transact the business for which the meeting was called. No notice of the adjourned meeting need be given to the members.
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FOR KSE LIMITED

 R. GANAPARANATHAN
 Company Secretary and General Manager (Finance)

Chairman	80. (a) The Board shall have the power to appoint one among them, including Managing Director or any Executive Director, as the Chairman of the Board. (b) The Chairman of the Board shall be entitled to take the chair at every general meeting. If there be no chairman, or if at any meeting he is not present within fifteen minutes after the time appointed for holding such meeting, or is unwilling to act as chairman, the directors present shall elect one among them to be the chairman of that meeting and if no director present be willing to take the chair, the members present shall choose one among them to be the chairman of that meeting. (c) If a poll is demanded in the election of the chairman, the chairman elected on a show of hands shall exercise all the powers of the chairman and if some other person is elected chairman as a result of the poll, he shall be the chairman for the rest of the meeting.
Number of Directors	102. The number of Directors shall not be less than three and, until otherwise determined by the Company by Special Resolution in general meeting, shall not be more than fifteen including directors nominated by Government, Bank, Financial Institutions or any other person to represent its interest.
Share qualifications	110. The Directors including the nominee directors and independent directors shall not be required to hold any qualification shares.

Chairman announced the following results of voting through e-voting and postal ballot in respect of above resolution, as submitted by the Scrutinizer:

Particulars	No. of Votes (in equity shares)			Percentage of Voting
	Postal Ballot	e-voting	Total	
Total Votes polled	1437706	1852	1439558	100.00
Votes cast in favour	1437556	1851	1439407	99.99
Votes cast against	150	1	151	0.01

Thereafter the Chairman has declared that the above Special resolution was passed with requisite majority.

The Chief General Manager thanked the members for their cooperation in the successful conduct of the meeting.

The Chairman declared that the proceedings of the meeting are over.

The meeting came to a close with vote of thanks to the Chair at 4.30 P.M.



For KSE LIMITED

 R. SANKARANARAYANAN
 Company Secretary (General Manager & Financial)

CHAIRMAN

KSE LIMITED
Chairman's Address by Sri. M.C. Paul at the 50th Annual General Meeting
on 25th September, 2014 at 3.00 P.M.

Respected Directors and my dear Shareholders,

I have great pleasure in welcoming your all for the 50th Annual General Meeting of your Company. Your Company was incorporated on 25th September, 1963. Today we are celebrating the 51st birth day of your Company. We had just came to an end of the golden jubilee year of your Company. It is rare that a company continues to flourish and grow after the age of 50 years. It is too rare such a company performing well in the challenging environment of Kerala. This, according to me, is due to the policies which the Management had followed, from the inception, on management of labour, financial discipline, risk management, marketing and after sale services, quality of the product, etc. and the transparency in each transaction of your Company. Your Company is growing year after year and has secured a coveted place in the industrial map of Kerala.

I also feel a sense of great pleasure and delight that I am able to address you when your company has finished one of its finest years, with the highest revenue and profit at any time in our history. I congratulate the entire management team and the nearly 1000 employees of the company that helped us to make this happen.

A lot of changes have taken place in the political and economic scenario since last Annual General Meeting. The country has voted for a change in the political front. For the first time in 30 years, India is having a non coalition government at the Centre. The mandate has been widely welcomed both within the country and internationally as a vote for stability. The Hon'ble Prime Minister has articulated the Government's resolve to revive Brand India on the strength of 5 Ts – Tradition, Talent, Tourism, Trade and Technology. We are eagerly awaiting for the corrective measures that the new Government may pursue to put the economy back on track in the Agricultural and Industrial front, the changes in the foreign trade policies and so on.

Happily for the new government, FDI inflows during this year have been better than the corresponding period last year, the Index of Industrial Production has turned positive, and rate of inflation is under control. During the first quarter of 2014-15 the Gross Domestic Product (GDP) is estimated to have grown by 5.70 %. This is the highest growth rate in the past two-and-a-half years.

Cont .. 2



The annual rate of inflation based on monthly WPI (provisional) for August, 2014 was at 3.74 % compared to 5.19 % for the previous month. The cautiously positive business sentiments, expectations of a modest economic recovery and decline in inflationary pressures are promising signals of a growth in economy.

It is a welcome step that despite the constraints of time and a challenging economic environment, the Finance Minister Shri Arun Jaitley, has presented a comprehensive maiden Budget addressing key reforms with a positive focus on physical and social infrastructure. This should lay the foundation for long-term growth whilst meeting some of the critical needs of the weakest in our society.

Another major change in the corporate world was the promulgation of Companies Act, 2013 with a new set of Rules to make the running of businesses more transparent and make the management more responsible to the real owners, viz. shareholders.

We have to make several changes in the constitution of management of your Company, and we had taken time to make these changes and that is why we had to postpone the Annual General Meeting till date. Unparallel to earlier AGMs, we had put forward sixteen resolutions before the shareholders to make ourselves compliant with the changed scenario. As per the new Companies Act, we had put a proposal before you to induct a women director Mrs. Sathi A Menon in the Board. She is a practicing chartered accountant in Thrissur for over 25 years and is a partner in the firm M/s. Sukumara Menon Venugopalan & Sathi. I am confident that the Board will utilize her professional knowledge and skill in the Board and other Committee meetings.

