

Minutes of the Twentieth Annual General Meeting of the Members of Rossell India Ltd. held on Wednesday, August 06, 2014 at 3.00 P.M. at 'Kala Kunj', 48, Shakespeare Sarani, Kolkata-700 017

P r e s e n t :

1. Mr. H. M. Gupta, Executive Chairman and Member
(Also representative of BMG Enterprises Ltd., Member; BMG Investments Pvt. Ltd., Member and Harvin Estates Pvt. Ltd., Member)
2. Dr. S. S. Baijal, Director and Member
3. Mr. H. M. Parekh, Director
4. Mr. V. P. Agarwal, Director
5. Mr. C. S. Bedi, Managing Director and Member
6. Mr. N. K. Khurana, Chief Financial Officer-cum-Company Secretary and Member
7. Mr. J. S. Chahal, General Manager (Production), Rossell Tea Division and Member
8. Mr. P. P. Sengupta, Manager (Administration), Rossell Tea Division and Member

Other Members present in person – 875
(As per Attendance Slips)

A N D

Members present by proxy – 205
(As per Attendance Slips)

Mr. R. K. Roy Chaudhury, Partner, M/s S. S. Kothari & Co, Chartered Accountants,
Statutory Auditors (Pursuant to Sec. 146 of the Companies Act, 2013)

In terms of Article 100 of the existing Articles of Association of the Company, Mr. H. M. Gupta, Executive Chairman took the Chair and called the Meeting to order.

Since the quorum for the Meeting was present in terms of Sec. 103 (a)(iii) of the Companies Act, 2013, the Chairman declared the Meeting open.

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

After appraising the Members about the Industry scenario, current performance of the Company and future prospects in the various business segments in his speech, the Chairman proceeded to transact the business as per the said Notice.

Since there was no qualification or adverse remark by the Auditors in their Report dated 16th May, 2014, the same was not required to be read out as per the provisions 145 of the Companies Act, 2013 and therefore, taken as read and the Original thereof was kept open and accessible to the Members present.

The following Registers were kept open and accessible to the Members present:

1. Register of Contracts maintained pursuant to Sec. 189 of the Companies Act, 2013.
2. Register of Directors and Key Managerial Personnel and their Shareholdings maintained pursuant to Section 170 of the Companies Act, 2013.

The Chairman stated that in terms of the Circular dated 23rd June, 2014 sent to all the Members of the Company along with the Notice calling this AGM for voting through the electronic means pursuant to Section 108 read with Rule 20 of the Companies (Management and Administrations) Rules, 2014, the e-

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as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

In view of the e-voting already concluded, voting by show of hands is not allowable in terms of Section 107(1) of the Companies Act, 2013.

The Chairman advised the Members that Mr. A. K. Labh, Company Secretary in Practice, present there, had already handed over to him his Report dated 6th August, 2014 as per Rule 20(3) (xi) of the Companies (Management and Administrations) Rules, 2014. The same was also kept open and accessible to the Members present.

The Chairman invited question(s) from the Members present, on either the Accounts or the Directors' Report for the year ended 31st March, 2014 or on any other business to be transacted in this Meeting as per the Notice issued to the Members. He stated that he and his colleagues would reply thereto, before allowing those Members who could not cast their votes as per e-voting facility made available as stated above, to cast their votes here in the Meeting.

The questions were raised by various Members, which were noted down to be replied at the end. After all the questions were answered satisfactorily, the Chairman announced that voting would now commence.

At this juncture, none of the Members came forward to cast his vote.

In view of this, the Chairman declared that the e-voting Results as per the Scrutinizer's Report would now be final and read out the Results on all the Resolutions for which the e-voting was carried out.

1. **Adoption of Financial Statements and the Reports for the year ended 31st March, 2014:**

"RESOLVED THAT (a) the Audited Financial Statement for the financial year ended 31st March 2014 and the Reports of the Directors and Auditors thereon and (b) the Audited Consolidated Financial Statement of the Company for the financial year ended 31st March, 2014, as submitted in this Meeting be and are hereby adopted and approved."

