



**RP - Sanjiv Goenka
Group**

Growing Legacies



SEC:AM:29757

20 August, 2016

The Secretary
The Calcutta Stock Exchange Limited
7, Lyons Range
Kolkata – 700 001

Dear Sir,

We enclose a copy of the Minutes of the Thirty-eighth Annual General Meeting of the Company held on 22 July, 2016.

Yours faithfully,

General Manager (Secretarial & Estates)

Encl:

CESC Limited

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CESC Limited

**MINUTES OF THE PROCEEDINGS OF THE THIRTY-EIGHTH ANNUAL
GENERAL MEETING OF THE MEMBERS OF THE COMPANY HELD AT
RANGMANCH, SWABHUMI, 89 C, MOULANA ABUL KALAM AZAD SARANI,
KOLKATA – 700 054 ON FRIDAY, 22 JULY, 2016
AT 10.30 A.M.(CONCLUDED AT 11.24 A.M)**

PRESENT

Mr. S. Goenka	Chairman & Member
Mr. P. K. Khaitan	Director
Mr. C.K. Dhanuka	Director
Ms. R. Sethi	Director
Mr. P. Chaudhuri	Director
Mr. A. Basu	Managing Director & Member
Mr. S. Mitra	Company Secretary & Member

and 524 members present in person, 9 members represented by their authorized representatives and 84 members holding 26,83,418 equity shares of Rs 10/- each represented by their proxies.

Representatives of the Auditors and the Secretarial Auditors were also present in the meeting.

1. CHAIRMAN

Mr. S. Goenka, Chairman of the Board, was in the Chair in accordance with Article 72 of the Articles of Association of the Company. It was noted that Mr. Goenka was also the Chairman of the Stakeholders' Relationship Committee.

2. QUORUM

Necessary quorum being present, the Chairman declared the Meeting open and welcomed the members.

3. **REGISTER OF DIRECTORS AND KEY MANAGERIAL PERSONNEL, STATUTORY AUDIT REPORT AND SECRETARIAL AUDIT REPORT**

(i)The Register of Directors and Key Managerial Personnel and the Register of Contracts of the Company maintained pursuant to Section 170 and Section 189 respectively of the Companies Act, 2013, and (ii) Reports of the Statutory Auditors and the Secretarial Auditors, copies whereof were part of the Annual Report for the year 2015-16 remained open and accessible for inspection during the continuance of the Meeting.

4. **NOTICE**

The Notice convening the Meeting was taken as read with the consent of the Members present.

5. **AUDITORS' AND SECRETARIAL AUDITORS' REPORT**

The Auditors' Report on the accounts of the Company for the year 2015-16 had no audit qualification while the Auditors Report on the consolidated financial statements for the said year had one audit qualification arising out of the accounts of a subsidiary company. Both the said reports carried emphasis on certain matters referred to therein. The relevant parts of the above reports were read out at the meeting.

The Secretarial Audit Report of the Company for the year 2015-16 had no audit qualification.

6. **E-VOTING**

The Chairman informed the members that in accordance with the provisions of the Companies Act, 2013 and the Rules framed thereunder, the Company had provided to its members the facility of remote e-voting in order to enable them to exercise their right to vote by electronic means through e-voting service provided by National Securities Depository Limited (NSDL). Arrangements had also been made for voting by electronic means in the course of the Meeting for those members who had not already cast their votes through the remote e-voting process.

Mr. Anil Murarka, Practicing Company Secretary (Membership No. FCS 3150), had been appointed as the Scrutinizer to scrutinize the votes cast through remote e-voting and voting by electronic means at the Meeting venue.

The Chairman also mentioned that the combined voting results would be declared on 23 July, 2016 at 3 P.M and the said results along with the Scrutinizer's Consolidated report would be placed on the notice board at the Company's registered Office and on its website.

7. **CHAIRMAN'S OPENING REMARKS**

The Chairman then addressed the members and, inter alia, made the following remarks:

- ✓ the performance of the Company and its subsidiaries continued to be satisfactory,
- ✓ generating stations of the Company continued to do well,
- ✓ the Company had regularly been getting prestigious awards in recognition of excellence in generation, distribution and other areas,
- ✓ the new generating station at Haldia operated by Haldia Energy Limited, a subsidiary, with 600 MW generating capacity had stabilized and was generating steadily,
- ✓ Dhariwal Infrastructure Limited, another CESC subsidiary, had recently entered into a Fuel Supply Agreement with South Eastern Coal Fields Limited for meeting its coal requirements and had also entered into two Power Purchase Agreements for sale of 270 MW of power,
- ✓ two subsidiaries had been formed for the power distribution business in Kota and Bharatpur in the State of Rajasthan after the Company had won two separate bids floated by Jaipur Vidyut Vitaran Nigam Limited, an undertaking of the Rajasthan Government,
- ✓ through its subsidiaries, the Company had got into the business of power generation through renewable energy sources and proposed to focus more in this area in future,
- ✓ prospects of the organized Retail business undertaken by Spencers' Retail Limited, another CESC subsidiary, continued to improve steadily.

