



**KOTHARI SUGARS AND CHEMICALS LTD.,**  
CIN : L15421TN1960PLC004310

"Kothari Buildings"  
No.115, Mahatma Gandhi Salai, Nungambakkam, Chennai - 600 034.  
Phone No. 044- 30281595 / 30225507 / Fax No. 044-28334560  
Email: secdept@hckgroup.com / Website: www.hckotharigroup.com/kscl

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**NOTICE to the Members**

Notice is hereby given that the 53rd Annual General Meeting of Kothari Sugars & Chemicals Limited will be held on Wednesday, 3<sup>rd</sup> September 2014 at 10.30 A.M. at The Music Academy, Mini Hall, Old No.306, New No.168, T.T.K. Road, Chennai - 600 014 to transact the following business:

**Ordinary Business**

1. To consider and adopt:
  - a) the audited financial statement of the Company for the financial year ended March 31, 2014, the reports of the Board of Directors and Auditors and
  - b) the audited consolidated financial statement of the Company for the financial year ended March 31, 2014.
2. To declare dividend on equity shares for the year ended March 31, 2014.
3. To appoint a Director in the place of Mr.B.H.Kothari, who retires by rotation and being eligible offers himself for re-appointment.
4. **Appointment of Auditors**

To consider and if thought fit to pass with or without modification the following resolution as an Ordinary Resolution:

**"Resolved** that M/s.R.Subramanian and Company, Chartered Accountants, Chennai, the retiring Auditors be and are hereby re-appointed as Auditors of the Company, to hold office until the conclusion of the next Annual General Meeting of the Company at the remuneration to be fixed by the Board of Directors".

**Special Business:**

**5. Appointment of Mrs.Nina Bhadrashyam Kothari as Director**

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

**"Resolved** that Mrs.Nina Bhadrashyam Kothari (holding DIN 00020119), who was appointed as an Additional Director of the Company by the Board of Directors at its meeting held on May 27, 2014, with effect from May 27, 2014 in terms of Article 100 of the Company and Section 161 of the Companies Act, 2013 who holds the office upto the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing pursuant to Section 160 of the Companies Act, 2013 from a member proposing her candidature for the office of Director, be and is hereby appointed as a Director of the Company whose period of office shall be liable to retirement by rotation."

**6. Appointment of Mr.P.S.Gopalakrishnan as Independent Director**

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

**"Resolved** that pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr.P.S.Gopalakrishnan (holding DIN 00001446), Director of the Company whose period of office is liable to retirement by rotation under the erstwhile applicable provisions of the Companies Act, 1956, be and is hereby appointed as an Independent Director of the Company to hold office for a term of five consecutive years upto March 31, 2019 and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director".

**7. Appointment of Mr.V.R.Deenadayalu as Independent Director**

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

**"Resolved** that pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr.V.R.Deenadayalu (holding DIN 00020898), Director of the Company whose period of office is liable to retirement by rotation under the erstwhile applicable provisions of the Companies Act, 1956, be and is hereby appointed as an Independent Director of the Company to hold office for a term of five consecutive years upto March 31, 2019 and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director".

## 8. Appointment of Mr.P.S.Balasubramaniam as Independent Director

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

**“Resolved** that pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr.P.S.Balasubramaniam (holding DIN 00019843), Director of the Company whose period of office is liable to retirement by rotation under the erstwhile applicable provisions of the Companies Act, 1956, be and is hereby appointed as an Independent Director of the Company to hold office for a term of five consecutive years upto March 31, 2019 and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director”.

## 9. Consent under Section 180(1)(c) of the Companies Act, 2013 for a borrowings

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

**“Resolved** that in supersession of the Ordinary Resolution passed at the 33rd Annual General Meeting held on 21st July 1994 and pursuant to Section 180(1)(c) and any other applicable provisions of the Companies Act, 2013 and the Rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), the consent of the members be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall be deemed to include a duly constituted committee thereof) to borrow moneys in excess of the aggregate of the paid up share capital and free reserves of the Company, provided that the total borrowings and outstanding at any point of time, apart from temporary loans obtained/to be obtained from the Company’s Bankers in the ordinary course of business, shall not be in excess of Rs.350 Crores (Rupees Three Hundred and Fifty Crores only) over and above the aggregate of the paid up share capital and free reserves of the Company.”

