

K M SUGAR MILLS LIMITED

Regd. Office: 11 MOTI BHAWAN COLLECTOR GANJ,

KANPUR, Uttar Pradesh-208001

CIN: L15421UP1971PLC003492;

Website: www.kmsugar.com

Phone: 0512-2310762 ; 0522-4079561; E-mail: cs@kmsugar.com

NOTICE TO SHAREHOLDERS

Notice is hereby given that the 46th Annual General Meeting of the K. M. Sugar Mills Ltd. will be held at its Registered Office of the Company at 11- Moti Bhawan, Collector Ganj, Kanpur-208001, on Tuesday, the 20th day of August, 2019 at 11:00 a.m. transact the following business:

ORDINARY BUSINESSES:

1. To consider and adopt the Financial Statements of the Company for the financial year ended 31st March, 2019, the Consolidated Financial Statements for the said financial year and the Reports of the Board of Directors and the Auditors and, to consider and pass, the following resolution as an Ordinary Resolution:

"RESOLVED THAT the Financial Statements of the Company for the financial year ended 31st March, 2019, the Consolidated Financial Statements for the said financial year and the Reports of the Board of Directors and the Auditors thereon laid before the 46th Annual General Meeting of the members of the Company, be and are hereby received, considered and adopted."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to do, perform and execute all such acts, deeds and things and to settle any question, difficulty or doubt, that may arise and to do all such acts, deeds, matters and things as may be necessary and sign and execute all documents or writings as may be necessary, proper or expedient and for matters concerned therewith or incidental thereto for the purpose of giving effect to this resolution."

2. To appoint a director in place of Shri L.K. Jhunjunwala, who retires by rotation and being eligible, offers himself for re-appointment and, to consider and pass, the following resolution as an Ordinary Resolution:

"RESOLVED THAT Shri L. K. Jhunjunwala (DIN-01854647) who retires by rotation under Section 152 and other applicable provisions, if any, of the Companies Act, 2013 (hereinafter referred as 'the Act') and the Rules made thereunder read with the Articles of Association of the Company, at the conclusion of 46th Annual General Meeting of the members of the Company, and being eligible, has offered himself for re-appointment, be and is hereby re-appointed as a Director on the Board of the Company, whose period of office shall be liable to retire by rotation."

"RESOLVED FURTHER THAT the Board of Directors of

the Company be and is hereby authorized to do, perform and execute all such acts, deeds and things as may be required including to delegate and to settle any question, difficulty or doubt, that may arise and to sign and execute all documents or writings as may be deemed necessary, proper or expedient for matters concerned therewith or incidental thereto for the purpose of giving effect to this resolution."

3. To appoint a director in place of Mr. Shri Aditya Jhunjunwala, who retires by rotation and being eligible, offers himself for re-appointment and, to consider and pass, the following resolution as an Ordinary Resolution:

"RESOLVED THAT Shri Aditya Jhunjunwala (DIN-01686189) who retires by rotation under Section 152 and other applicable provisions, if any, of the Companies Act, 2013 (here in after referred as 'the Act') and the Rules made thereunder read with the Articles of Association of the Company, at the conclusion of 46th Annual General Meeting of the members of the Company, and being eligible, has offered himself for re-appointment, be and is hereby re-appointed as a Director on the Board of the Company, whose period of office shall be liable to retire by rotation."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do, perform and execute all such acts, deeds and things as may be required including to delegate and to settle any question, difficulty or doubt, that may arise and to sign and execute all documents or writings as may be deemed necessary, proper or expedient for matters concerned therewith or incidental thereto for the purpose of giving effect to this resolution."

4. To ratify the appointment of M/s. Agiwal & Co, Chartered Accountants, New Delhi, as statutory auditors for the remaining term and, to consider and pass, the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the members of the company be and hereby ratifies the appointment of M/s. Agiwal & Co, Chartered

Accountants (Firm Registration No 00181N), as the Statutory Auditors of the Company for remaining term, from the conclusion of 46th Annual general meeting of the Company till the conclusion of 49th Annual general meeting of the Company, on such remuneration plus Goods and service tax, out-of-pocket, travelling and living expenses, etc., as may be mutually agreed between the Board of Directors of the Company and the said Auditors."

"RESOLVED FURTHER THAT the Board of Directors of the Company (including its Committee thereof), be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this Resolution."

SPECIAL BUSINESS :-

5. To approve the change in terms and re-appointment of Shri L.K. Jhunjunwala (DIN: 01854647) as a Whole Time Director designated as Chairman of the Company and in this regard, to consider and if thought fit, to pass the following resolution as a Special Resolution :-

"RESOLVED THAT pursuant to the provisions of the Section 196, 197, 198, 203, read with the Schedule V of the Companies Act 2013 and other applicable provisions, if any, and the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, consent of the Shareholders be and is hereby accorded for the re-appointment of Shri L.K. Jhunjunwala (DIN: 01854647), who has attained the age of 77 years, as a Whole Time Director, designated as a Chairman of the Company for the period of five years from the ensuing 46th Annual general meeting of the Company at the terms & conditions as mentioned in explanatory statement, with power to the Board of Directors ("The Board") to alter and vary the terms and conditions of the appointment and remuneration in such a manner as may be permitted by in accordance with the provisions of the Companies Act, 2013 and Schedule V or any modification thereto and as may be agreed to by an between the Board and Shri L.K. Jhunjunwala time to time."

"RESOLVED FURTHER THAT pursuant to the provisions of the Section 196, 197, 198, 203, read with the Schedule V of the Companies Act 2013 and other applicable provisions, if any, and the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, consent of the Shareholders be and is hereby accorded for the amendment in the terms of appointment of Shri L.K. Jhunjunwala (DIN: 01854647), Whole Time Director, designated as a Chairman of the Company, effective from April 01, 2019 till the re-appointment at ensuing 46th annual general meeting of the

Company as per the terms & conditions as mentioned in explanatory statement, with power to the Board of Directors ("The Board") to alter and vary the terms and conditions of the appointment and remuneration in such a manner as may be permitted by in accordance with the provisions of the Companies Act, 2013 and Schedule V or any modification thereto and as may be agreed to by an between the Board and Shri L.K. Jhunjunwala time to time."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and hereby authorized to do, perform and execute all such acts, deeds and things and to settle all question arising out of incidental thereto, and to give such directions as may be necessary or arise in regard to or in connection with any such matter as it may, in its absolute discretion, deem fit to give effect to this resolution."

6. To approve the change in terms and re-appointment of Shri Aditya Jhunjunwala, (DIN: 01686189) as Managing Director of the Company and in this regard, to consider and if thought fit, to pass the following resolution as a Special Resolution:-

"RESOLVED THAT pursuant to the provisions of the Section 196, 197, 198, 203, read with the Schedule V of the Companies Act 2013 and other applicable provisions, if any, and the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, consent of the Shareholders be and is hereby accorded for the re-appointment of Shri Aditya Jhunjunwala, (DIN: 01686189) as a Managing Director of the Company, for the period of five years from the ensuing 46th annual general meeting of the Company at the terms & conditions as mentioned in explanatory statement, with power to the Board of Directors ("The Board") to alter and vary the terms and conditions of the appointment and remuneration in such a manner as may be permitted by in accordance with the provisions of the Companies Act, 2013 and Schedule V or any modification thereto and as may be agreed to by an between the Board and Shri Aditya Jhunjunwala time to time."

"RESOLVED FURTHER THAT pursuant to the provisions of the Section 196, 197, 198, 203, read with the Schedule V of the Companies Act 2013 and other applicable provisions, if any, and the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, consent of the Shareholders be and is hereby accorded for the amendment in the terms of appointment of Shri Aditya Jhunjunwala, (DIN: 01686189) Managing Director of the Company, effective from April 01, 2019 till the re-appointment at ensuing 46th annual general meeting of the Company as per the terms &

conditions as mentioned in explanatory statement, with power to the Board of Directors("The Board ") to alter and vary the terms and conditions of the appointment and remuneration in such a manner as may be permitted by in accordance with the provisions of the Companies Act,2013 and Schedule V or any modification thereto and as may be agreed to by an between the Board and Shri Aditya Jhunjunwala time to time."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and hereby authorized to do, perform and execute all such acts, deeds and things and to settle all question arising out of incidental thereto, and to give such directions as may be necessary or arise in regard to or in connection with any such matter as it may, in its absolute discretion, deem fit to give effect to this resolution."

