

**Transcript of the 39th Annual General Meeting of Rajshree Sugars & Chemicals Limited, held on 13th August 2025, at 3:30 PM via video conferencing (deemed venue: The Registered Office at ‘The Uffizi’, 338/8 Avanashi Road, Peelamedu, Coimbatore 641004).**

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**Management:**

1. Ms. Rajshree Pathy - Non-Independent Non-Executive Chairperson (DIN : 00001614)
2. Mr. R. Varadarajan - Wholetime Director (DIN : 00001738)
3. Mr. Sheilendra Bhansali - Independent Director (DIN : 00595312)
4. Mr. K. Ilango - Independent Director (DIN : 00124115)
5. Mr. S. Vasudevan - Independent Director (DIN : 01567080)
6. Mr. S. Krishnaswami - Independent Director (DIN : 08530320)
7. Mr. G. Sathiyamoorthi – President
8. Mr. C. S. Sathiyarayanan - Chief Financial Officer
9. Mr. M. Ponraj - Company Secretary
10. Mr. K. Jayakumar – Moderator

**Moderator:** Madam, we are live now. We can start the meeting.

**Rajshree Pathy:** Good evening, ladies and gentlemen, welcome to the 39th Annual General Meeting of your company. I am advised that the quorum is present and the meeting is called to order. Pursuant to various circulars issued by the Ministry of Corporate Affairs this AGM is being conducted through video conference and other audio-visual means with the facility arranged by the National Security Depository Limited, NSDL. I request all directors present to introduce themselves by stating their name and place from where they are participating. I am the Chairperson, Rajshree Pathy. I am in my hotel room in London.

**Sheilendra Bhansali:** Good afternoon, I am Sheilendra Bhansali Independent Director. I have logged into the meeting from my office at Coimbatore.

**S. Vasudevan:** Good afternoon, I am Vasudevan, Independent Director. I am logging in from my house at Chennai.

**K. Ilango:** Ilango, Independent Director, joining the meeting from my office at Coimbatore.

**S. Krishnaswami:** Krishnaswami, Independent Director. I am in Chennai in my house.

**R. Varadarajan:** I am Varadarajan, Wholetime Director. I am attending the meeting from the registered office of the company in Coimbatore.

**Rajshree Pathy:**

So, everybody has introduced themselves, I would like to state that the Statutory Auditors, Cost Auditor, Secretarial Auditor and Scrutinizer are also present. I have satisfied myself that all efforts feasible under the circumstances have indeed been made by the company to enable members to participate and vote on the items being considered in this meeting. The Annual Report for the Financial Year ended 31st March 2025, along with notice of AGM has already been circulated to the members only through emails registered with the company or with the depository. The said documents have also been uploaded on the websites of the company, NSDL and the stock exchanges. The company has also published a notice in the newspapers informing the members of the above.

Now let me proceed to the Chairman's speech. The global economy faces a complex mix of opportunities and challenges in 2025. While growth is expected to be moderate, factors like trade policy, geopolitical tensions and demographic shifts will play a significant role in shaping the economic trajectory. Effective policy responses and international cooperation will be crucial to navigating these challenges and fostering sustainable growth. Food inflation in 2025, is showing a mixed global trend. While some regions are experiencing a decline in food inflation, others are still facing high levels, particularly low and middle-income countries. Overall, the FAO food price index is marginally up compared to the previous year, but still below its peak in 2022. The Indian economy in 2025 is characterized by strong growth, with India remaining the fastest-growing major economy globally. Real GDP is projected to grow at 6.5% and nominal GDP has tripled since 2014, reaching Rs.331.0 lakh crores in 2024-2025. Exports have surged and FDI inflows have reached record highs while inflation has been brought under control. While facing some global headwinds, India's strong domestic growth drivers and effective policies position it for continued success.

The International Monetary Fund's IMF global growth is projected to be at 3% and 3.1% in 2025 and 2026, respectively. While the World Bank forecasts the same to be at 2.3 and moderate recovery, respectively, IMF has projected a growth of Indian GDP at 6.4% for the year 2025 and 6.4% for the year 2026, while the Reserve Bank of India estimates growth of Indian GDP at 6.5% for the financial year 2025-2026. The sugar industry is estimated production for the sugar season 2024-2025 would be 262 lakh tons, down by 61 lakh tons from the previous year after diversion to ethanol. Domestic consumption is estimated at 280 lakh tons compared to 291 lakh tons the previous year. With export of 10 lakh tons, the closing stock is estimated at 52 lakh tons against the last year's closing stock of 80 lakh tons.