## 10. Consent under Section 180(1)(a) of the Companies Act, 2013 to create charges, mortgages etc.,

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

**“Resolved** that in supersession of the Ordinary Resolution passed at the 42nd Annual General Meeting held on 24th September 2006 and pursuant to Section 180(1)(a) and any other applicable provisions, if any, of the Companies Act, 2013 the consent of the members of the company be and is hereby accorded to the Board of Directors of the company (hereinafter referred to as the “Board” which term shall be deemed to include a duly constituted committee thereof) to create such charges, mortgages and hypothecations in addition to the existing charges, mortgages and hypothecations created by the company, on such movable and immovable properties, both present and future, and in such manner as may the Board may deem fit, together with the power to take over the management and concern of the company in certain events, in favour of Banks / Financial Institutions and / or other Lenders / Investing Agencies / Trustees for Debentures / Bonds to secure borrowings from time to time provided that the aggregate of borrowings so secured shall not exceed Rs.350 Crores (Rupees Three Hundred and Fifty Crores only) in addition to paid up share capital and free reserves, outstanding at any time exclusive of interest, additional interest, compound interest, liquidated damages, commitment charges, premia on prepayment or on redemption, costs, charges, expenses and other monies payable by the company in respect of such borrowings.

**“Resolved** further that for the purpose of giving effect to the above Resolution, the Board / Committee be and is hereby authorised and empowered to finalise, settle and execute requisite agreements, documents, deeds, indemnities, guarantees, declarations or other legal undertakings and to do all acts, deeds, matters and things as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in regard to creating mortgages / charges as aforesaid”.

## 11. Approval of Remuneration to Cost Auditor

To consider and if thought fit, to pass with or without modifications the following resolution as Ordinary Resolution:

**“Resolved** that subject to the provisions of Section 148 and Companies (Audit & Auditors) Rules, 2014 of the Companies Act, 2013 approval is hereby given for the payment of a remuneration of Rs.1,00,000/- (Rupees One Lakh Only) plus applicable service taxes and re-imbursalment of out of pocket expenses to Mr.K.Suryanarayanan, Cost Accountant and as Cost Auditor for the Sugar, Distillery & Co-gen units of the Company for the year 2014-2015 as duly reviewed, recommended and approved by the Audit Committee and the Board of Directors at the meeting on 27th May, 2014.

By order of the Board  
for **Kothari Sugars and Chemicals Limited**

**R Prakash**  
Company Secretary

Place: Chennai  
Date: May 27, 2014

## Important Notes

- The Register of Members and Share Transfer books will remain closed from Thursday, the 28th August, 2014 to Wednesday, 03 September, 2014 (both days inclusive) for annual closing and determining the entitlement of the shareholders to the final dividend for the year 2013-14.
- With effect from April 01, 2014, inter-alia, provisions of Section 149 of the Companies Act, 2013 has been brought into force. In terms of the said section read with section 152(6) of the Act, the provisions of retirement by rotation are not applicable to Independent Directors. Therefore, the directors to retire by rotation have been re-ascertained on the date of this notice. Accordingly, Mr.B.H.Kothari, Managing Director will retire at the ensuing Annual General Meeting and being eligible offers himself for re-appointment. In terms of Clause 49 of the Listing Agreement, details of director retiring by rotation at the ensuing Annual General Meeting is given in the annexure to the notice.
- The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, which sets out details relating to Special Business at the meeting, is annexed hereto.
- A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY / PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF, SUCH A PROXY / PROXIES NEED NOT BE A MEMBER OF THE COMPANY. A person can act as Proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company.
- The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed not less than 48 Hours before the commencement of the meeting. A Proxy form is sent herewith. The Proxy shall not be entitled to vote except on a poll.
- Corporate members intending to send their authorised representatives to attend the meeting are requested to send to the company a certified copy of the Board Resolution / Power of Attorney authorizing their representative to attend and vote on their behalf at the meeting.
- **Members or Proxies are requested to bring the attendance slips duly filled in along with their copies of Annual Reports to the meeting and members holding shares in Demat form are requested to bring in their details of DP ID and Client ID for ease of identification and recording of attendance at the meeting.**
- The Dividend would be paid at a rate (5%) of Re.0.50 paise (Fifty paise only) per Equity Shares of Rs.10/- each before 2nd October, 2014 to those shareholders whose names stand on the Register of Members on 27th August, 2014. Despatch of Dividend warrants would commence on 30th September, 2014 and the ECS credit would be done by 01<sup>st</sup> October 2014.
- Members holding shares in Dematerialized form are requested to intimate all changes pertaining to their Bank details NECS / ECS, mandates, nominations, power of attorney, change of address / name etc., to their Depository Participant only and not to the Company's Registrar and Transfer Agents (RTA). Changes intimated to the Depository Participant will be automatically reflected in the Company's records which will help the Company and the RTA to provide efficient and better service to the Members. Members holding shares in physical form are requested to advise the above changes and Transfer of Shares to the Company's RTA viz. M/s. Cameo Corporate Services Limited.
- Members who are still holding shares in physical form are advised to dematerialize their shareholding to avail the benefits of easy liquidity, electronic transfer, savings in stamp duty, prevention of forgery, etc.
- The Company has designated an exclusive e-mail id viz. secdept@hckgroup.com to enable investors to register their complaints / queries, if any.
- In terms of circulars issued by Securities and Exchange Board of India (SEBI), it is now mandatory to furnish a copy of PAN card to the RTA in the following cases viz. Transfer of Shares, Deletion of Name, Transmission of Shares and Transposition of Shares. Shareholders are requested to furnish copy of PAN card for all the abovementioned transactions.
- Disclosure pursuant to Clause 49 of the Listing Agreement with respect to the Directors seeking re-appointment / appointment at the forthcoming Annual General Meeting is appended below.
- Electronic copy of the Notice and Annual Report of the 53rd Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice and Annual Report of the 53rd Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.