7. To approve the change in terms and re-appointment of Shri Sanjay Jhunjunwala (DIN: 01777954) as a Joint Managing Director of the Company and in this regard, to consider and if thought fit, to pass the following resolution as a Special Resolution:-

"RESOLVED THAT pursuant to the provisions of the Section 196, 197,198, 203, read with the Schedule V of the Companies Act 2013 and other applicable provisions,if any, and the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, consent of the Shareholders be and is hereby accorded for the re-appointment of Shri Sanjay Jhunjunwala, (DIN: 01777954) as a Joint Managing Director of the Company, for the period of five years from the ensuing 46th annual general meeting of the Company at the terms & conditions as mentioned in explanatory statement, with power to the Board of Directors("The Board ") to alter and vary the terms and conditions of the appointment and remuneration in such a manner as may be permitted by in accordance with the provisions of the Companies Act,2013 and Schedule V or any modification thereto and as may be agreed to by an between the Board and Shri Sanjay Jhunjunwala time to time."

"RESOLVED FURTHER THAT pursuant to the provisions of the Section 196, 197,198, 203, read with the Schedule V of the Companies Act 2013 and other applicable provisions,if any, and the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, consent of the Shareholders be and is hereby accorded for the amendment in the terms of appointment of Shri Sanjay Jhunjunwala, (DIN: 01777954) Joint Managing Director of the Company, effective from April 01, 2019 till the re-appointment at ensuing 46th annual general meeting of the Company as per the terms & conditions as mentioned in explanatory

statement, with power to the Board of Directors ("The Board ") to alter and vary the terms and conditions of the appointment and remuneration in such a manner as may be permitted by in accordance with the provisions of the Companies Act,2013 and Schedule V or any modification thereto and as may be agreed to by an between the Board and Shri Sanjay Jhunjunwala time to time."

"RESOLVED FURTHER that the Board of Directors of the Company be and hereby authorized to do, perform and execute all such acts, deeds and things and to settle all question arising out of incidental thereto, and to give such directions as may be necessary or arise in regard to or in connection with any such matter as it may, in its absolute discretion, deem fit to give effect to this resolution."

8. To approve the change in terms and re-appointment of Shri Subhash Chandra Agarwal , (DIN -02461954) as Executive Director of the Company and in this regard, to consider and if thought fit, to pass the following resolution as a Special Resolution:-

"RESOLVED THAT pursuant to the provisions of the Section 196, 197,198, 203, read with the Schedule V of the Companies Act 2013 and other applicable provisions, if any, and the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, consent of the Shareholders be and is hereby accorded for the appointment of Shri Subhash Chandra Agarwal, (DIN: 02461954) as a Whole time Director designated as an Executive Director cum CEO, for the period of five years from the ensuing 46th annual general meeting of the Company at the terms & conditions as mentioned in explanatory statement, with power to the Board of Directors("The Board ") to alter and vary the terms and conditions of the appointment and remuneration in such a manner as may be permitted by in accordance with the provisions of the Companies Act,2013 and Schedule V or any modification thereto and as may be agreed to by an between the Board and Shri Subhash Chandra Agarwal time to time."

"RESOLVED FURTHER THAT pursuant to the provisions of the Section 196, 197,198, 203, read with the Schedule V of the Companies Act 2013 and other applicable provisions, if any, and the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, consent of the Shareholders be and is hereby accorded for the amendment in the terms of appointment of Shri Subhash Chandra Agarwal, (DIN: 02461954) Executive Director of the Company, effective from April 01, 2019 till the re-appointment at ensuing 46th annual general meeting of the Company as per the terms & conditions as mentioned in explanatory

statement, with power to the Board of Directors ("The Board ") to alter and vary the terms and conditions of the appointment and remuneration in such a manner as may be permitted by in accordance with the provisions of the Companies Act, 2013 and Schedule V or any modification thereto and as may be agreed to by an between the Board and Shri Subhash Chandra Agarwal time to time."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and hereby authorized to do, perform and execute all such acts, deeds and things and to settle all question arising out of incidental thereto, and to give such directions as may be necessary or arise in regard to or in connection with any such matter as it may, in its absolute discretion, deem fit to give effect to this resolution."

9. To approve the continuance of Mr. H.P. Singhania (DIN – 00141096) as an Independent Director and in this regard, to consider and, if thought fit, to pass, the following resolution as a Special resolution:-

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and pursuant to the provisions of sub-regulation 1A of Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the consent of the shareholders of the Company, be and is hereby accorded for continuance of Mr. H.P. Singhania (DIN – 00141096) aged about 89 years as an Independent Director of the Company from April 01, 2019 to the date of ensuing 46th annual general meeting of the Company or till such earlier date to conform with the policy on retirement and as may be determined by any applicable statutes, rules, regulations or guidelines".

"RESOLVED FURTHER THAT Mr. H.P. Singhania shall not be liable to retire by rotation and shall hold office until he resigns".

"RESOLVED FURTHER THAT the Board of Directors of the Company (including its Committee thereof), be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this Resolution."

10. To re-appoint Mr. H.P. Singhania (DIN – 00141096) as an Independent Director and in this regard, to consider and, if thought fit, to pass with or without modification(s), the following resolution as a Special resolution:-

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act,

2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and pursuant to the provisions of Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the reappointment of Mr. H.P. Singhania (DIN – 00141096) aged about 89 years as an Independent Director of the Company, be and is hereby approved, to hold office for the period of five years with effect from ensuing 46th annual general meeting or till such earlier date to conform with the policy on retirement and as may be determined by any applicable statutes, rules, regulations or guidelines."

"RESOLVED FURTHER THAT the Board of Directors of the Company (including its Committee thereof), be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this Resolution."

11. To re-appoint Mr. S.K. Gupta (DIN – 01995658) as an Independent Director and in this regard, to consider and, if thought fit, to pass with or without modification(s), the following resolution as a Special resolution:-

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and pursuant to the provisions of Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the reappointment of Mr. S.K. Gupta (DIN – 01995658) aged about 72 years as an Independent Director of the Company, be and is hereby approved, to hold office for the period of five years with effect from ensuing 46th annual general meeting or till such earlier date to conform with the policy on retirement and as may be determined by any applicable statutes, rules, regulations or guidelines."

"RESOLVED FURTHER THAT the Board of Directors of the Company (including its Committee thereof), be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this Resolution."

12. To re-appoint Mrs. Madhu Mathur (DIN NO. 07196895) as an Independent Director and in this regard, to consider and, if thought fit, to pass with or without modification(s), the following resolution as a Special resolution:-

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and

Qualification of Directors) Rules, 2014 and pursuant to the provisions of Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the reappointment of Mrs. Madhu Mathur (DIN - 07196895) aged about 74 as a Women Independent Director of the Company, be and is hereby approved, to hold office for the period of five years with effect from ensuing 46th annual general meeting or till such earlier date to conform with the policy on retirement and as may be determined by any applicable statutes, rules, regulations or guidelines."

"RESOLVED FURTHER THAT the Board of Directors of the Company (including its Committee thereof), be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this Resolution."

13. To authorize the Board to make investments / give loans or guarantees / provide security up to an aggregate amount not exceeding Rs. 200.00 Cr outstanding at any time and to consider, and if thought fit, to pass the following resolution as a Special Resolution:-

"RESOLVED THAT, pursuant to the provisions of Section 186 and other applicable provisions of the Companies Act, 2013, (including any statutory modification or re-enactment thereof, for the time being in force), and subject to such approvals, consents, sanctions and permissions, as may be necessary, consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "Board") to (a) give any loan to any body corporate(s) / person (s); (b) give any guarantee or provide security in connection with a loan to any body corporate(s) / person (s); and (c) acquire by way of subscription, purchase or otherwise, securities of any body corporate(s) (i) up to an aggregate amount not exceeding Rs. 200.00 Cr outstanding at any time; or (ii) 60% of the aggregate of the paid-up share capital and free reserves and securities premium account; or (iii) 100% of its free reserves and securities premium account, whichever is higher, on such terms and conditions, as the Board may think fit."

"RESOLVED FURTHER THAT the Board or a duly constituted Committee thereof be and is hereby authorized to decide and finalize the terms and conditions of the above, limit upto which such investments in securities / loans / guarantees, that may be given or made, as may be determined by the Board or the Committee thereof, within the aforesaid limits including with the power to transfer / dispose of the investments so made, from time to time, and to execute all deeds, documents and other

writings and to do all such acts, deeds, matters and things, as may be necessary and/or expedient for implementing and giving effect to this resolution."

14. To approve the investment in Sonar Castings Limited and issue of corporate guarantee for securing credit facilities to Sonar Castings Limited and to consider and if thought fit to pass, the following resolution as the Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 185, 186 & 188 of the Companies Act, 2013 ("Act") and other applicable provisions, if any, read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), memorandum and articles of association and the Company's policy on Related Party transaction(s), approval of Shareholders be and is hereby accorded to the contract(s)/ arrangement(s)/ transaction(s) with Sonar Castings Limited (SCL), a related party within the meaning of Section 2(76) of the Act and Regulation 2(1)(zb) of the Listing Regulations, for investments/Corporate Guarantee for securing credit facility, on terms and conditions mentioned in the explanatory statement, for an aggregate value of Rs.100 Crore, in one or more tranches, for the business activities of SCL related to its ductile Iron project at Durgapur, West Bengal."