- **Ordinary Resolution passed unanimously.**

2. **Declaration of Dividend on Equity Shares:**

"RESOLVED THAT a Dividend of Rs.0.50 (Paise Fifty only) per Equity Share of Rs.2 (Rupees Two Only) each on the Paid Up Capital of the Company, be and is hereby declared, out of the Current Profits of the Company for the year ended 31st March, 2014, and that such Dividend be paid to those Members whose names appear on the Company's Register of Members as on the Record Date fixed for the purpose."

- **Ordinary Resolution passed unanimously.**

3. **Appointment of Auditors:**

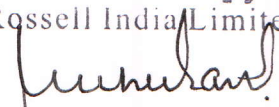
"RESOLVED THAT based on the recommendation of the Audit Committee, as accepted by the Board of Directors of the Company, M/s. S.S. Kothari & Co., Chartered Accountants, Kolkata, (Registration No. 302034E), Auditors retiring on the conclusion of this Annual General Meeting, be and are hereby re-appointed as Statutory Auditors of the Company from the conclusion of the Twentieth Annual General Meeting to the conclusion of the Twenty First Annual General Meeting of the Company, pursuant to 3rd proviso to Sec. 139(2) of the Companies Act, 2013 and that in terms of Sec. 142 (1) of the Companies Act, 2013, the Board of Directors of the Company be and are hereby authorised to fix their remuneration, upon recommendation by the Audit Committee."

- **Ordinary Resolution passed unanimously.**

4.1. **Appointment of Dr. S. S, Baijal as an Independent Director:**

"RESOLVED THAT pursuant to the provisions of Section 149 read with Schedule IV, Section 152 and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014, Dr. S. S. Baijal (DIN: 00027961), the existing Non Executive Director on the Board of the Company with Independent status as per Clause 49 of the

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Listing Agreement with the Stock Exchanges, who holds office till the conclusion of this Annual General Meeting and who has given the required notice in writing under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for a term of 5 (five) consecutive years till the conclusion of the Annual General Meeting of the Company to be held in the year 2019.”

The relevant Explanatory Statement pursuant to Sec. 102 (1) is annexed to these Minutes.

- **Ordinary Resolution passed unanimously.**

4.2. **Appointment of Mr. V. P. Agarwal as an Independent Director:**

“RESOLVED THAT pursuant to the provisions of Section 149 read with Schedule IV, Section 152 and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014, Mr. V. P. Agarwal (DIN: 00083912), the existing Non Executive Director on the Board of the Company with Independent status as per Clause 49 of the Listing Agreement with the Stock Exchanges, who would have held office till the conclusion of the Annual General Meeting of the Company to be held in the year 2015 and who has given the required notice in writing under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for a term of 5 (five) consecutive years till the conclusion of the Annual General Meeting of the Company to be held in the year 2019.”

The relevant Explanatory Statement pursuant to Sec. 102 (1) is annexed to these Minutes.

- **Ordinary Resolution passed unanimously.**

4.3. **Appointment of Mr. H. M. Parekh as an Independent Director:**

“RESOLVED THAT pursuant to the provisions of Section 149 read with Schedule IV, Section 152 and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014, Mr. H. M. Parekh (DIN: 00026530), the existing Non Executive Director on the Board of the Company with Independent status as per Clause 49 of the Listing Agreement with the Stock Exchanges, who would have held office till the conclusion of the Annual General Meeting of the Company to be held in the year 2016 and who has given the required notice in writing under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for a term of 5 (five) consecutive years till the conclusion of the Annual General Meeting of the Company to be held in the year 2019.”

The relevant Explanatory Statement pursuant to Sec. 102 (1) is annexed to these Minutes.

- **Ordinary Resolution passed unanimously.**

4.4. **Ratification of remuneration payable to the Cost Auditors for the Financial Year 2014-2015:**

“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, M/s Shome and Banerjee, Cost Accountants, (Registration No. 000001) the Cost Auditors appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company in respect of Tea and Tea Products and Engineering Machinery (including Electrical and Electronic Products) for the financial year ending March 31, 2015, be paid the remuneration as set out in the Statement pursuant to Section 102 of the Companies Act, 2013 annexed to the Notice convening this Meeting.”