- Members may also note that the Notice of the 53rd Annual General Meeting and the Annual Report for 2013-14 will also be available on the Company's website [www.hckotharigroup.com/kscl](http://www.hckotharigroup.com/kscl) for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office in Chennai for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same on free of cost. For any communication, the shareholders may also send requests to the Company's investor email id: [secdept@hckgroup.com](mailto:secdept@hckgroup.com).

#### Voting through Electronic means:

Pursuant to the provisions of Section 108 of the Companies Act, 2013, Rule 20 and Rule 21 of the Companies (Management and Administration) Rules, 2014 the Company is pleased to provide members facility to exercise their right to vote at the 53rd Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting services provided by Central Depository Services (India) Limited, (CDSL):

The instructions for members for voting electronically are as under:

- A) In case of members receiving e-mail:
- i) Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
  - ii) Click on "Shareholders" tab to cast your votes.
  - iii) Now, select the Electronic Voting Sequence Number - "EVSN" along with "COMPANY NAME" from the drop down menu and click on "SUBMIT".
  - iv) Now Enter your User ID:

	For Members holding shares in Demat Form	For Members holding shares in Physical Form
User ID	For NSDL: 8 Character DP ID followed by 8 Digits Client ID For CDSL: 16 digits beneficiary ID	Folio Number registered with the Company

Then enter the Captcha Code as displayed and Click and Login

- v) If you are holding shares in Demat Form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any Company, then your existing password is to be used. If you are a first time user follow the steps given below:
- vi) Now, fill up the following details in the appropriate boxes:

	For Members holding shares in Demat Form	For Members holding shares in Physical Form
PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department when prompted by the system while e-voting (applicable for both Demat shareholders as well as physical shareholders)	
DOB#	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.	
Dividend Bank Details#	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.	

\* Members who have not updated their PAN with the Company/RTA/Depository Participant are requested to use the first two letters of their name and the sequence number in the PAN field. Incase the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name of the CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field. (Sl. No. mentioned in your address label can be used as Sequence No. for this purpose)

# Please enter any one of the details in order to login. Incase both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details filed.

To avoid this problem of filling a default number in future, members are strongly advised to update their PAN details and dividend bank details immediately with the Depository Participants / RTA – Cameo Corporate Services Limited / Company.

- vii) After entering these details appropriately, click on "SUBMIT" tab.

- viii) Members holding shares in physical form will then reach directly the EVSN selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily change their login password in the new password field. The new password has to be minimum eight characters consisting of at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character(@ # \$ %& \*). Kindly note that this password is to be also used by the demat holders for voting for Resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- ix) Click on the relevant EVSN on which you choose to vote.
- x) On the voting page, you will see Resolution description and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- xi) Click on the "Resolutions File Link" if you wish to view the entire Resolutions.
- xii) After selecting the Resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- xiii) Once you "CONFIRM" your vote on the Resolution, you will not be allowed to modify your vote.