The government has allowed sugar export to 10 lakh tons during the current season and no further permission is expected considering the drop in production and lower closing stock. The sugarcane price for 2024-2025 season has been revised upward to Rs.3,400 per ton for a base sugar recovery of 10.25 with a prorated discount for recovery regions up to 9.5%. The cane crushing and sugar recovery were drastically affected in the main season between December 2024 and March 2025 due to stagnation of water in the fields for a prolonged period due to historically high rainfall in the command areas of coastal districts. The vagaries of weather over the past seasons have also had a deleterious effect on harvesting and planting of sugarcane with the estimated sugar production in Tamil Nadu for the season 2024-2025 at 7 lakh

tons, a decrease of 36% over the previous season of 2023-2024. The Tamil Nadu government is also concerned with the reduction in sugarcane production and had convened a stakeholders meeting with state agriculture department, the Tamil Nadu Agricultural University and the ICAR Sugarcane Breeding Institute to focus on increasing quantity and quality of sugarcane using modern technology, including gene sequencing and editing. The industry has also independently, through the South Indian Sugar Mills Association, SISMA, tied up with ICAR Sugarcane Breeding Institute to identify high-yielding and high sucrose varieties of sugarcane as a long-term measure to boost sugarcane production in the state. With the continuing good monsoon and the support from the state government of Tamil Nadu to the sugarcane farmers with the production incentive of Rs.349 per metric ton of sugar season 2024-2025, the farmers would be enthused to turn to sugar cane farming in the ensuing season.

During the year 2024-2025, your company's operations were significantly impacted by adverse climatic conditions, resulting in lower cane availability and sugar recovery. Your company's sugar division crushed 12.29 lakh tons of cane compared to 18.09 lakh tons in the previous year, with sugar production declining by 35% due to lower sugar cane crushed and a drop in sugar recovery from 8.53% to 8.14%. In the cogeneration division, 1,488 lakh units of power was generated against 2,233 lakh units with an export of 886 lakh units. The distillery division produced 187 lakh liters of alcohol compared to 240 lakh liters last year, mainly due to reduced availability of molasses.

Your company continues to focus on operational efficiency and sustainable cane development. Your company remained financially stable despite a challenging year. Total income was Rs.653.57 Crores compared to Rs.776.38 Crores in the previous year. Profit after tax stood at Rs.8.09 Crores down from Rs.13.76 Crores. While the sugar segment remained under pressure, the distillery and cogeneration division supported profitability. The company closed its outstanding debt of Rs.58.56 Crores with the Sugar Development Fund through a one-time settlement out of funds generated from operations.

I thank the lender banks, the central and state governments for their continued support. I am ever grateful to the sugarcane farmers, business associates, employees, and the shareholders for their continued support. On behalf of the Board of Directors and on my own behalf, it is an honour to convey our sincere thanks to every one of you. I had the privilege to have the guidance and advice of your Board of Directors, and I thank them for their unstinted support at all times. I pray to Goddess Lakshmi for the continued prosperity of the company and all its stakeholders. Thank you.

Now we will move on to the auditor's report. The auditor's report does not contain any qualification, observations or comments. The shareholders have been advised. Four of our shareholders have shown their interest in speaking, so they have been advised to register as speakers if they wish to speak at the AGM on or before 7th August. Therefore, only the four of them have registered. I request each shareholder to present their queries on the Annual Report to be adopted at this meeting and other items in the agenda briefly within three minutes. Please note that forward-looking queries will not be addressed as they may lead to speculation, which is prohibited under the

SEBI Prohibition of Insider Trading Regulations, 2015. I request the moderator of this AGM to enable the shareholders to speak in the following order based on the date of their registration. The first speaker will be Mr. Saket Kapoor. The second speaker will be Mr. Atul Gadodia. The third speaker will be Mr. Gaurav Sood, HUF. And the fourth speaker will be Mr. K Bharat Raj. I shall respond at the end after hearing from all of you.