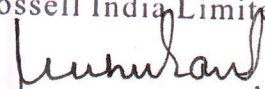
“RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts, deeds and things and to take such steps as may be necessary, proper or expedient to give effect to this resolution.”

The relevant Explanatory Statement pursuant to Sec. 102 (1) is annexed to these Minutes.

- **Ordinary Resolutions passed unanimously.**

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"RESOLVED THAT pursuant to the provisions of Section 14 and all other applicable provisions of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014 the draft regulations for management of the Company contained in the Articles of Association submitted to this meeting be and are hereby approved and adopted in substitution of and to the entire exclusion, of the regulations contained in the existing Articles of Association of the Company."

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

The relevant Explanatory Statement pursuant to Sec. 102 (1) is annexed to these Minutes.

- **Special Resolutions passed unanimously.**

4.6. **Creation of Charges and Mortgage on the Assets:**

"RESOLVED THAT pursuant to the provisions of Section 180 (1)(a) and all other applicable provisions of the Companies Act, 2013, the Board of Directors of the Company be and is hereby authorised to mortgage and / or charge and / or otherwise dispose of the immovable and moveable properties, both present and future or whole or substantially the whole of the undertaking or the undertakings of the Company for the purpose of securing i) any loan whether by way of Term Loan, overdraft or in any other manner obtained or as may be obtained from any Bank, Company, Body Corporate, Financial Institution, other Lending Institution, Firm or Person and / or ii) any issue of Debentures whether convertible or non-convertible to any of the aforesaid or to any member(s) of the Company or to any person(s) together with interest, cost, charges, expenses and any other money payable by the Company."

The relevant Explanatory Statement pursuant to Sec. 102 (1) is annexed to these Minutes.

- **Special Resolution passed unanimously.**

4.7. **Availing the borrowing limits:**

"RESOLVED THAT pursuant to the provisions of Section 180(1)(c) and all other applicable provisions of the Companies Act, 2013, consent of the Company be and is hereby accorded to the Board of Directors of the Company to borrow from time to time any sum or sums of money from Banks, Companies, Bodies Corporate, Financial Institutions, other Lending Institutions, Firms or Persons on such terms and conditions as may be considered appropriate by them in the interest of the Company, notwithstanding that the moneys to be borrowed together with the moneys already borrowed by the Company, apart from the temporary loan obtained from the Company's Bankers in the ordinary course of business, will exceed aggregate of its Paid up Share Capital and Free Reserves, so however that the total amount already borrowed or to be borrowed by the Board of Directors and outstanding at any one time shall not exceed Rs. 250 (Rupees Two Hundred Fifty) Crores exclusive of interest."

The relevant Explanatory Statement pursuant to Sec. 102 (1) is annexed to these Minutes.

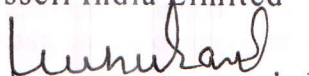
- **Special Resolution passed unanimously.**

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

H. M. GUPTA
CHAIRMAN
01/09/2014

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Chief Financial Officer - Cum - Company Secretary

Explanatory Statement

[Pursuant to Section 102(1) of the Companies Act, 2013 (the Act)]

Attached to the Notice convening the Twentieth Annual General Meeting to be held on Wednesday, 6th August, 2014.

Item Nos. 4.1, 4.2 and 4.3

Dr. S. S. Bajjal, Mr. V. P. Agarwal and Mr. H. M. Parekh (the Appointees) are the existing Non-Executive Directors on the Board of the Company as independent status as per Clause 49 of the Listing Agreement with the Stock Exchanges. In accordance with the relevant provisions of the Companies Act, 1956 they were appointed in the Annual General Meetings held in 2011, 2012 and 2013 respectively and liable to retire by rotation. The Appointees would have held office accordingly till the date of Annual General Meetings to be held in the year 2014, 2015 and 2016.

As per General Circular No. 14/2014 dated 9th June, 2014 issued by the Government of India, Ministry of Corporate Affairs, it has been clarified that Independent Directors must be appointed under Section 149(10) and 149(11) read with Schedule IV of the Act within 1 year from 1st April, 2014, subject to compliance with the eligibility and other prescribed conditions.