"RESOLVED FURTHER THAT Shri Aditya Jhunjunwala, Managing Director, Shri S.C Agarwal, Executive Director and Ms. Pooja Dua, Company Secretary be and is hereby severally authorised to do or cause to be done all such acts, deeds and things, settle any queries, difficulties, doubts that may arise with regard to any transaction with the related party, finalise the terms and conditions and execute such agreements, documents and writings and to make such filings as may be necessary, expedient and desirable", in order to give effect to this Resolution in the best interest of the Company."

15. To approve the related party transaction and to consider and if thought fit to pass, the following resolution as an Ordinary Resolution:-

"RESOLVED THAT pursuant to the provisions of regulation 23 of SEBI (LODR) Regulations, 2015 and Section 188 and other applicable provisions, if any, of the Companies Act, 2013 read with Rules framed thereunder, consent of the members of the Company be and is hereby accorded for the transaction(s) with its related party, Shri Shakti Credits Limited to the extent of the maximum amounts in any financial year, stated against respective nature of transactions as provided below:

"RESOLVED FURTHER THAT pursuant to the provisions of Section 188 of the Companies Act, 2013 ("Act") and other applicable provisions, if any, read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and the Company's policy on Related Party transaction(s), approval of Shareholders be and is hereby accorded to the contract(s)/ arrangement(s)/ transaction(s) with Shri Shakti Credits Limited, a related party within the meaning of Section 2(76) of the Act and Regulation 2(1)(zb) of the Listing Regulations, for sale of sugar, on terms and conditions mentioned in the explanatory statement, for an aggregate value of Rs.55.99 Crore for the financial year 2018-19."

"RESOLVED FURTHER THAT Shri Aditya Jhunjhunwala, Managing Director, Shri S.C Agarwal, Executive Director and Ms. Pooja Dua, Company Secretary be and is hereby severally authorised to do or cause to be done all such acts, deeds and things, settle any queries, difficulties, doubts that may arise with regard to any transaction with the related party, finalise the terms and conditions and execute such agreements, documents and writings and to make such filings as may be necessary, expedient and desirable, in order to give effect to this Resolution in the best interest of the Company."

16. To approve the related party transaction and to consider and if thought fit to pass, the following resolution as an Ordinary Resolution:-

"RESOLVED THAT pursuant to the provisions of regulation 23 of SEBI (LODR) Regulations, 2015 and Section 188 and other applicable provisions, if any, of the Companies Act, 2013 read with Rules framed thereunder, consent of the members of the Company be and is hereby accorded for the transaction(s) to be entered into from time to time in the ordinary course of business with its related party, Francoise Commerce Private Limited to the extent of the maximum amounts Rs.100 Crore."

"RESOLVED FURTHER THAT pursuant to the provisions of Section 188 of the Companies Act, 2013 ("Act") and other applicable provisions, if any, read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and the Company's policy on Related Party transaction(s), approval of Shareholders be and is hereby accorded to the contract(s)/ arrangement(s)/ transaction(s) to be entered into from time to time in the ordinary course of business with Francoise Commerce

Private Limited, a related party within the meaning of Section 2(76) of the Act and Regulation 2(1)(zb) of the Listing Regulations for the Sale/Purchase of Sugar on such a terms and conditions mentioned in the explanatory statement, for an aggregate value not exceeding of Rs. 100 Crore."

"RESOLVED FURTHER THAT Shri Aditya Jhunjhunwala, Managing Director, Shri S.C Agarwal, Executive Director and Ms. Pooja Dua, Company Secretary be and is hereby severally authorised to do or cause to be done all such acts, deeds and things, settle any queries, difficulties, doubts that may arise with regard to any transaction with the related party, finalise the terms and conditions and execute such agreements, documents and writings and to make such filings as may be necessary, expedient and desirable, in order to give effect to this Resolution in the best interest of the Company."

17. To approve the remuneration of Cost Auditor appointed for the financial year 2019-20 and to consider and if thought fit to pass, the following resolution as an Ordinary Resolution :-

"RESOLVED THAT, in accordance with the Provisions of section 148 and other applicable provisions if any of the Companies Act, 2013 and rule made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), the remuneration of M/s. Aman Malviya & Associates, Cost Accountants, Lucknow, appointed as the Cost Auditor to conduct audit of Cost records maintained by the Company, at the remuneration approved by the Board of Directors on the recommendation on the Audit Committee plus goods and services tax, as applicable, and reimbursement of out-of-pocket expenses incurred for the financial year 2019-20 be and is hereby ratified."

By order of the Board
For K. M. Sugar Mills Ltd.

Pooja Dua
Company Secretary

Place: Lucknow

Dated: 29.05.2019

Notes:

1. A member entitled to attend and vote at the above meeting may appoint one or more proxies to attend and vote instead of him. The proxy need not be member of the company. Proxy to be valid shall be deposited with company not later than 48 hours before the time for holding the meeting.
2. A person can act as proxy on behalf of members not exceeding fifty and holding in aggregate not more than ten percent of the total share capital of the

- Company carrying voting rights. A member holding more than ten percent 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 proxy for any other person or shareholder. As per the Listing Agreement with stock Exchanges, the brief resume, functional expertise of the directors proposed for reappointment is annexed as **Appendix-A**.
3. The relevant Explanatory Statement pursuant to Section 102 of the companies Act, 2013, in respect of Special Business is annexed.
 4. The register of Members and share transfer books of the Company will remain closed from **14th August, 2019 to 20th August, 2019** (both days inclusive).
 5. Shareholders are requested to intimate to the Company or to the Share Transfer Agent of the Company, M/s. Link In time (India) Pvt. Ltd., change if any, in their registered addresses and also to provide their **mailing address** for quick response.
 6. Members are requested to bring their copies of the Report and Accounts to the meeting.
 7. Members who require any information about the accounts to be explained in the meeting are requested to inform the Company about the intended query at least seven days in advance of the meeting.
 8. The copy of annual report, notice of general meeting, notice of e-voting, etc. are being sent to the members through e-mail who have registered their email ids with their depository participant (DPs) / Company's Registrar and Transfer Agent (RTA).
 9. Members are requested to update their preferred e-mail ids with the Company / DPs / RTA, which will be used for the purpose of future communications.
 10. Members whose e-mail id is not registered with the Company will be sent physical copies of Annual Report, notice of e-voting etc. at their registered address through permitted mode.
 11. Annual Reports will also be available in the Financials section on the website of the Company at www.kmsugar.com.
 12. Members are requested to opt for electronic mode of communication and support the Green initiatives of the Government. Pursuant to Section 108 of the Companies Act, 2013, the Company provides e-voting facility to the members to exercise their voting right. The process and manner of voting containing detailed instructions is **given below in point no.13**.
 13. **Voting through electronic means**
In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 and

as amended from time to time and Regulation 44(1) of SEBI (LORD) Regulations, 2015, the Company is pleased to provide to the members the facility to exercise their right to vote on resolutions proposed to be considered at the 46th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by Central Depository Services Limited (CDSL).

The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.

The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.

The remote e-voting period commences on 17th August, 2019 (10:00 am) and ends on 19th August, 2019 (5:00 pm). During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 13th August, 2019, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

The instructions for Voting through electronic means are as under:

- i. The shareholders should log on to the e-voting website www.evotingindia.com.
- ii. Click on Shareholders.
- iii. Now Enter your User ID
 - a) For CDSL: 16 digits beneficiary ID,
 - b) For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c) Members holding shares in Physical Form should enter Folio Number registered with the Company.
- iv. Next enter the Image Verification as displayed and Click on Login.
- v. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- vi. If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form

PAN: Enter your 10 digit alpha-numeric *PAN issued by

- Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)
- Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is provided through separate letter attached with Annual report.
- Dividend Bank Details OR Date of Birth (DOB) Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).
- vii. After entering these details appropriately, click on "SUBMIT" tab.
 - viii. Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. 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. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
 - x. Click on the EVSN for the relevant Company Name i.e. K M Sugar Mills Limited on which you choose to vote.
 - xi. 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.
 - xii. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
 - xiii. 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.
 - xiv. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
 - xv. You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
 - xvi. If Demat account holder has forgotten the changed password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
 - xvii. Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Please follow the instructions as prompted by the mobile app while voting on your mobile.
 - xviii. Note for Non – Individual Shareholders and Custodians
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporate.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
 - xix. Any person, who acquires shares of the Company and become Member of the Company after dispatch of the Notice and holding shares as on the cut-off date i.e. may follow the same instructions as mentioned above for e-Voting.
 - xx. 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, under help section or write an email to helpdesk.evoting@cdslindia.com
 - xxi. A member may participate in the AGM even after exercising his/ her right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
 - xxii. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
 - xxiii. Mr. Amit Gupta, Practicing Company Secretary, Lucknow, (Membership No. FCS 5478 CP No. 4682) has been appointed as the Scrutinizer to scrutinize

the voting and remote e-voting process in a fair and transparent manner.