**(B) In case of members receiving the physical copy of Notice of AGM [for members whose e-mail IDs are not registered with the company/ depository participant(s) or requesting physical copy]:**

**Please follow all steps from sl. no. (i) to sl. no. (xiii) above, to cast vote.**

#### **General**

- (C) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves, link their account which they wish to vote on and then cast their vote. They should upload a scanned copy of the Board Resolution and POA in favour of the Custodian who they have authorize to vote on their behalf in PDF format in the system for the scrutinizer to verify the vote. Further, they are requested to send the scanned copy of the Board Resolution/Authorization to the email id of scrutinizer (kscl.scrutinizer@gmail.com) and RTA (murali@cameoindia.com) with a copy marked to helpdesk.evoting@cdslindia.com.
- (D) The voting period commences on Tuesday, 26th August, 2014 at 9.00 A.M. and ends on Thursday, 28th August, 2014 at 6.00 P.M. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form as on the cut-off date of i.e. Friday, 1st August, 2014 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- (E) The voting rights of shareholder shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of i.e. Friday, 1st August, 2014.
- (F) Mr.N.Sridharan, Practising Company Secretary (Membership No. PCS 7469), Chennai has been appointed as Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- (G) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to helpdesk.evoting@cdslindia.com or contact Phone No. 022-22723333
- (H) The Scrutinizer shall within a period of not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- (I) The result of voting shall be declared on or after AGM of the Company. The results declared alongwith the Scrutinizer's Report shall be placed on the Company's website [www.hckotharigroup.com/kscl](http://www.hckotharigroup.com/kscl) and website of CDSL <http://www.evotingindia.com> within two (2) days of passing of the Resolutions at the AGM of the Company and communicated to the National Stock Exchange of India Limited, Mumbai where the Company shares are listed.

## **EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

### **Item No.5**

The Board of Directors at its meeting held on May 27, 2014 appointed Mrs.Nina Bhadrashyam Kothari as an Additional Director of the company to hold office from May 27, 2014. Mrs.Nina Bhadrashyam Kothari holds office upto the date of this Annual General Meeting. Under Section 160 of the Companies Act, 2013, the Company has received requisite notice from a Member proposing Mrs.Nina Bhadrashyam Kothari as a candidate for the office of Director of the Company.

As per the provisions of Section 149(1) of the Companies Act, 2013 and amended clause 49 of the Listing Agreement, the Company should have atleast one Woman Director. Keeping in view of the statutory requirement, the Board of Directors recommends the Resolution in relation to appointment of Mrs.Nina Bhadrashyam Kothari as a Director, for the approval by the Shareholders of the Company.

Except Mrs.Nina Bhadrashyam Kothari, being the appointee and Mr.B.H.Kothari, none of the Directors, Key Managerial Personnel of the Company and their relatives are concerned or interested either financially or otherwise, in the Resolution set out at Item No.5. The disclosure under Clause 49 of the Listing Agreement with the Stock Exchange is annexed to the Notice.

### **Item No.6**

Mr. P.S.Gopalakrishnan is a Director whose period of office is liable to retirement by rotation under the erstwhile applicable provisions of the Companies Act, 1956. In terms of Section 149 and other applicable provisions of the Companies Act 2013, Mr. P.S.Gopalakrishnan being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director for a term of five consecutive years upto 31st March, 2019. A notice has been received from a member proposing Mr. P.S.Gopalakrishnan as a candidate for the office of Director of the Company.

In the opinion of the Board, Mr. P.S.Gopalakrishnan fulfils the conditions specified in the Companies Act, 2013 and Rules made thereunder for his appointment as an Independent Director of the Company. Copy of the draft letter of appointment of Mr. P.S.Gopalakrishnan as an Independent Director would be available for inspection by the members without any fee at the Registered Office of the Company during normal business hours on any working day, excluding Saturday.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. P.S.Gopalakrishnan as an Independent Director. Accordingly, the Board recommends the Resolution in relation to appointment of Mr. P.S.Gopalakrishnan as an Independent Director, for the approval by the shareholders of the Company.

Except Mr. P.S.Gopalakrishnan, being the appointee, none of the Directors, Key Managerial Personnel of the Company and their relatives are concerned or interested either financially or otherwise, in the Resolution set out at Item No.6. The disclosure under Clause 49 of the Listing Agreement with the Stock Exchange is annexed to the Notice.