I am very much glad to announce that the property at Mysore has been sold, for which we were waiting for over six years. In 2009-10, we had almost completed the deal, and at the last moment when we were present for execution and registration of sale deed, the purchaser withdrew from the deal. In December, 2013 a new party approached us for the purchase of the said property and we sold the property for Rs. 13.50 crores out of which we have to partly bear the cost of registration and stamp duty to the tune of Rs. 60 lakhs. Thus the net consideration received is Rs. 12.90 crores. The profit on sale of the property is around Rs. 10.50 crores. The tax on capital gain on the deal will be around Rs. 1.80 crores. The fund received as a result of the sale will be utilised for augmenting the working capital.

Cont .. 3



I assume that all of you would have gone through the annual report already circulated.

The turnover of the Company improved by 16 % from Rs. 697 crores to Rs. 806 crores in the year under report. The profit after tax has improved to Rs. 15.37 crores compared to earlier year figure of Rs. 4.65 crores. In year 2012-13, there was huge jump in the raw material prices, and despite several corrections in the selling price of cattle feed, the net profit of that division was seriously affected. Further, the cake processing division also incurred losses in that year. In the year under report both these divisions performed well. As suggested in my previous speech, the monsoon was good in year 2013 and the price of raw materials were more or less steady. This had helped us to perform well and we could bring out best results in the Golden Jubilee year of the Company.

Based on the performance of the Company, and also to celebrate the Golden Jubilee year, we have recommended a dividend of 200 % for the year 2013-14. We believe that shareholders will accept the recommendation for dividend whole heartedly. This is a befitting gift on the occasion of golden jubilee and will make it a memorable event in the history of our Company.

During the year 2013-14, the entire cattle population of Kerala and Tamil Nadu had widely affected by foot and mouth disease for over four months and the aggregate demand for compound cattle feed had a sharp fall during that period. This had put a break on our growth expectations. However, we could slightly improve the volume from 3.99 lakh tons in the previous year to Rs. 4.01 lakh tons and thus avoid a fall in the volume.

Though the raw material prices of major ingredients of cattle feed was going up in the first half of 2013-14, we managed with suitable adjustments in the selling price of cattle feed and could generate a profit in that division of Rs. 17.01 crores against Rs. 8.82 crores in the previous year.

In the cake processing division, the volume of cake processed had a fall from 77000 tonnes in the previous year to 64000 tons in the year under report. The fall was due to short supply of copra cake on crop failure in our country. The short supply jacked up the price of copra cake and it nearly doubled in the year under report. However, despite the fall in volume, the price of coconut oil was above Rs. 100/k.g. and the segment generated a profit of Rs. 7.84 crores compared to a loss of Rs. 0.50 crores in the previous year.

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In the first half of 2014-15 we have already imported sizable quantity of Copra Cake and made arrangements for future imports as per requirement. The price of coconut oil is steady at around Rs. 160 a kg. If this situation continues, we could bring out better results in the coming year in the cake processing segment.

In the Dairy division the volume of ice cream sales improved by 17 % to 1125 kl against 960 kl in previous year. The margin on milk brought from Tamil Nadu and sold in Kerala is almost nil and this has affected our profitability of that division. Dairy Division has reported a profit of Rs. 159.69 lakhs compared to Rs. 163.96 lakhs in the previous year.

As reported in my previous speech, stiff competition in the ice cream sector, especially from small players, acts as a deterrent in improving the volume of sale. The capacity of the new ice cream plant at Vedagiri, is still under-utilised. We are taking steps to improve the sale volume of ice cream in that region by appointing more dealers.

The shares of KSE are permitted to be traded in the NSE Platform also on an arrangement with MSE from November, 2009. The shares of KSE Limited was traded between Rs. 200 and Rs. 250 for a Rs. 10 equity share during financial year 2013-14. In the current financial year there is an rejuvenating interest in the shares of your Company. The shares price of KSE Limited crossed Rs. 400 recently and is now around Rs. 380 levels ex dividend. It is very heartening to note the confidence the shareholders has reposed on the Board and Management, which is evident from the market sentiments for the shares of KSE.

Your Company has set its targets at crossing 4,25,000 tonnes marks in its sales volume of cattle feed in year 2014-15. We also estimate that the turnover of the Company will cross Rs. 875 crores in the coming year.

Despite a slow start to the monsoon, this year it was wide spread through out the Country. We believe that the availability of raw materials will be good followed by good rain and the price of materials will be steady. We do not expect a power cut in this year, as the dams in Kerala are almost full with good shower in the catchment areas.

The Management is considering various projects to add along with the existing line of business of the Company. Soon, we may take up some projects which can successfully be implemented and managed along with our main line of business.

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Though your Company was fulfilling the Corporate Social Responsibility voluntarily all these years, now the newly introduced Companies Act, 2013 has put a condition on applicable companies for spending 2 % of the average three year profits for CSR activities. We are studying the various CSR activities, which will benefit the residents of our locality. We will be forming shortly the CSR Committee which will steer the CSR Operations of the Company.

Key to our success is co-operation, collective decision making and joint efforts at all levels. I have to make a special mention of the Board of Directors who had given me all support in discharging my duties with their pragmatic approach. I record my special appreciation of the tireless efforts of Team KSE, a dedicated and loyal band of people who have displayed unswerving commitment to their work in these challenging times and helped the Company deliver strong results.

While seeking continued cooperation from the shareholders, I take this opportunity to thank each and every shareholder of the Company for the immense confidence bestowed upon us.

On behalf of the Board and on my own behalf, I place on record my sincere appreciation and gratitude to our employees, dealers, customers, suppliers and other agencies associated with us for their continued support and cooperation.

I also thank the Central Government, State Government, Government Agencies, Banks and the electronic and print media who are encouraging us to achieve new heights.

THANK YOU ALL.