- xxiv. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "remote e-voting" or "Ballot Paper" or "Polling Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- xxv. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- xxvi. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company www.kmsugar.com and on the website of CDSL www.evotingindia.com immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the Stock Exchanges viz. Bombay Stock Exchange Limited and National Stock Exchange of India Limited.

**By the Order of the Board
For K. M. Sugar Mills Ltd.**

**Pooja Dua
Company Secretary**

Place: Lucknow
Dated: 29.05.2019

**ANNEXURE TO THE NOTICE
EXPLANATORY STATEMENT PURSUANT TO SECTION 102
OF THE COMPANIES ACT, 2013
and 17(11) of SEBI (LODR) (AMENDMENT)
REGULATIONS, 2018**

Item no. 5,6,7,8

Shri L.K. Jhunjunwala, Shri Aditya Jhunjunwala, Shri Sanjay Jhunjunwala and Shri S.C. Agarwal were appointed as whole time directors designated as Chairman, Managing Director, Joint Managing Director & Executive Director cum C.E.O. respectively at the 42nd annual general meeting of the Company held on 19.09.2015 for the period of five

years. Accordingly the Board in its meeting held on May 29, 2019 considered the recommendation of the Nomination & Remuneration Committee and approved the proposal for their re-appointment for the period of five years from the ensuing 46th annual general meeting of the Company.

Section 196(3) of the Companies act, 2013 provides that a person who has attained the age of seventy years may be appointed by passing a special resolution in which case the explanatory statement annexed to the notice for such motion shall indicate the justification for appointing such person. In view of the rich and vast experience in the Sugar Industry and involvement in the overall operation of the Company, it would be in the interest of the Company to continue Shri L K Jhunjunwala as a Whole Time Director designated as Chairman, who has crossed the age of 77 years.

The aforesaid re-appointments as Whole Time Director require the approval of the members by passing a Special Resolution u/s 196 (3) of the Act and part I of Schedule V. Further the approval of the shareholders by special resolution in general meeting is also required, as the aggregate annual remuneration payable to executive directors who are promoters or members of the promoter group, exceeds 5 per cent of the net profits or annual remuneration payable to such executive director exceeds rupees 5 crore or 2.5 per cent of the net profits of the listed entity, whichever is higher, in terms of regulation 17(6)(e) of the SEBI Listing Regulation, 2015.

On the recommendation of the Nomination and Remuneration Committee, the Board, at its meeting held on May 29, 2019 has approved the change in terms including remuneration and perquisites payable to them, with effect from April 01, 2019 till the date of ensuing 46th annual general meeting in terms of the provisions of section 196, 197 read with schedule V of the Companies Act, 2013, the approval of the members by way of special resolution is required for making such variation.

Shri L K Jhunjunwala retires by rotation at ensuing 46th annual general meeting and being eligible has offered himself for re-appointment. The Board has proposed for his re-appointment and necessary resolution is proposed at item no. 2.

Brief resume of Shri L.K. Jhunjunwala, Shri Aditya Jhunjunwala Shri Sanjay Jhunjunwala and Shri S.C. Agarwal, nature of expertise in functional area, name of the companies in which he holds directorships, membership, chairmanships of Board of Committees, shareholding and relationship between directorship inter-seas stipulated under regulation 34(3) of SEBI (LODR) Regulations 2015.

The particulars relating to the remuneration and perquisites of Shri L.K. Jhunjunwala, Shri Aditya Jhunjunwala, Shri Sanjay Jhunjunwala and Shri S.C. Agarwal are as follows:

1. REMUNERATION:-

| Name | Shri L.K. Jhunjunwala | Shri Aditya Jhunjunwala | Shri Sanjay Jhunjunwala | Shri S.C. Agrawal |
|-----------------------------|---|---|---|---|
| Basic Salary | Rs. 8,00,000/- | Rs. 8,00,000/- | Rs. 8,00,000/- | Rs. 3,00,000/- |
| Commission | Commission Up-to 5% on profit | Commission Up-to 5% on profit | Commission Up-to 5% on profit | - |
| House | Free Furnished House | Free Furnished House | Free Furnished House | Free Furnished House, but the cost of furniture shall not exceed Rs.50,000/-. |
| Medical Reimbursement | Expenses actually incurred for self and his family in India and Abroad. | Expenses actually incurred for self and his family in India and Abroad. | Expenses actually incurred for self and his family in India and Abroad. | One month salary in a year or three months salary in a block of 3 years |
| Leave Travel Concession | Travelling, Lodging, Boarding conveyance, others for self and his family in India and Abroad. | Travelling, Lodging, Boarding conveyance, others for self and his family in India and Abroad. | Travelling, Lodging, Boarding conveyance, others for self and his family in India and Abroad. | Once in two years for self & family as per Company's rules |
| Personal Accident Insurance | Amount of annual premium which does not exceed the limit as per Companies Act,2013 | Amount of annual premium which does not exceed the limit as per Companies Act,2013 | Amount of annual premium which does not exceed the limit as per Companies Act,2013 | Amount of annual premium which does not exceed the limit as per Companies Act,2013 |
| Conveyance | Two Chauffeur driven cars for self and family | Two Chauffeur driven cars for self and family | Two Chauffeur driven cars for self and family | Cars with driver for self and family |
| Club Fees | Membership of clubs in India, Abroad- admission and lifetime | Membership of clubs in India, Abroad- admission and lifetime | Membership of clubs in India, Abroad- admission and lifetime | |
| Co.'s cont. to PF | As per company's rules subject to 12% of salary | As per company's rules subject to 12% of salary | As per company's rules subject to 12% of salary | As per company's rules subject to 12% of salary |
| Co.'s cont. Pension | As per company's rules together with PF and to such amount not taxable under I.Tax | As per company's rules together with PF and to such amount not taxable under I.Tax | As per company's rules together with PF and to such amount not taxable under I.Tax | As per company's rules together with PF and to such amount not taxable under I.Tax |
| Gratuity | As per company's rules but not exceed 15 days salary on each completed years | As per company's rules but not exceed 15 days salary on each completed years | As per company's rules but not exceed 15 days salary on each completed years | As per company's rules but not exceed 15 days salary on each completed years |
| Encashment of leave | At the end of tenure will not be included in computation of the ceiling of perquisites | At the end of tenure will not be included in computation of the ceiling of perquisites | At the end of tenure will not be included in computation of the ceiling of perquisites | At the end of tenure will not be included in computation of the ceiling of perquisites |
| Leave | Encashment of one full month pay for every 11months of salary | Encashment of one full month pay for every 11months of salary | Encashment of one full month pay for every 11months of salary | Encashment of one full month pay for every 11months of salary |
| Travelling | Co.'s car / reimbursement of travelling / other exp. | Co.'s car / reimbursement of travelling / other exp. | Co.'s car / reimbursement of travelling / other exp. | Co.'s car / reimbursement of travelling / other exp. |
| Telephone | Payment of telephone (with STD) at residence / mobile cell phone bills shall not reckoned as perquisites | Payment of telephone (with STD) at residence / mobile cell phone bills shall not reckoned as perquisites | Payment of telephone (with STD) at residence / mobile cell phone bills shall not reckoned as perquisites | Payment of telephone (with STD) at residence / mobile cell phone bills shall not reckoned as perquisites |
| Other perks | As applicable to other senior management. In case, the company does not have profit or profit are inadequate, he will be entitled such perks as per limit specified above as well as Schedule-V | As applicable to other senior management. In case, the company does not have profit or profit are inadequate, he will be entitled such perks as per limit specified above as well as Schedule-V | As applicable to other senior management. In case, the company does not have profit or profit are inadequate, he will be entitled such perks as per limit specified above as well as Schedule-V | As applicable to other senior management. In case, the company does not have profit or profit are inadequate, he will be entitled such perks as per limit specified above as well as Schedule-V |

2. OTHER TERMS:

- a) In case the Company has, in any financial year, no profits or if its profits are inadequate anytime during the three years period starting from the date of appointment, the aforesaid remuneration shall be paid to respective

directors as remuneration in accordance with the provisions of Section II of Part II of Schedule V to the Companies Act, 2013 including any statutory modification(s) or re-enactment thereof, as may, for the time being, be in force and as may be agreed to by and between the Board and the Director;

- b) Director shall not be entitled to any sitting fee for attending meetings of the Board and/or Committee(s) thereof;
- c) The appointment may be terminated by either party giving the other party six months' notice or paying six months' salary in lieu thereof;
- d) If at any time any director ceases to be a director of the Company for any reason whatsoever, he shall cease to be the Whole Time Director of the Company;
- e) The office of the Director will be subject to retirement by rotation.

As proposed in the resolutions placed at item no. 5, 6, 7 & 8 the above terms and conditions shall be applicable to the respective directors for their remaining term from April 01,2019 up till ensuing 46th annual general meeting.