**Moderator:** Thank you Madam. Mr. Saket Kapoor you are into the panelists now and you can ask your questions.

**Saket Kapoor:** Namaskar madam.

**Rajshree Pathy:** Namaskar ji.

**Saket Kapoor:** How are you doing ma'am?

**Rajshree Pathy:** Not bad. We have got very good monsoon and so I am very happy.

**Saket Kapoor:** Fine. Ma'am, when we last interacted, last AGM, you did spoke about groundwater levels being recharged and crops being better, yield better. But somehow for the southern part of the country, that has not exactly laid out and that has been the case with our organization also. As I was unable to hear you completely in the opening remark, so I would request the company secretary for the opening remark from the chairman to be uploaded. There was some issue with the audio. To upload it to the exchanges as many companies are doing it, so that is a very regulatory step and very compliant step also, if that could be done, firstly, my request.

And secondly, ma'am, as we stand today, what are your key agendas, objectives for the organization in particular, whether it is with the improvement in financials, the operational performance, with ethanol part of the story, capex, how are we going to take this company forward say three, four years down the line? What are the steps you are taking to make the changes wherein the financials can improve? Because there is complete loss of interest in the investing community as you can see with respect to the market cap currently what we are trading at. So please share your views on this thought process first of all. And that would suffice a lot of understanding as we investors know that in the puzzle where the company is now engaged we are unable to come out of it, will be what is the reason although we got so much support from our creditors and even I think so the one of the companies where there was no one-time settlement but we got relief in terms of interest and other objectives was given, the new lease of life. So given that aspect from that point of today and say two, three years down the line, ma'am, how are you going to change the course and return to the stream of profitability? These are my very basic questions madam.

And other than that, financial questions and all, I can definitely take up with our CFO later on. But we are worried investors, ma'am, being invested for so many long time, reposing the faith on people, on the group. We are not, you cannot do anything about it, but we are not happy, not at all happy with what is happening. So this is the only forum where we can speak to you and also in the senior management, the board listens to what investors' plight is. So take

note of it, ma'am, whatever can be done to steer down things better, because the next speaker, Atul sir is much more learned in this field and I will give Atul brother even my time of one minute can be given to him that will be better.

**Rajshree Pathy:** Okay thank you.

**Saket Kapoor:** All the best to Atul sir and thank you ma'am.

**Rajshree Pathy:** Thank you Saket sir, thank you very much. All concerns noted and I will give a comprehensive response later.

**Moderator:** Now we will move on to the next speaker shareholder Mr. Atul Gadodia. Mr. Atul sir, you are into the panel's room. Please start your question.

**Atul Gadodia:** Namaskar everyone, is my voice audible?

**Rajshree Pathy:** Yes, very audible, thank you.

**Atul Gadodia:** Namaskar madam.

**Rajshree Pathy:** Namaskar Atul sir.

**Atul Gadodia:** Namaskar to everyone present. Last quarter I had the pleasure of meeting your friend, Mr. O.P.Dhanuka.

**Rajshree Pathy:** Oh, I see. Very nice.

**Atul Gadodia:** And he always speaks very highly about you.

**Rajshree Pathy:** Yeah, I have a lot of respect for him. Very ethically good person. Yes.

**Atul Gadodia:** Yes. So, madam, I am like, I do not have any complaints and grouse because I know that Tamil Nadu sugar industry is passing through a very, very tough phase. Even EID, Parry and all they have succumbed, Kothari Sugar and all. Nothing can be done by management because you see it is all climatic, agroclimatic. The climate is not supporting, so from where will the crop come? And if the crop does not come from where will they crush? So, okay, still you have managed to stay afloat. It is a great achievement in itself. So I have not just one suggestion, like there was an article in Times of India that Indian corporates, particularly us, corporates like us, we should support Vedic education. And there are examples of Glenmark Pharmaceuticals supporting their community education. Prestige Estates of Bengaluru (Bangalore), they are supporting their community education. But our corporates of our core religion, they are lacking. So I request you to take a look into this matter. I am in touch with some very, very conservative Brahmins who are carrying out practices, which are prevalent since time immemorial but due to lack of funds they are not able to do like very, you can say, in a meaningful way. I requested this thing to Mr. Dhanuka as well and he is running a Sanskrit school in Vrindavan so I also request you to take interest in it. And on this note, I thank everyone for giving me an opportunity. I support all the resolutions and I am very confident that under your

leadership, the company will come out of this stressful environment. Thank you so much.