### **Item No.7**

Mr.V.R.Deenadayalu is a Director whose period of office is liable to retirement by rotation under the erstwhile applicable provisions of the Companies Act, 1956. In terms of Section 149 and other applicable provisions of the Companies Act 2013, Mr.V.R.Deenadayalu being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director for a term of five consecutive years upto 31<sup>st</sup> March, 2019. A notice has been received from a member proposing Mr.V.R.Deenadayalu as a candidate for the office of Director of the Company.

In the opinion of the Board, Mr.V.R.Deenadayalu fulfils the conditions specified in the Companies Act, 2013 and Rules made thereunder for his appointment as an Independent Director of the Company. Copy of the draft letter of appointment of Mr.V.R.Deenadayalu as an Independent Director would be available for inspection by the members without any fee at the Registered Office of the Company during normal business hours on any working day, excluding Saturday.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr.V.R.Deenadayalu as an Independent Director. Accordingly, the Board recommends the Resolution in relation to appointment of Mr.V.R.Deenadayalu as an Independent Director, for the approval by the shareholders of the Company.

Except Mr.V.R.Deenadayalu, being the appointee, none of the Directors, Key Managerial Personnel of the Company and their relatives are concerned or interested either financially or otherwise, in the Resolution set out at Item No.7. The disclosure under Clause 49 of the Listing Agreement with the Stock Exchange is annexed to the Notice.

### **Item No.8**

Mr.P.S.Balasubramaniam is a Director whose period of office is liable to retirement by rotation under the erstwhile applicable provisions of the Companies Act, 1956. In terms of Section 149 and other applicable provisions of the Companies Act 2013, Mr.P.S.Balasubramaniam being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director for a term of five consecutive years upto 31st March, 2019. A notice has been received from a member proposing Mr.P.S.Balasubramaniam as a candidate for the office of Director of the Company.

In the opinion of the Board, Mr.P.S.Balasubramaniam fulfils the conditions specified in the Companies Act, 2013 and Rules made thereunder for his appointment as an Independent Director of the Company. Copy of the draft letter of appointment of Mr.P.S.Balasubramaniam as an Independent Director would be available for inspection by the members without any fee at the Registered Office of the Company during normal business hours on any working day, excluding Saturday.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr.P.S.Balasubramaniam as an Independent Director. Accordingly, the Board recommends the Resolution in relation to appointment of Mr.P.S.Balasubramaniam as an Independent Director, for the approval by the shareholders of the Company.

Except Mr.P.S.Balasubramaniam, being the appointee, none of the Directors, Key Managerial Personnel of the Company and their relatives are concerned or interested either financially or otherwise, in the Resolution set out at Item No.8. The disclosure under Clause 49 of the Listing agreement with the Stock Exchange is annexed to the Notice.

**Item No.9**

The members of the Company at their 33rd Annual General Meeting held on 21st July 1994 approved by way of an Ordinary Resolution under Section 293(1)(d) of the Companies Act, 1956 borrowings over and above the aggregate of paid up share capital and free reserves of the Company provided that the total amount of such borrowings together with the amounts already borrowed and outstanding at any point of time shall not be in excess of Rs.300 Crores (Rupees Three Hundred Crores only).

Section 180(1)(c) of the Companies Act, 2013 effective from 12th September, 2013 requires that the Board of Directors shall not borrow money in excess of the company's paid up share capital and free reserves, apart from temporary loans obtained from the company's bankers in the ordinary course of business, except with the consent of the company accorded by way of a Special Resolution.

It is, therefore, necessary for the members to pass a Special Resolution under Section 180(1)(c) and other applicable provisions of the Companies Act, 2013, as set out at Item No.9 of the Notice, to enable the Board of Directors to borrow money in excess of the aggregate of the paid up share capital and free reserves of the Company. Approval of members is being sought to borrow money upto Rs.350 Crores (Rupees Three Hundred and Fifty Crores) in excess of the aggregate of the paid up share capital and free reserves of the Company.

None of the Directors, Key Managerial Personnel of the Company and their relatives are concerned or interested either financially or otherwise, in the Resolution set out at Item No.9.

**Item No.10**

The Members of the Company at their 45th Annual General Meeting held on 19th day of September 2006 approved by way of an Ordinary Resolution under Section 293(1)(a) of the Companies Act, 1956 to borrow for its financial requirements upto Rs.300 Crores. For financing the various capital expenditure the company approached / proposes to approach various Banks, financial institutions, lending agencies which necessitates creation of charge / mortgage / hypothecation of the assets of the company both movable and immovable, whether present or future, wherever situated or on such other security as may be agreed to by the Company.