As proposed in item no. 5, 6, 7 & 8, the approval of the members of the Company by way of special resolution is sought in terms of the provisions of section 196, 197 read with schedule V, other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, and regulation 17(6)(e) of the SEBI Listing Regulations, 2015 for:

- (a) the approval of the appointment of Shri L.K. Jhunjunwala, Shri Aditya Jhunjunwala, Shri Sanjay Jhunjunwala and Shri S.C. Agarwal on the terms and conditions as set out above for the period of five years from the ensuing 46th annual general meeting; and
- (b) the approval of the change in terms of appointment of Shri L.K. Jhunjunwala, Shri Aditya Jhunjunwala, Shri Sanjay Jhunjunwala and Shri S.C. Agarwal, as set out above for the period April 01, 2019 till the ensuing 46th annual general meeting.

In resolution no. 5, 6 & 7 none of the Directors or Key Managerial Personnel of the Company or their relatives, except Shri L K Jhunjunwala, Shri Aditya Jhunjunwala & Shri Sanjay Jhunjunwala are concerned or interested financially or otherwise in this resolution. In resolution no. 8 none of Directors or Key Managerial Personnel of the Company or their relatives, except Shri S C Agarwalis concerned or interested financially or otherwise in this resolution

The Board recommends resolution set out in item no. 5,6,7 and 8, of the notice for approval of the members as a special Resolution.

Information required under Section II, Part II of Schedule V of the Companies Act, 2013 (in respect of business proposed at item no. 5, 6, 7 & 8):

| I. General Information | | | | | | | | | | | | | | | | | | | | | | | | | |
|--|--|---------------------|---------------------|-------------|--|--|----------------|---------------------|---------------------|-------------|---------|--------|-------|-------|-------|---------|-------|-------|-------|-------|----------|-------|-------|-------|-------|
| Nature of Industry | Sugar, Rectified Spirit and Electricity | | | | | | | | | | | | | | | | | | | | | | | | |
| Date or expected date of commencement of commercial production | K.M. Sugar Mills Limited has legacy of more than 47 years with its date of incorporation being 17 th December, 1971 | | | | | | | | | | | | | | | | | | | | | | | | |
| Financial performance based on given indicators | The details of financial performance of the Company for the years 2018-19 being provided in the Annual Report of 2019. | | | | | | | | | | | | | | | | | | | | | | | | |
| Foreign investments or collaborations, if any | -NA- | | | | | | | | | | | | | | | | | | | | | | | | |
| II. Information about the appointees | | | | | | | | | | | | | | | | | | | | | | | | | |
| Background details | <ol style="list-style-type: none"> 1. Shri L.K. Jhunjhunwala is Chairman-cum-Whole Time Director ; 2. Shri Aditya Jhunjhunwala is Managing Director ; 3. Shri Sanjay Jhunjhunwala is Jt. Managing Director ; 4. Shri S.C. Agarwal is Executive Director cum C.E.O. ; | | | | | | | | | | | | | | | | | | | | | | | | |
| Past remuneration | <p>Details of past remuneration are as follows: (Rs. In lakhs)</p> <table border="1"> <thead> <tr> <th rowspan="2">Year</th> <th colspan="4">Remuneration</th> </tr> <tr> <th>LKJhunjhunwala</th> <th>Aditya Jhunjhunwala</th> <th>Sanjay Jhunjhunwala</th> <th>S.C.Agarwal</th> </tr> </thead> <tbody> <tr> <td>2016-17</td> <td>111.57</td> <td>97.25</td> <td>97.48</td> <td>28.34</td> </tr> <tr> <td>2017-18</td> <td>42.34</td> <td>29.03</td> <td>28.02</td> <td>29.62</td> </tr> <tr> <td>2018-19*</td> <td>81.60</td> <td>68.51</td> <td>67.67</td> <td>29.73</td> </tr> </tbody> </table> | Year | Remuneration | | | | LKJhunjhunwala | Aditya Jhunjhunwala | Sanjay Jhunjhunwala | S.C.Agarwal | 2016-17 | 111.57 | 97.25 | 97.48 | 28.34 | 2017-18 | 42.34 | 29.03 | 28.02 | 29.62 | 2018-19* | 81.60 | 68.51 | 67.67 | 29.73 |
| Year | Remuneration | | | | | | | | | | | | | | | | | | | | | | | | |
| | LKJhunjhunwala | Aditya Jhunjhunwala | Sanjay Jhunjhunwala | S.C.Agarwal | | | | | | | | | | | | | | | | | | | | | |
| 2016-17 | 111.57 | 97.25 | 97.48 | 28.34 | | | | | | | | | | | | | | | | | | | | | |
| 2017-18 | 42.34 | 29.03 | 28.02 | 29.62 | | | | | | | | | | | | | | | | | | | | | |
| 2018-19* | 81.60 | 68.51 | 67.67 | 29.73 | | | | | | | | | | | | | | | | | | | | | |
| Recognition or awards | <p>Under the leadership of team of all the above named Executive Directors, the Company has made tremendous growth and got recognitions in the Sugar Industry in Uttar Pradesh. It has break the production target and achieved new mile stone. Mr.L.K. Jhunjhunwala has experience in Sugar Industry for more than 46 years. Mr. Aditya Jhunjhunwala is a dynamic and young Management expert of Sugar Industry having experience for more than 25 years. Mr. Sanjay Jhunjhunwala is also young Management visionary and having experience for more than 21 years. Mr. S.C. Agarwal is well known for his pioneering in Sugar Technology, having experience for more than 41 years.</p> | | | | | | | | | | | | | | | | | | | | | | | | |
| Job profile and his suitability | <p>Mr.L.K. Jhunjhunwala is a B.A. ; having vast experience of Sugar Industry. Mr. Aditya Jhunjhunwala is B.Com. ; having experience of Sugar Industry; Mr. Sanjay Jhunjhunwala is B.Com. and MBA from U.K. ; having vast Finance an Taxation experience in Sugar Industry; Mr. S. C. Agarwal is B.Sc. from NSI, having vast experience of Sugar Technology; Taking this into consideration, the Board bestowed the task of managing the overall operations of the Company to the above team. They all are involved in day to day management of the Company and implementation of Board policies and decisions. Under their leadership, the Company has achieved new heights and remarkable growth.</p> | | | | | | | | | | | | | | | | | | | | | | | | |
| Remuneration proposed | As recommended by the Board, the proposed remuneration will exceed the limit prescribed under Section 197 & 198 of the Companies Act, 2013 read with Schedule V. | | | | | | | | | | | | | | | | | | | | | | | | |

| | |
|---|--|
| Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin) | The remuneration proposed is as per Section 197 & 198 of the Companies Act, 2013 read with Schedule V and is comparable to the remuneration of Chief Executive Officer /Managing Director levels of similar sized Sugar companies. |
| Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any | Mr. Aditya Jhunjunwala and Mr. Sanjay Jhunjunwala are sons of Mr. L.K. Jhunjunwala. Besides the remuneration, Mr. L. K. Jhunjunwala holds 1,38,02,600 nos. Equity shares (15.00 %), Mr. Aditya Jhunjunwala holds 39,72,981 nos. Equity shares (4.31%) and Mr. Sanjay Jhunjunwala holds 24,94,600 nos. of Equity Shares (2.72%) of the Company. Besides remuneration, Mr. S.C. Agarwal in way and in no manner concerned and does not hold any share of the Company. |
| III. Other Information | |
| Reasons of special resolution for payment of proposed remuneration in case of inadequate profits | The Company has earned profit during 2016-17, 2017-18 and 2018-19 of Rs. 37.11 crores, Rs.18.87 crores and Rs.24.35 crores respectively. To pay the proposed remuneration to the Whole-Time- Directors under part -B of Schedule V in excess of limit prescribed in section 197 read with Schedule V, it was required to pass a special resolution |
| Steps taken or proposed to be taken for improvement | With the improvements in technology and processes that the Company introduced and it expected a significant reduction in its operational costs. Further, the Company has enhanced its production capacity from 6500 TCD to 7500 TCD and all the measures to have better yield and to reduce cost. The measures being taken by the Company, shall significantly improve the profitability of the Company. |
| Expected increase in productivity and profits in measurable terms | Since the rate of sugar has comparatively been improving during last two years and further the incentives given / announced by the Central and State Governments and further improvement in recovery of the Sugar, it is expected the Sugar Industry will recover in future. |
| IV. Disclosures: As required, the information is provided under Corporate Governance Section of Annual Report 2019. | |

Register pursuant to section 190 of the Companies Act, 2013 shall open for inspection to any member without payment of any fee at the office hours at the registered office of the Company.

Profile: Shri L.K. Jhunjunwala

Shri L.K. Jhunjunwala, aged 77 years is an Arts Graduate and has about 46 years of experience in Sugar Industry. He has been Associated with the Company since inception as promoter and has been actively managing the affairs of the Company. He is also associated with various Industry Associations i.e. FICCI, ASSOCEHM, ISMA, UPSMA etc. He was the president of U.P. Sugar Mills Association, East U.P. Sugar Mills Association and U.P. ASSOCEM.