**Rajshree Pathy:** Thank you very much Atul sir.

**Moderator:** Now, I will unmute the next speaker shareholder Mr. Gaurav. Mr Gaurav please unmute yourself and you can.

**Gaurav Sood:** Hello.

**Moderator:** Yes, sir.

**Gaurav Sood:** Thanks for the opportunity. I have a few questions. What is the status of our debt settlement and can we expect to repay major portion of our debt through sale of land? And second is our operational performance has been poor due to industry headwinds. How do you see the coming year play out? Third, given the slowdown, are we planning to increase our focus on less commoditized business like distillery operations? Fourth, our stock has been languishing. So can you guide about the replacement cost of our assets? If the management has any plan to create wealth for the shareholders. If what improvements can he as a shareholder expect post the implementation of current one time settlement with bank. Thank you, ma'am. Wish you all the best.

**Rajshree Pathy:** Thank you Gaurav sir.

**Moderator:** Mr. Bharat Raj, please unmute yourself and you can ask your question, sir.

**Bharat Raj:** Yes, very good afternoon, Chairman. I am Bharat Raj from Hyderabad. Am I audible madam?

**Rajshree Pathy:** Good afternoon. Bharat sir.

**Bharat Raj:** How are you madam? I am happy to see you safe, healthy and fine.

**Rajshree Pathy:** Thank you.

**Bharat Raj:** I believe you under your leadership my company is growing. I know that at present is market situation is wrong, but end of the day I see light in the tunnel, madam. So definitely will be a bounce back once again, I support all the resolutions and once again, Board of Directors my best wishes to you. Company secretary has send me the link and the annual report also wonderful secretarial department and wonderful corporate governance madam. Once again, take care, madam. All the best for coming years. Please remember us in festival season. Please send dry fruits to the speaker shareholders. So that is what I want to request. All the best.

**Rajshree Pathy:** Very good thank you.

**Bharat Raj:** Next year, we have good hope in you madam we will come with very good results madam. I am Bharat Raj signing off from Hyderabad.



**Rajshree Pathy:** Thank you. So now that we have completed all the four speakers, can I respond?

**Moderator:** Yes, madam. Please.

**Rajshree Pathy:** Ok. My first response will be to the first speaker, Mr. Saket Kapoor. Yes, we will definitely upload the Chairman's speech online. We will upload it so it is available for everybody. Secondly, you asked me about the financial status quo and I will, I think all the others also were interested in the financials, so we will discuss that. Secondly, you wanted to know and I appreciate your question, what are the changes that we as management have to implement to improve the performance of the Company. You will understand that we have taken every possible step and that is why we have survived and we have repaid more than 50% of the debt to the banks and we have implemented a lot of water treatment facilities and water conservation facilities to enable our farmers to have adequate water supply even during the bad months. But I am very happy to say that now Tamil Nadu has been receiving a very good monsoon and we have been receiving rainfall at the right times, the times when we are planting, the time when the crop needs the maximum support. And right now also we are seeing that with the state government's incentive of the extra payments to the cane farmers in Tamil Nadu, which they have not supported in the recent few years, they have seen that Tamil Nadu really requires this.

Many of the farmers have come back to us and are planting sugarcane because none of the other crops are also giving them the steady, predictable revenues that sugarcane is able to give. Tamil Nadu has gone through the worst, worst situation when it comes to agriculture and especially sugarcane has been affected and the sugarcane breeds also that have been growing in Tamil Nadu are unfortunately affected because of the drought over the last few years, which is when our company also and most sugar factories in Tamil Nadu also went into decline. It is because of the low availability of sugarcane and also the very low recovery so slowly we are seeing that, you will also appreciate sugarcane is not a crop that immediately can recuperate. It takes a good 11 months for sugarcane to come to a cutting stage and also that what goes into the 11 months. And we are in the industry sugar is very, very committed. We have a good R&D department. We have very good team, which is why the farmers have never left us even in the times, even during COVID.