Section 180(1)(a) of the Companies Act, 2013 effective from 12th September, 2013 requires that creation of charges / mortgages / hypothecation requires the approval of the shareholders of the company accorded by way of a Special Resolution.

It is, therefore, necessary for the members to pass a Special Resolution under Section 180(1)(a) and other applicable provisions of the Companies Act, 2013, as set out at Item No.10 of the Notice, to enable the Board of Directors to create charges / mortgages / hypothecation upto Rs.350 Crores (Rupees Three Hundred and Fifty Crores only) in addition to paid up share capital and free reserves.

None of the Directors, Key Managerial Personnel of the Company and their relatives are concerned or interested either financially or otherwise, in the Resolution set out at Item No.10.

**Item No.11**

The Audit Committee and the Board of Directors of the Company at the meeting held on 27th May, 2014 appointed Mr.K.Suryanarayanan, Cost Accountant and as Cost Auditor for the Sugar, Distillery & Co-gen units of the Company for the year 2014-2015 subject to the approval of the Central Government.

As per the provisions of Section 148 and Companies (Audit & Auditors) Rules, 2014 of the Companies Act, 2013 the members of the Company should approve / ratify the remuneration of Rs.1,00,000/- (Rupees One Lakh Only) plus applicable service taxes and re-imbursalment of out of pocket expenses which has been duly approved by the Board and Directors after considering the recommendation made by the Audit Committee of the Company at the meeting held on 27th May, 2014.

It is, therefore, necessary for the members to approve / ratify the remuneration to Mr.K.Suryanarayanan, Cost Accountant and as Cost Auditor for the Sugar, Distillery & Co-gen units of the Company for the year 2014-2015.

None of the Directors, Key Managerial Personnel of the Company and their relatives are concerned or interested either financially or otherwise, in the Resolution set out at Item No.11.

By order of the Board  
for **Kothari Sugars and Chemicals Limited**

Place: Chennai  
Date: May 27, 2014

**R Prakash**  
Company Secretary

**THE INFORMATION IN RESPECT OF ITEM NO.3, 5, 6, 7 & 8 IN ACCORDANCE WITH CLAUSE 49 OF THE LISTING AGREEMENT FOR CORPORATE GOVERNANCE ABOUT THE DIRECTOR SEEKING APPOINTMENT / RE-APPOINTMENT IN THIS ANNUAL GENERAL MEETING ARE FURNISHED HEREUNDER**

<b>Particulars</b>	<b>Item No.3</b>	<b>Item No.5</b>
Name of the Director	Mr.B.H.Kothari	Mrs.Nina Bhadrashyam Kothari
Date of Birth	11.11.1961	21.07.1962
Date of Appointment	01.07.1982	27.05.2014
Qualification	B.Com	B A (Economics)
Experience in specific functional areas	He is the Chairman of H.C.Kothari Group of Companies. He has more than 32 years of experience in administration and Management in the Sugar, Petrochemical and Financial Service Industries. He is presently the Invitee Member (Committee) Federation of Indian Chamber of Commerce & Industry, Governing Council Member - Central Institute of Plastics & Engineering Technology and Honorary Consul for Austria in Chennai. He has also served as Chairman of South Indian Sugar mills Association (Main) and is currently a member of the same. He is also the Member and Board of Governors for Institute of Financial Management & Research.	She is holding directorship in various H C Kothari Group of Companies. She held various positions in prestigious institutions as Treasurer of Crafts Council of India, World Crafts Council and Chairman of National Crafts & Heritage Committee of ASSOCHAM and During 2006-07 she was the President of International Womens' Association (IWA) She contributes more in the areas for the upliftment of women in India.
List of other Public Companies in which Directorship held	Kothari Petrochemicals Ltd. Kothari Safe Deposits Ltd. Gayathri Securities Ltd	NIL
Chairman/ Member of the Committee of the Board of Director of the Company	Chairman - Investment and Credit Approval Committee Member - Stakeholders Relationship Committee.	NIL
Chairman/ Member of the Committee of the other companies in which he is a Director	Kothari Petrochemicals Limited Chairman - Investment and Credit Approval Committee, Member - Stakeholders Relationship Committee. Kothari Safe Deposits Limited Chairman - Share Transfer cum Shareholders Grievances Committee	NIL
Number of Shares held in the Company (both own or held by/for other person's on a beneficial basis) as on March 31, 2014	No. of Equity Shares held - 1,72,961	No. of Equity Shares held - 10,537