Profile: Shri Aditya Jhunjunwala

Shri Aditya Jhunjunwala, aged 49 years is the eldest son of Mr. L.K. Jhunjunwala and elder brother of Shri Sanjay Jhunjunwala. He is Commerce graduate and has about 25 years of business experience mainly in Sugar and Distillery Industries. He is looking after the over all operations of the Company. He is also actively associated with various industry organizations i.e. IMSA, UPSMA, FICCI.

Profile: Shri Sanjay Jhunjunwala

Shri Sanjay Jhunjunwala, aged 44 years is the younger son of Mr. L.K. Jhunjunwala and younger brother of Shri Aditya Jhunjunwala. He is Commerce graduate, MBA from U.K. and has about 21 years of business experience mainly in

Sugar Industry and successfully and implemented modern management techniques in the Company, which have proved immensely beneficial to the Company. He is looking after the over all operations of the Company specifically taxation, corporate and other laws. He is also actively associated with industry organizations i.e. U.P. Chapter of E.O..

Profile: Shri S.C. Agarwal

Shri S.C. Agarwal, aged 59 years and is Executive Director (Non-related) of the Company. He is Science graduate from NSI and has about 41 years of business experience mainly in Sugar Technology. He is looking after the over all day to day operations of the Company and actively involved in the production of the Sugar, Power and RS.

Item no. 9,10,11& 12

Shri H.P. Singhania, Shri S.K. Gupta and Smt. Madhu Mathur were appointed as an Independent Directors of the Company in 42nd annual general meeting of the Company held on 19.09.2015 for the period of five years.

In terms of Section 149 read with Schedule IV and any other applicable provisions, if any of the Companies Act, 2013 and rules made thereunder and regulation 16 &17 of the SEBI Listing Regulations, 2015, the aforesaid persons can be appointed as an Independent director for second consecutive term of five years, with the approval of shareholders by way of special resolution.

Accordingly the Board of Directors of the Company ('the Board') at the meeting held on May 29, 2019, on the recommendation of the Nomination & Compensation Committee ('the Committee'), recommended for the approval of the Members, the re-appointment of Shri H.P. Singhania, Shri S.K. Gupta and Smt. Madhu Mathur as Independent Directors of the Company for the second term of the five years with effect from ensuing 46th annual general meeting, in terms of Section 149 read with Schedule IV of the Companies Act, 2013 ('the Act'), and Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations 2015'), as set out in the Resolutions relating to their respective reappointment. Further as Shri H P Singhania has already attained the age of 89 years as on April 01, 2019, the approval of shareholders by way of special resolution is sought as mentioned in item no. 9 for his continuance for remaining term up to the ensuing 46th annual general meeting, in terms of the provisions of regulation 17(1A) of the SEBI Listing Regulations, 2015.

The Committee and the Board are of the view that, given the knowledge, experience and performance of Shri H.P. Singhania, Shri S.K. Gupta and Smt. Madhu Mathur, and contribution to Board processes by them, their continued association would benefit the Company. Declarations have been received from Shri H.P. Singhania, Shri S.K. Gupta and Smt. Madhu Mathur that they meet the criteria of Independence prescribed under Section 149 of the Act read

with the Companies(Appointment and Qualification of Directors) Rules, 2014 and Regulation 16 of the Listing Regulations 2015.

In the opinion of the Board, Shri H.P. Singhania, Shri S.K. Gupta and Smt. Madhu Mathur fulfill the conditions specified in the Act, the Rules thereunder and the Listing Regulations 2015 for re-appointment as Independent Directors and they are independent of the management of the Company. The aforesaid Independent directors shall be entitled to sitting fees for attending the meeting of the Board of committee and reimbursement of expenses for attending the said meetings as approved by the Board from time to time. In terms of the aforesaid provisions, the Independent Directors shall not be liable to retire by rotation.

The consent of the Members by way of Special Resolution is required for re-appointment of Shri H.P. Singhania, Shri S.K. Gupta and Smt. Madhu Mathur, in terms of Section 149 of the Act. Further, pursuant to Regulation 17 of the Listing Regulations 2015, consent of the Members by way of Special Resolution is also required for continuation of a Non-Executive Director beyond the age of seventy five years. Shri H P Singhania has already attained the age of 89 years and Shri S.K. Gupta and Smt. Madhu Mathur shall attain the age of seventy five years on 02.09.2022 & 14.10.2019 respectively, during the proposed term of re-appointment. The Special Resolutions under Item Nos. 9, 10, 11 and 12, once passed, shall also be deemed as your approval under the Listing Regulations 2015, for continuation of these directors as Independent Directors beyond the age of seventy five years.

Requisite Notices under Section 160 of the Act proposing the re-appointment of Shri H.P. Singhania, Shri S.K. Gupta and Smt. Madhu Mathur have been received by the Company, and consents have been filed by Shri H.P. Singhania, Shri S.K. Gupta and Smt. Madhu Mathur pursuant to Section 152 of the Act.

Additional information in respect of Shri H.P. Singhania, Shri S.K. Gupta and Smt. Madhu Mathur, pursuant to the Listing Regulations 2015 and the Secretarial Standard on General Meetings, are provided herein below and detailed profiles are available on company's website www.kmsugar.com. Shri S.K. Gupta and Smt. Madhu Mathur do not hold any share in the Company, either in their individual capacity or on a beneficial basis for any other person. Shri H P Singhania does not hold any shares in the Company; he does not hold any share in the Company on a beneficial basis for any other person.

Shri H.P. Singhania, Shri S.K. Gupta and Smt. Madhu Mathur and their relatives, are interested in the Special Resolutions relating to their respective re-appointment. None of the other Directors and Key Managerial Personnel of the Company, or their relatives, is interested in these Special Resolutions.

The Board recommends these Special Resolutions for your

approval.

Profile: Mr. H.P. Singhania

Mr. H.P. Singhania was a Board Member of Bank of India, Ex-Vice President of Board of Cricket Control of India (BCCI), Marylbone Cricket Club (MCC) Lords, London and in various companies of J.K. Group. Presently, he is on the Board of the Company and provides suggestions on commercial matters. He is also on the Board of Sir Shadi Lal Distillery Limited. He holds nil (0.00%) equity shares in the Company.

Profile: Mr. S.K. Gupta

Mr. S.K. Gupta is M.Sc. in Sugar Technology from ANSI and DIM from IGNOU. He served as Director at National Sugar Institute, Kanpur, Ministry of Food & Public Administration, New Delhi, and U.P. State Sugar Corporation. He also acted as an expert Advisor for the Study of Status of Sugar Status and suggested road map for its development. He was also awarded LIFE TIME ACHIEVEMENT AWARD by The Sugar Technologists Association of India. Presently, he is on the Board of the Company and provides critical suggestions on technical matters, which are beneficial to the Company. He holds nil (0.00%) equity shares in the Company.

Profile: Mrs. Madhu Mathur

Mrs. Madhu Mathur has a vast experience of working with UNO and expert in Social Service. Presently, she is on the Board of the Company and provides critical suggestions on Corporate Social Responsibility matters, which are beneficial to the Company. She holds nil (0.00%) equity shares in the Company. Her guidance and suggestions shall be in the interest of the Company to carry out the CSR.

Item No:13

The Board of Directors of a Company has been permitted to make investment, give loans and guarantees, provide securities and to make investments in the securities of other bodies corporate to the extent of 60 % of its paid-up share capital and free reserves and securities premium account or 100 % of its free reserves and securities premium account whichever is higher, in terms of Section 186 of the Companies Act, 2013 (the Act), from time to time, for business purposes.

Where the aggregate of loans and investments made, guarantees given and securities provided exceed the aforesaid limits, prior approval of the Members is required by way of a special resolution.

As the Company is planning to take various initiatives for future growth plan in the business of Company, these future plans will have to be partially implemented / proposed to be implemented through various subsidiary / associate companies, in order to derive maximum value.

Therefore, the increasing business operations and future growth plans of the Company may necessitate making further investments / providing loans or giving guarantees or providing security to these body corporate(s) and other person(s), over a period of time.

It is, therefore, necessary to empower the Board by the

Members for such purpose, namely to make any loan(s) to any body corporate(s) / person(s) and/or to give any guarantee (s) / provide any security(ies), in connection with loan(s) made to any body corporate(s) / person (s) and /or to acquire by way of subscription, purchase or otherwise the securities of body corporate(s) in India or abroad, exceeding the aforesaid limit, for business expansion and other growth initiatives.

Under these circumstances, it is considered desirable to have the consent of the Members for fixing a higher limit for such purpose, namely (i) to the extent of Rs. 200.00 Cr or (ii) 60% of the aggregate of the paid-up share capital and free reserves and securities premium account or (iii) 100% of its free reserves and securities premium account, whichever is higher.