8. **ACCOUNTS FOR 2015-16**

The Chairman then referred to Item No. 1 of the Notice convening the Meeting and requested the Members present to share their views and offer comments on the working of the Company. Thereafter, Mr. S. Gattani, Mr. Arun Kumar Bose, Mr. Tarak Nath Chakraborty, Mr. K. L. Rathi, Mr. Gopal Nandan and others spoke. Their queries / comments mainly related to:

- working results of the Company;
- investor services;
- improved consumer service ;
- satisfactory power position in the Company's licensed area;

- performance of subsidiaries like Firstsource and Spencer's Retail;
- long term PPA for Dhariwal Infrastructure Limited
- request for share split, or, bonus / rights issue; and
- status of various projects.

The Chairman replied to the queries / comments suitably.

The Chairman then proposed the following Resolution as an Ordinary Resolution:

"RESOLVED THAT the audited financial statements for the year ended 31 March 2016 and the audited consolidated financial statements for the year ended on that date and Reports of the Board of Directors and the Auditors as laid before the Company at this Meeting be and are hereby received and adopted."

The Resolution was seconded by Mr. B. N. Kundu.

It was noted that the voting result in respect of the said Resolution would be declared on Saturday, 23 July, 2016 at 3 P.M. at CESC House, Chowringhee Square, Kolkata-700 001 and also posted at the Company's website.

9. **DECLARATION OF DIVIDEND**

The Chairman then referred to Item No. 2 of the Notice in respect of confirmation of Interim Dividend already paid for the year 2015-16.

Mr. Prabir Kumar Mitra proposed the following Resolution as an Ordinary Resolution:

"RESOLVED THAT interim dividend @ 100% (i.e. Rs.10/- per share) already paid for the year ended 31 March, 2016 be and is hereby confirmed."

The Resolution was seconded by Mr. Ashis Majumder.

It was noted that the voting result in respect of the said Resolution would be declared on Saturday, 23 July, 2016 at 3 P.M. at CESC House, Chowringhee Square, Kolkata - 700001 and also posted at the Company's website.

10. **REAPPOINTMENT OF MR. S. GOENKA AS A DIRECTOR**

The Chairman then requested Mr. P. K. Khaitan to take the Chair.

Mr. Khaitan took the Chair and referred to the following Ordinary Resolution in terms of Item No. 3 of the Notice in respect of Mr. Sanjiv Goenka retiring as a Director of the Company by rotation and offering

himself for reappointment. He then proposed the following Resolution as an Ordinary Resolution:

“RESOLVED THAT Mr. Sanjiv Goenka (DIN 00074796), who retires by rotation at this meeting, be and is hereby reappointed a Director of the Company.”

The Resolution was seconded by Mr. Sudip Kumar Ghosh.

It was noted that the voting result in respect of the said Resolution would be declared on Saturday, 23 July, 2016 at 3 P.M. at CESC House, Chowringhee Square, Kolkata-700 001 and also posted at the Company's website.

Mr. S. Goenka thereafter took the Chair again.

11. **RATIFICATION OF AUDITORS' RE-APPOINTMENT**

The Chairman then referred to Item No. 4 of the Notice in respect of ratification of the re-appointment of Messrs. Lovelock and Lewes, Chartered Accountants, as Auditors of the Company.

Mr. T. N. Chakrabarty proposed the following Resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 139 of the Companies Act, 2013 and the Rules made thereunder, the re-appointment of the retiring Auditors, Messrs. Lovelock & Lewes (Firm Registration No 301056E), to hold office from the conclusion of the Thirty-sixth Annual General Meeting (AGM) till the conclusion of the Thirty-ninth AGM of the Company be and is hereby ratified and the said Auditors be paid such remuneration as may be decided by the Audit Committee of the Board of Directors of the Company.”

The Resolution was seconded by Mr. Arun Kumar Basu

It was noted that the voting result in respect of the said Resolution would be declared on Saturday, 23 July, 2016 at 3 P.M. at CESC House, Chowringhee Square, Kolkata-700 001 and also posted at the Company's website.

12. **CREATION OF SECURITY**

The Chairman referred to the Resolution in Item No. 5 of the Notice in respect of creation of security for financial assistance in favour of the Company's lenders.

Mr. Sudip Kumar Ghosh proposed the following Resolution as a Special Resolution:

“RESOLVED THAT in terms of the provisions of Section 180 (1) (a) and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”)

consent of the Company be and is hereby accorded to the Board of Directors of the Company (“the Board”) to mortgage, charge and / or otherwise encumber all or any of the properties of the Company, whether immovable or movable, and whether present or future and wheresoever the same may be situate, in favour of :

- (a) Punjab National Bank (PNB) for a term loan of Rs.100 crore;
- (b) ICICI Bank Limited (ICICI) for two term loans aggregating Rs.262.21 crore;
- (c) IDBI Bank Limited (IDBI) for a term loan of Rs.200 crore;
- (d) HDFC Bank Limited (HDFC Bank) for a term loan of Rs.150 crore; and
- (e) Union Bank of India (UB) for incremental working capital facility of Rs.51 crore

to secure the said term loans and working capital facility together with interest, charges, expenses, front-end fees and all other monies payable by the Company to PNB, ICICI, IDBI, HDFC Bank (collectively referred to as “the Term Lenders”) and UB in terms of their respective letters of sanction, loan agreements, facility agreements, hypothecation agreements, or any other agreement or any amendment thereto entered into / to be entered into by the Company with all or any of the Term Lenders and UB so that the mortgage and / or charge may be created by the Company over and in respect of its properties in their favour, either singly or collectively, in such form and subject to such prior charges or with such pari passu or subservient ranking of charges as may be decided by the Board in consultation with one or more of the said Term Lenders and UB.