Particulars	Item No.6	Item No.7
Name of the Director	Mr.P.S.Gopalakrishnan	Mr.V.R.Deenadayalu
Date of Birth	23.08.1935	23.08.1932
Date of Appointment	12.06.1995	27.04.2009
Qualification	B.Com, LLB	B.E. Mechanical Engineering
Experience in specific functional areas	<p>He has wide experience in the Banking Industry. He was formerly the Chairman of leading Financial Institutions such as</p> <ol style="list-style-type: none"> <li>1) The Industrial Finance Corporation of India.</li> <li>2) The Tourism Finance Corporation of India.</li> <li>3) Indian Overseas Bank and</li> <li>4) Oriental Bank of Commerce</li> </ol> <p>He was an Executive Trustee of Unit Trust of India.</p>	<p>He was the Chief Executive of BHEL, Trichy for over 8 years and was the Chairman &amp; Managing Director of Madras Refineries Limited. He was the recipient of Sir Jahangir Gandhi medal for Industrial peace instituted by XLRI, Jamshedpur. He was the Chairman of Bharathidasan Institute of Management, Trichy and a member of the Board of Governors, of XIME-Bangalore, Institute of Energy- Trichy and Xavier Institute of Management, Bhubaneshwar</p>
List of other Companies in which Directorship held	<ol style="list-style-type: none"> <li>1) Dharani Sugars &amp; Chemicals Ltd.</li> <li>2) Shriram General Insurance Co. Ltd.</li> <li>3) Sakthi Finance Ltd.</li> </ol>	Nil
Chairman/ Member of the Committee of the Board of Director of the Company	Chairman of 1) Audit Committee, 2) Nomination and Remuneration Committee and 3) Stakeholders Relationship Committee & Member of Investment and Credit Approval Committee	Member of - 1) Audit Committee 2) Nomination and Remuneration Committee
Chairman/ Member of the Committee of the other companies in which he is a Director	<p>Dharani Sugars &amp; Chemicals Limited - Member of Audit Committee &amp; Management and Remuneration Committee.</p> <p>Shriram General Insurance Co. Ltd. - Chairman of Investment Committee.</p>	Nil
Number of Shares held in the Company (both own or held by/for other person's on a beneficial basis) as on March 31, 2014	Nil	Nil

Particulars	Item No.8
Name of the Director	Mr.P.S.Balasubramaniam
Date of Birth	July 12, 1944
Date of Appointment	November 08, 2013
Qualification	Graduate in Commerce (B.Com.), Member of Institute of Chartered Accounts of India (A.C.A.), Member of Institute of Company Secretaries of India (A.C.S.)
Experience in specific functional areas	He has over 47 years of experience at Middle and Senior Management levels in the Financial Services sector. He was the Managing Director of Investment Trust of India Ltd., President of Federation of Indian Hire Purchase Association, Chairman of Equipment Leasing Association of India and Vice President of Asian Leasing Association, representing India."
List of other Companies in which Directorship held	1) Kothari Safe Deposits Limited, 2) Mahaveer Finance India Limited, 3) Kothari Biotech Limited, 4) Kothari International Trading Limited, 5) Finance Companies Association (India), 6) HCK Capital Services Pvt. Limited, 7) Equitas Finance (Private) Limited
Chairman/ Member of the Committee of the Board of Director of the Company	Member of - 1) Audit Committee, 2) Nomination and Remuneration Committee, 3) Stakeholders Relationship Committee, 4) Investment & Credit Approval Committee.
Chairman/ Member of the Committee of the other companies in which he is a Director	Mahaveer Finance India Ltd. - Member of Audit Committee Equitas Finance (Private) Ltd. - Member of – 1) Audit and Risk Management Committee, 2) Resourcing Committee, 3) Assets Performance and Monitoring Committee Kothari Safe Deposits Ltd. - Member of 1) Audit Committee, 2) Nomination & Remuneration Committee, 3) Investment Committee, 4) Share Transfer & Shareholders Grievances Committee.
Number of Shares held in the Company (both own or held by/for other person's on a beneficial basis) as on March 31, 2014	No. of Equity Shares held - 505 Equity Shares

#### **IMPORTANT COMMUNICATION TO MEMBERS**

The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the Companies and has issued circulars stating that service of notice / documents including Annual Report can be sent by email to its members. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of Electronic holding with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to register the same with M/s.Cameo Corporate Services Limited, whose address is given elsewhere in this Annual Report.