The proposed special resolution as set out in item No.13 of the Notice is enabling in nature in view of any further loan / investment / guarantee / security, if any, made in or given to wholly owned subsidiaries will also be included for the limit under the provisions of the Companies Act, 2013. Hence prior approval of the Members of the Company is sought for exercising these powers by the Board beyond the specified limit.

The Board has unanimously approved the above proposal at its meeting held on 29th May, 2019 and the Board also recommends the passing of the resolution by the Members of the Company, as set out in Item No.13 of the Notice.

None of the directors or key managerial personnel and / or their relatives is deemed to be interested or concerned in this resolution, except to the extent of their shareholding in the Company.

Item No. 14

The Company made investment of Rs. 1 crores in equity shares and Rs. 6.75 Crore in preference shares in Sonar Castings Limited (SCL), for setting up ductile Iron project in Durgapur, West Bengal. The Company has not given any loan or Corporate Guarantee at present to SCL. SCL is wholly owned subsidiary of the Company and is related party in terms of the provisions of section 2(76) of the Companies Act, 2013 and Regulation 2(1)(zb) of the Listing Regulations. However, owing to further requirement of the funds to complete the project, SCL may not remain its wholly owned subsidiary or subsidiary and may fall in the category of entities restricted under section 185(2) for grant of loan, guarantee etc., except with the approval of the shareholders by way of special resolution. The Company is expected to render support for the requirements of SCL, including subscription to the share capital, loan and Corporate Guarantee for securing credit facilities, from time to time. Accordingly with the approval of members by way of special resolution, the Company would be in a position to provide financial assistance by way of loan to SCL or give guarantee or provide security in respect of loans taken by SCL, for their principal business activities.

Further the above transaction also require the approval of

the shareholders in terms of the provisions of section 188 of the Companies Act, 2013, rules made thereunder and regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations 2015').

The members may note that board of directors would carefully evaluate proposals and make investments, provide such loan, guarantee or security proposals through deployment of funds out of internal resources / accruals and / or any other appropriate sources, from time to time, only for principal business activities of the SCL. Further at no time aggregate of investments, loan and Corporate Guarantee to SCL shall not exceed Rs. 100 crores.

The Board of Directors Recommend the Special Resolution for approval by the members. In terms of the provisions of regulation 23, all entities falling under the definition of related parties shall not vote to approve this item irrespective of whether the entity is a party to the particular transaction or not.

All the Directors except for the Independent Directors are concerned or interested in the aforesaid resolution, financially or otherwise.

Item No. 15

The regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations 2015'), Section 188 of the Companies Act, 2013 read with Rules framed thereunder and the Company's policy on Related Party transaction(s), the approval of the members of the Company is required to the contract(s)/ arrangement(s)/ transaction(s) with Shri Shakti Credits Limited, a related party within the meaning of Section 2(76) of the Act and Regulation 2(1)(zb) of the Listing Regulations, for sale of sugar, for an aggregate value of Rs. 55.99 Crore for the financial year 2018-19, being material related party transaction due to exceeding the threshold of ten percent of the annual consolidated turnover of the Company as per the last audited financial statements.

Pursuant to the requirements prescribed under the Companies (Meetings of the Board and its Powers) Rules, 2014, as amended from time to time, the details in relation to the transactions with related parties, are as under :

| Name of the Related Party | Nature of Transactions as per Section 188 of the Companies Act, 2013 | Name of Director or Key Managerial Personnel who is related, if any | Nature of Relationship | Material Terms and particulars of the contract or arrangement | Monetary value (Rs. In Crore) | Any other information relevant or important for the Members to take decision on the proposed resolution |
|------------------------------------|--|---|--|--|-------------------------------|---|
| Shri Shakti Credits Limited (SSCL) | Sale of Sugar | Mr. Aditya Jhunjhunwala, Mr. Sanjay Jhunjhunwala | Mr. Aditya Jhunjhunwala, Mr. Sanjay Jhunjhunwala is the director of SSCL | As per the terms of the respective contracts or arrangements entered into or to be entered into from time to time in the ordinary course of business and on an arms' length basis. | Rs.55.99 | None |

The Board of Directors Recommend the Ordinary

Resolution for approval by the members. In terms of the provisions of regulation 23, all entities falling under the definition of related parties shall not vote to approve this item irrespective of whether the entity is a party to the particular transaction or not.

All the Directors except for the Independent Directors are concerned or interested in the aforesaid resolution, financially or otherwise.

Item No. 16

The regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations 2015'), Section 188 of the Companies Act, 2013 read with Rules framed thereunder and the Company's policy on Related Party transaction(s), the approval of the members of the Company is required to the contract(s)/ arrangement(s)/ transaction(s) to be entered into from time to time in the ordinary course of business with Francoise Commerce Private Limited, a related party within the meaning of Section 2(76) of the Act and Regulation 2(1)(zb) of the Listing Regulations, or sale/Purchase of sugar for an aggregate value not exceeding Rs. 100 Crore, being material related party transaction due to exceeding the threshold of ten percent of the annual consolidated turnover of the Company as per the last audited financial statements.

Pursuant to the requirements prescribed under the Companies (Meetings of the Board and its Powers) Rules, 2014, as amended from time to time, the details in relation to the transactions with related parties, are as under :

| Name of the Related Party | Nature of Transactions as per Section 188 of the Companies Act, 2013 | Name of Director or Key Managerial Personnel who is related, if any | Nature of Relationship | Material Terms and particulars of the contract or arrangement | Monetary value (Rs. in Crore) | Any other information relevant or important for the Members to take decision on the proposed resolution |
|---|--|---|--|--|-------------------------------|---|
| Francoise Commerce Private Limited (FCPL) | Sale/ Purchase of Sugar | Mr. Aditya Jhunjhunwala, | Mr. Aditya Jhunjhunwala, Is the director of FCCL | As per the terms of the respective contracts or arrangements entered into or to be entered into from time to time in the ordinary course of business and on an arms' length basis. | Upto Rs.100 Crore | None |

The Board of Directors Recommend the Ordinary Resolution for approval by the members. In terms of the provisions of regulation 23, all entities falling under the definition of related parties shall not vote to approve this item irrespective of whether the entity is a party to the particular transaction or not.

All the Directors except for the Independent Directors are concerned or interested in the aforesaid resolution, financially or otherwise.

Item no. 17

The Board of Directors approved the appointment of M/s. Aman Malviya & Associates, Cost Accountants, Lucknow, as a Cost Auditor of the Company for conducting cost audit for the financial year 2019-20 in the meeting held on May 29,

The details of the Directors liable to retire by rotation and seek re-appointment :-

2019 at the remuneration approved by the Board of Directors on the recommendation on the Audit Committee plus goods ad services tax, as applicable, and reimbursement of out-of-pocket expenses, in line with the recommendation of the Audit Committee. Pursuant the provision of section 148 other applicable provisions if any of the Companies Act, 2013 and rule made thereunder, the remuneration payable to the Cost Auditors has to be ratified by the members of the Company. The Board recommends resolution set out in item no. 17 of the notice for approval and ratification to the members as an Ordinary Resolution. None of the other Directors or Key Managerial Personnel of the Company or their relatives are concerned or interested financially or otherwise in this resolution.

By the Order of the Board
For K. M. Sugar Mills Ltd.

Pooja Dua
Company Secretary

Date:29.05.2019

Place: Lucknow

| Sr. No. | Name of the Director | Qualification | Directorship of Other Companies | Committee position held in other companies | Professional / expertise | Nos. of shares held Relationship between directors interse |
|---------|---------------------------------------|---------------|--|--|--|--|
| 1. | Mr. LK Jhunjunwala (DIN-01854647) | B.A | 1)Awadh Technology Park And Services Private Limited 2)Marvel Business Pvt Ltd 3)Jhunjunwala Securities Pvt.Ltd. 4)Satyam Trade Centre Pvt Ltd 5)Nidhi Financial Services Pvt Ltd 6)Shailja Properties Private Limited | 1) FICCI-UP- Chairman. 2) PHD Chamber of Commerce. 3) ISMA,Member. | Has vast experience of Sugar Technology and leadership skills in heading the Company | 13802600 Nos. of Equity shares (Pledged with Bank) Related with Shri Sanjay Jhunjunwala and Shri Aditya Jhunjunwala |
| 2. | Mr. Aditya Jhunjunwala (DIN-01686189) | B.A | 1)Km Spirits And Allied Industries Limited 2)Benaras Inorganics Private Limited 3)Pharmetro Life Sciences Private Limited 4)Thermocrafts (India) Private Limited 5)Sonar Casting Limited 6)K M Plantations Private Limited 7)Shri Shakti Credits Limited 8)Marvel Business Pvt Ltd 8)Aventika Tradelink Private Limited 8)Brilliant Barter Private. Limited 9)Promising Logistics Private Limited 10) Francoise Commerce Pvt Ltd 11)Prakash Properties Ltd 12)Zar International Private Limited 12)H H Foundation 13)Indian Sugar Exim Corporation Ltd. | Nil | Has vast experience in Finance and Taxation and operational management of sugar industry | 3972981 Nos. of Equity shares (Pledged with Bank) Related with Shri Sanjay Jhunjunwala and Shri LK Jhunjunwala |