FURTHER RESOLVED THAT the Board be and is hereby authorized to finalise and execute with all or any of the Term Lenders and UB all such deeds and documents for creating the mortgage, charge and/or encumbrance and to do all such acts, deeds and things as may be deemed necessary by the Board for giving effect to the aforesaid Resolution.”

The Resolution was seconded by Mr. Tarak Nath Chakrobarty.

It was noted that the voting result in respect of the said Resolution would be declared on Saturday, 23 July, 2016 at 3 P.M. at CESC House, Chowringhee Square, Kolkata-700 001 and also posted at the Company's website.

13. **RATIFICATION OF THE REMUNERATION OF COST AUDITORS**

The Chairman then referred to the Resolution in Item No.6 of the Notice in respect of the remuneration of the Cost Auditors of the Company.

Mr. Prabir Kumar Mitra proposed the following Resolution as an Ordinary Resolution:

"RESOLVED THAT the remuneration of ₹ 6,00,000/- (plus applicable service tax and out of pocket expenses) for M/s. Shome & Banerjee, Cost Accountants, as Cost Auditors of the Company for the financial year ending 31st March 2017, as recommended by the Audit Committee of the Board of Directors ('the Board') and approved by the Board, be and is hereby ratified.

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

The Resolution was seconded by Mr. J. N. Kundu.

It was noted that the voting result in respect of the said Resolution would be declared on Saturday, 23 July, 2016 at 3 P.M. at CESC House, Chowringhee Square, Kolkata-700 001 and also posted at the Company's website.

The Chairman thanked the Members present for attending the meeting.

DECLARATION OF VOTING RESULTS

On the basis of the Consolidated Report submitted by the Scrutinizer to the Chairman, the results of voting through electronic means (through remote e-voting and electronic voting at the Annual General Meeting) declared on Saturday, 23 July, 2016 at 3 P.M. were as follows:

ITEM NO. 1: ORDINARY RESOLUTION - (Adoption of Audited Financial Statements for the year ended 31 March 2016 and Audited Consolidated Financial Statements for the year ended on that date and the Reports of Board of Directors and Auditors thereon)

Votes in Favour of the Resolution		Votes Against the Resolution		Invalid Votes	Remarks
Nos.	% of total number of valid votes	Nos.	% of total number of valid votes	Nos.	
191	92.99	61	7.01	NIL	Passed

ITEM NO. 2: ORDINARY RESOLUTION – (Confirmation of Interim Dividend @ 100 % already paid for the year ended 31 March, 2016)

Votes in Favour of the Resolution		Votes Against the Resolution		Invalid Votes	Remarks
Nos.	% of total number of valid votes	Nos.	% of total number of valid votes	Nos.	
254	100	3	-	NIL	Passed

ITEM NO. 3: ORDINARY RESOLUTION – (Re-appointment of Mr. Sanjiv Goenka as a Director of the Company)

Votes in Favour of the Resolution		Votes Against the Resolution		Invalid Votes	Remarks
Nos.	% of total number of valid votes	Nos.	% of total number of valid votes	Nos.	
180	91.22	77	8.78	NIL	Passed

ITEM NO. 4: ORDINARY RESOLUTION: (Ratification of the appointment of M/s Lovelock & Lewes, Chartered Accountants as the Statutory Auditors and to fix their remuneration)

Votes in Favour of the Resolution		Votes Against the Resolution		Invalid Votes	Remarks
Nos.	% of total number of valid votes	Nos.	% of total number of valid votes	Nos.	
171	79.75	85	20.25	NIL	Passed

ITEM NO. 5: SPECIAL RESOLUTION – (Approval for creation of Security under Section 180(1) (a) of the Companies Act, 2013)

Votes in Favour of the Resolution		Votes Against the Resolution		Invalid Votes	Remarks
Nos.	% of total number of valid votes	Nos.	% of total number of valid votes	Nos.	
232	99.81	22	0.19	NIL	Passed with requisite majority

ITEM NO. 6: ORDINARY RESOLUTION – (Ratification of the remuneration of M/s Shome & Banerjee, Cost Accountants as Cost Auditors of the Company)

Votes in Favour of the Resolution		Votes Against the Resolution		Invalid Votes	Remarks
Nos.	% of total number of valid votes	Nos.	% of total number of valid votes	Nos.	
244	99.92	11	0.08	NIL	Passed

The aforesaid voting results were put up on the Company's website and also displayed on the Notice Board of the Company at its Registered Office.

Sd/S.Goenka
CHAIRMAN