And I would really take a moment to appreciate the really the wonderful efforts taken by President Sathiyamoorthi and his team, Wholetime Director Mr. Varadarajan, all of the cane department who has worked tirelessly to improve the cane availability and the recovery. So on the other hand, we have also been able to earn extra revenues by our ethanol and producing extra neutral alcohol, which in Tamil Nadu is getting us a better price than ethanol and supplying to the IMFL producers. So we have a nice balance of what we can do. And we are also thinking, we have put our thinking caps on to see what else can we do in the sugar company? How else can we use our resources? We have vast lands. How can we use this land for any other purposes? And we now have adequate water. So give us some time by next year. I hope we will have a more concrete plan on how we can make some positive changes to the company's balance sheet.

Regarding the financials and how much debt situation and where we will be with the post bank settlement I request Mr. Varadarajan, our Wholetime Director, to say a few words. And then on the Vedic education, what Atul sir has said. Atul sir, I do not know if we have made it aware that we have a school, we run a school for underprivileged children in the area in the district of Andipatti where our Unit 1 is. And it used to be a CSR activity, but now we cannot put any funds into it from the company itself because we are a restructured company and we require the funds for the company itself. So we have been running the school and winning very many state awards and we teach ethics, values and morality to all the children. It is a co-education school. They have equal opportunities. It is English medium and with a high level of computer education, computer labs and we have been able to manage it with a lot of benevolence from the communities, from the rotary clubs and so on. We have increased the capacity of the school. We have excellent facilities. So we are very committed to education and educating rural children to have equal opportunity. So now may I request Mr. Varadarajan to say a few words about the bank settlements and the scenario going forwards with the financials. Thank you very much. I hope I have satisfied some of your anxieties and your queries.

**R. Varadarajan:**

Thank you, madam. Just a few quick words on the possibility of getting into a settlement with the banks. You are aware that we have at least closed the Sugar Development Fund and we have now got a brief, we had paid for that through our own operational revenue. And now slowly the company's rating also has been upgraded from default status to now we are B-stable. And we hopefully in the next six months, we should get ourselves back to investment grade. So, that is the first step required for any opportunity, which you can seek with the banks for a one-time settlement. So we are exploring various possibilities, keeping in view that whatever is a one-time settlement should come at a price. The cost of financing should be something which is equivalent to what we are having now. It should not be increasing the stress of the company, one. And second thing is it needs to add value to the shareholders. So we had been taking small steps towards it. So the first was to get the rating of the company out of default status, which we have now accomplished. And the second thing would be to get it back to investment rate. And we are already in some kind of exploratory discussions with our lead bank and hopefully, maybe in the next year after our rating is dropped back to investment grade, we should be able to find some via media where we will have an opportunity, if possible, to walk away from the current debt status. Thank you.

**Rajshree Pathy:**

Now can I move on to the agenda number seven, which is the remote e-voting. Am I making myself heard? Hello?

**Moderator:**

Yes, we can hear you.

**Rajshree Pathy:**

Okay. So, the remote e-voting as per provisions of the Companies Act 2013 and SEBI regulations 2015, the company has entered into an agreement with NSDL to facilitate remote e-voting. The remote e-voting commenced on 10th August 25 at 9 a.m. and concluded on 12th August 2025 at 5 p.m. Mr. K. Murali Mohan, Practicing Chartered Accountant, who was appointed as a scrutiniser for the remote e-voting, shall also act as a scrutiniser for the e-voting process being conducted at the AGM. And agenda number eight, the



resolutions along with the explanatory statements have already been circulated to the members by e-mail, outlining the objectives and implications of each resolution placed for voting. I request the members who have not already voted through the remote e-voting system to cast their votes using the e-voting facility, which is available from the commencement of the meeting and will remain open for a further 30 minutes after the completion of the other meeting formalities. The meeting will be deemed closed upon completion of the voting. Now, the results of the voting on resolution shall be declared within two working days of conclusion of this meeting. The results declared along with the scrutinizer's report shall be placed on the company's website and notice board at the registered office and on the website of NSDL for the information of the members and will also be communicated to the stock exchanges. Thank you.

**Moderator:** Can we conclude the meeting, madam?

**Rajshree Pathy:** Yes, meeting can be concluded.

**Moderator:** Thank you. Tech support, please stop the recording and conclude the meeting for all.

For and on behalf of  
RAJSHREE SUGARS & CHEMICALS LIMITED

M. Ponraj  
Company Secretary  
Membership No. A29858

Place : Coimbatore  
Date : 2<sup>nd</sup> September 2025