**PROXY FORM**

(Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules 2014)

CIN : L15421TN1960PLC004310  
 Name of the company : KOTHARI SUGARS AND CHEMICALS LIMITED  
 Registered office : KOTHARI BUILDINGS, NO.115, MAHATMA GANDHI SALAI, CHENNAI, 600034

Name of the member(s)	
Registered address	
E-mail Id	
Folio No/ Client Id	
DP ID	

I/We, being the member(s) of ..... shares, hereby appoint

- Name ..... Address .....  
 Email-Id..... Signature..... or failing him
- Name ..... Address .....  
 Email-Id..... Signature..... or failing him
- Name ..... Address .....  
 Email-Id..... Signature..... or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 53rd Annual General Meeting of the company, to be held on Wednesday the 3rd day of September, 2014 at 10.30 a.m. at The Music Academy, Mini Hall, Old No.306, New No.168, T.T.K. Road, Chennai - 600 014 and at any adjournment thereof in respect of such resolutions as are indicated below:

\*\* I wish my above Proxy to vote in the manner as indicated in the box below

Resolution No.	Resolutions	Optional **	
		For	Against
<b>Ordinary Business</b>			
1.	Consider and adopt:		
	a) Audited Financial Statement, Reports of the Board of Directors and Auditors		
	b) Audited Consolidated Financial Statement		
2.	Declaration of Dividend on Equity Shares		
3.	Re-appointment of Mr.B.H.Kothari who retires by rotation		
4.	Appointment of Auditors		
<b>Special Business</b>			
5.	Appointment of Mrs.Nina Bhadrashyam Kothari as Director		
6.	Appointment of Mr.P.S.Gopalakrishnan as Independent Director		
7.	Appointment of Mr.V.R.Deenadayalu as Independent Director		
8.	Appointment of Mr.P.S.Balasubramaniam as Independent Director		
9.	Consent under Section 180(1)(c) of the Companies Act, 2013 for a borrowings		
10.	Consent under Section 180(1)(a) of the Companies Act, 2013, to create charges, mortgages etc.,		
11.	Approval of Remuneration to Cost Auditor		

Signed this ..... day of ..... 20.....

Signature of first proxy holder      Signature of second proxy holder      Signature of third proxy holder

Signature of shareholder:



**Notes:**

- This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the meeting.
- A Proxy need not be a member of the Company.
- A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
- \*\* This is only optional. Please put a 'X' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
- Appointing a proxy does not prevent a member from attending the meeting in person if he/she so wishes.
- In the case of joint holders, the signature of any one holder will be sufficient, but names of all the jointholders should be stated.

### ATTENDANCE SLIP

Regd. Folio / DP ID & Client Id	
No. of Shares held	
Name and Address of the Shareholder	

- I hereby record my presence at the 53rd Annual General Meeting of the company, to be held on Wednesday the 3rd day of September, 2014 at 10.30 a.m. at The Music Academy, Mini Hall, Old No.306, New No.168, T.T.K. Road, Chennai - 600 014.
- Signature of the Shareholder / Proxy Present.
- Shareholder / Proxy holder wishing to attend the meeting must bring the Attendance Slip to the meeting and handover at the entrance duly signed.
- Shareholder / Proxy holder desiring to attend the meeting may bring his / her copy of Annual Report for reference at the meeting.

### E - VOTING PARTICULARS

<b>EVSN</b> (Electronic Voting Sequence Number)	<b>USED ID</b>	<b>PASSWORD</b>
<b>140718027</b>	<b>Folio No. / Client ID</b>	<b>Pan Number / Bank Account No. / Date of Birth</b>

The e-voting facility will be available during the following voting period:

<b>Commencement of e-voting</b>	<b>End of e-voting</b>
Tuesday, 26 <sup>th</sup> August, 2014 (from 9.00 A.M.)	Thursday, 28 <sup>th</sup> August, 2014 (upto 6.00 P.M.)

**Note:** Please refer the details and instructions form integral part of the Notice for the Annual General Meeting.