Section 149(4) of the Act requires at least one-third of the total number of Directors for every Listed Public Company to be Independent Directors satisfying the criteria of independence as per Section 149(6) of the Act. As per Section 149(10) of the Act, an Independent Director shall hold office for a term up to five consecutive years on the Board of the Company. Further, as per Section 152(6) of the Act, he shall not be included in the total number of Directors for ascertaining the number of directors subject to retirement by rotation.

In the first Meeting of the Board of Directors held in the current financial year 2014-2015 on 1st April, 2014, each of the Appointees has given the declarations that he meets the criteria of independence as provided in Section 149(6) of the Act. The required consent to continue to act as a Director pursuant to Section 152(5) of the Act has also been received by the Company from each of the Appointees.

In the opinion of the Board, Dr. S. S. Bajjal, Mr. V. P. Agarwal and Mr. H. M. Parekh meet the criteria of independence as provided in Section 149 read with Schedule IV of the Act for such appointment.

Dr. S. S. Bajjal has been associated with the Company as a Director since its formative stages. He did his doctorate in Organic Chemistry. A distinguished and accredited professional, he served as the Chairman & Managing Director of ICI India Ltd. and Chairman of ICI PLC, London. He was Chairman of Fertiliser Association of India. He is a Companion (highest honour) of Chartered Management Institute of London. He is well - versed in corporate affairs and management.

Mr. V. P. Agarwal has extensive experience of more than four decades in various industries in different capacities, senior executive as well as member of the Board. He has been at the helm of companies with more than Rs. 6,000 crore turnover. He is at present also a management consultant. He did his master's in commerce from Agra University in 1962 and topped the batch. He studied his Master's in Business Administration and Graduation in law in Delhi University. He also did an advanced management program in Harvard Business School, Boston (U.S.A.) in 1986. He has been a fellow member of the Institute of Company Secretaries of India for over four decades.

Mr. H. M. Parekh has extensive experience, spanning more than five decades, in tea industry. With a scholastic background in commerce, he served at the helm of distinguished companies in the tea industry. He retired as the Chairman of J. Thomas & Company Private Limited, the world's largest tea Broking Company. He also served as the Chief Executive Officer of Project India Blend Limited.

Keeping in view the expertise in the relevant field, expert knowledge and vast experience of the Appointees, it may be in the interest of the Company to appoint each of the Appointees as an Independent Director on the Board of the Company.

A copy of the draft letter of appointment to be issued to each of the Appointees for appointment as an Independent Director setting out the terms and conditions shall be kept open for inspection by the

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The required information under Clause 49 of the Listing Agreement has been appended below.

The Directors recommend the proposed Ordinary Resolutions for approval by the Members.

None of the Directors or other Key Managerial Personnel of the Company or any of their relatives is in any way concerned or interested, financially or otherwise, in the aforesaid resolutions, except the Appointees themselves.

Item No. 4.4

The Board upon recommendation of the Audit Committee has approved the appointment of M/s. Shome & Banerjee, Cost Accountants as Cost Auditors to conduct the audit of the Cost Records maintaining in respect of Tea and Tea Products and Engineering Machinery (including Electrical and Electronic Products) for the year ending 31st March, 2015 at a remuneration of Rs.1,00,000 (Rupees one lakh) plus applicable Service Tax thereon and reimbursement of actual out of pocket expenses.

In terms of provision of Section 148(3) of the Act read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the aforesaid remuneration payable to the Cost Auditors is subject to ratification by the shareholders of the Company.

Accordingly, the consent of the Members is sought by way of Ordinary Resolutions in this regard.

The Directors recommend the proposed Ordinary Resolutions for approval by the Members.

None of the Directors or other Key Managerial Personnel of the Company or any of their relatives is in any way concerned or interested, financially or otherwise in the aforesaid Resolutions.

Item No. 4.5

The existing Articles of Association (existing AoA) of the Company are based on the Companies Act, 1956 and several Articles therein contain references to specific sections of the Companies Act, 1956. With most of the provisions of the Act having been made applicable with effect from 1st April, 2014 or even earlier, certain Articles contained in the existing AoA are no longer in conformity with the new provisions of the Act and therefore required to be deleted. Similarly, certain new provisions of the Act are required to be inserted in the existing AoA.

In view of this, it is considered expedient to wholly replace the existing AoA by a new set of Articles (new AoA), based on Table F of Schedule I to the Act, providing for a model Articles of Association for a company limited by shares as well as various other provisions of the Act. Some of the new provisions in the new AoA regulations included in the draft new AoA, *inter alia*, are as follows:

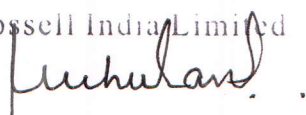
- a. Service of documents to the Company by Electronic or other mode as may be prescribed apart from sending the same by registered post or speed post or courier.
- b. Notices for the General Meeting, Annual Report, Circular etc. may be sent through Electronic Mode.
- c. Voting through Electronic Means as well as by Postal Ballot.
- d. Maintenance of Books and Records as well as various Registers required to be maintained under the Act in the Electronic Forms and Inspection thereof in the manner permitted by the Act.
- e. Provision for Appointment of Key Managerial Personnel viz. Chief Executive officer (CEO) and Chief Financial Officer (CFO) apart from appointment of Managing Director and Company Secretary.

The existing AoA and the draft new AoA shall be kept open for inspection by any Member of the Company during the usual business hours viz. 10.00 AM to 5.00 PM on any working day till the date of the Annual General Meeting.

The Directors recommends the Special Resolutions set out in this regard in the Notice for approval by the Members.

None of the Directors or other Key Managerial Personnel of the Company or their relatives is, in any way, concerned or interested, financially or otherwise, in the proposed Special Resolutions. **Certified True Copy.**

For Rossell India Limited


Chief Financial Officer - Cum - Company Secretary

Item No. 4.6

As per provision of Section 180(1)(a) of the Act, the Board of Directors of a Company cannot, without the consent of the Company by a Special Resolution, sell, lease or otherwise dispose of the whole or substantially the whole of any of the undertakings of the Company. The Board of Directors of the Company while borrowing money for the business needs of the Company for meeting its working capital requirement as well as for financing various projects is required to create mortgage / charge on the moveable as well immoveable properties of the Company in favour of the concerned lender.

Since the relevant Clauses of the security documents empower the lender to take over the properties and assets provided as security and the lenders have the power to sell the said properties and assets to the exclusion of any third party or without the intervention of any Court of law, it may be construed that the creation of mortgage/ a charge on the properties or undertakings of the Company in favour of the lender would attract the provisions of Section 180(1)(a) of the Act. Thus, the consent of the Members is being sought by a Special Resolution to enable the Board of Directors to create such mortgage/ charge.

The Directors recommend the proposed Special Resolution for approval by the Members.

None of the Directors or other Key Managerial Personnel of the Company or their relatives is, in any way, concerned or interested, financially or otherwise, in the proposed Special Resolution.

Item No. 4.7

As per provision of Section 180(1)(c) of the Act, the Board of Directors of a Company cannot, without the consent of the Company by a Special Resolution, borrow money where the money to be borrowed together with the money already borrowed by the Company will exceed the aggregate of its Paid Up Share Capital and Free Reserves apart from temporary loans obtained from the Company's Bankers in the ordinary course of business.

The aggregate of the present Paid up Share Capital and Free Reserves of the Company as on 31st March, 2014 is Rs.133.69 Crores. However, keeping in view the Company's growth strategy for its various business segments and future plans, the Company may have to resort to further borrowings as and when considered appropriate, which in the aggregate may exceed the aggregate amount of the Paid Up Share Capital and Free Reserves.

In view of this, it is considered prudent to seek the consent of the Members by way of a Special Resolution in accordance with Section 180(1)(c) of the Act to enable the Board of Directors of the Company to borrow up to a maximum of Rs.2,50,00,00,000 (Rupees Two Hundred Fifty Crores) exclusive of interest.

The Directors recommend the proposed Special Resolutions for approval by the Members.

None of the Directors or other Key Managerial Personnel of the Company or their relatives is, in any way, concerned or interested, financially or otherwise, in the proposed Special Resolutions.

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For Rossell India Limited


Chief Financial Officer - Cum - Company Secretary