K M SUGAR MILLS LIMITED
Regd. Office: 11 Moti Bhawan, Collector Ganj, Kanpur, Uttar Pradesh- 208001
CIN: L15421UP1971PLC003492 E-MAIL: kmsugar@gmail.com
Phone: 0512-2310762 ; 0522-4079561

ATTENDANCE SLIP

Please fill attendance slip and hand it over at the entrance of the meeting hall
Joint shareholders may obtain additional Slip at the venue of the meeting.

| DP ID* | CLIENT ID* | FOLIO NO. | NO. OF SHARES |
|--------|------------|-----------|---------------|
| | | | |

I, _____ (Name and address of the Shareholder / Proxy) hereby record my presence at the 46th ANNUAL GENERAL MEETING of the Company held on Tuesday, 20th day of August, 2019 at 11.00 a.m.at 11-Moti Bhawan, Collector Ganj, Kanpur-208001(U.P.).

Signature of Shareholder / Proxy

*Applicable for investors holding shares in electronic form.

Note :-

1. Please complete this attendance slip and hand over it at the entrance of the meeting venue.
 2. Only shareholders of the Company or their proxy/(ies) will be allowed to attend the meeting on production of the attendance slip duly completed and signed.
-

K M SUGAR MILLS LIMITED

Regd. Office: 11 Moti Bhawan, Collector Ganj, Kanpur, Uttar Pradesh- 208001

CIN: L15421UP1971PLC003492 E-MAIL: kmsugar@gmail.com

Phone: 0512-2310762 ; 0522-4079561

POLL SLIP

| | | |
|----|---|--|
| 1. | Name(s) and registered address of the Sole / First Holder | |
| 2. | Folio no. of the shareholder | |
| 3. | Nos. of Equity Shares held | |

I/We hereby exercise my/our vote(s) in respect of the Resolutions set out in the notice of Annual General Meeting of the Company held Tuesday, the 20th day of August, 2019 at 11.00 a.m. at 11-Moti Bhawan, Collector Ganj, Kanpur-208001 (U.P.) by giving my/our assent or dissent to the Resolutions by placing the tick (✓) mark at the appropriate box below :

| No. | Matter of resolution | VOTE | | |
|-----|---|------|---------|---------|
| | | For | Against | Abstain |
| 1 | To consider and adopt the Financial Statements of the Company for the financial year ended 31st March, 2019, the Consolidated Financial Statements for the said financial year and the Reports of the Board of Directors and the Auditorsthereon. | | | |
| 2 | To reappoint Shri L.K Jhunjunwala as Whole Time Director-cum-Chairman, who retires by rotation. | | | |
| 3. | To reappoint Shri Aditya Jhunjunwala as Whole- Time Director, who retires by rotation. | | | |
| 4. | To ratify the appointment of M/s. Agiwal & Co, Chartered Accountants, New Delhi, as statutory auditors. | | | |
| 5. | To approve the change in terms and re-appointment of Shri L.K. Jhunjunwalaas a Whole Time Director-cum-Chairman. | | | |
| 6. | To approve the change in terms and re-appointment of Shri Aditya Jhunjunwala, as Managing Director. | | | |
| 7. | To approve the change in terms and re-appointment of Shri Sanjay Jhunjunwala, as a Joint Managing Director. | | | |
| 8. | To approve the change in terms and re-appointment of Shri Subhash Chandra Agarwal,as Executive Director. | | | |
| 9. | To approve the continuance of Mr. H.P. Singhania, as an Independent Director. | | | |
| 10. | To re-appoint Mr. H.P. Singhania, as an Independent Director. | | | |
| 11. | To re-appoint Mr. S.K. Gupta, as an Independent Director. | | | |
| 12. | To re-appoint Mrs. Madhu Mathur, as an Independent Director. | | | |
| 13. | To authorize the Board to make investments / give loans or guarantees / provide security up-to an aggregate amount not exceeding Rs. 200.00 Cr. | | | |
| 14. | To approve the investment in Sonar Castings Limited and issue of | | | |

| | | | | |
|----|---|--|--|--|
| | corporate guarantee for securing credit facilities to Sonar Castings Limited. | | | |
| 15 | To approve the related party transaction with Shri Shakti Credits Ltd | | | |
| 16 | To approve the related party transaction with Francoise Commerce Pvt. Ltd. | | | |
| 17 | To approve the remuneration of Cost Auditor. | | | |

Signed this ___ day of August, 2019

Signature of shareholder

INSTRUCTIONS

- 1) This Form is provided for the benefit of Members to participate in the Poll.
- 2) A Member can opt for this mode of voting..
- 3) The scrutinizer will collate the votes to declare the final result for each of the Resolutions forming part of the Notice of the AGM.

PROCESS AND MANNER FOR MEMBERS OPTING TO VOTE BY POLL

- 1) The Form should be signed by the Member as per the specimen signature registered with the Company. In case of joint holding, the Form should be completed and signed by the first named Member and in his/her absence, by the next named joint holder. A Power of Attorney (POA) holder may vote on behalf of a Member, mentioning the registration number of the POA registered with the Company or enclosing an attested copy of the POA.
- 2) In case the shares are held by companies, trusts, societies, etc. , the authorized person should provide a certified true copy of the relevant Board Resolution/Authorization.
- 3) Votes should be cast in case of each resolution, either in favour or against by putting the tick (✓) mark in the column provided in the Poll slip.
- 4) The voting rights of shareholders shall be in proportion of the shares held by them in the paid up equity share capital of the Company as on Monday, 01st July, 2019 as per the Register of Members of the Company.
- 5) The decision of the Scrutinizer on the Poll shall be final.
- 6) The results shall be declared in the meeting itself.

Form No. MGT-11

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 : L15421UP1971PLC003492
 Name of the company : K M SUGAR MILLS LIMITED
 Registered office : 11 – Moti Bhavan, Collector Ganj, Kanpur-208001 (U.P.)

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

I/We, being the member(s) of _____ shares of the above named company, hereby appoint -

- 1) _____ Address _____ having e-mail id _____; or failing him _____
- 2) _____ Address _____ having e-mail id _____; or failing him _____
- 3) _____ Address _____ having e-mail id _____

and whose signature(s) are appended below as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Annual general meeting of the company, to be held on the on Tuesday, 20th day of August, 2019 at 11.00 a.m. at 11-Moti Bhawan, Collector Ganj, Kanpur-208001 (U.P.) 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:

| No. | Matter of resolution | VOTE | | |
|-----|--|------|---------|---------|
| | | For | Against | Abstain |
| 1 | To consider and adopt the Financial Statements of the Company for the financial year ended 31st March, 2019, the Consolidated Financial Statements for the said financial year and the Reports of the Board of Directors and the Auditors thereon. | | | |
| 2 | To reappoint Shri L.K Jhunjunwala as Whole Time Director-cum-Chairman, who retires by rotation. | | | |
| 3. | To reappoint Shri Aditya Jhunjunwala as Whole-Time Director, who retires by rotation. | | | |
| 4. | To ratify the appointment of M/s. Agiwal & Co, Chartered Accountants, New Delhi, as statutory auditors. | | | |
| 5. | To approve the change in terms and re-appointment of Shri L.K. Jhunjunwala as a Whole Time Director-cum-Chairman. | | | |
| 6. | To approve the change in terms and re-appointment of Shri Aditya Jhunjunwala, as Managing Director. | | | |
| 7. | To approve the change in terms and re-appointment of Shri Sanjay Jhunjunwala, as a Joint Managing Director. | | | |
| 8. | To approve the change in terms and re-appointment of Shri Subhash Chandra Agarwal, as Executive Director. | | | |
| 9. | To approve the continuance of Mr. H.P. Singhania, as an Independent Director. | | | |

| | | | | |
|-----|---|--|--|--|
| 10. | To re-appoint Mr. H.P. Singhania, as an Independent Director. | | | |
| 11. | To re-appoint Mr. S.K. Gupta, as an Independent Director. | | | |
| 12. | To re-appoint Mrs. Madhu Mathur, as an Independent Director. | | | |
| 13. | To authorize the Board to make investments / give loans or guarantees / provide security up-to an aggregate amount not exceeding Rs. 200.00 Cr. | | | |
| 14. | To approve the investment in Sonar Castings Limited and issue of corporate guarantee for securing credit facilities to Sonar Castings Limited. | | | |
| 15. | To approve the related party transaction with Shri Shakti Credits Ltd. | | | |
| 16. | To approve the related party transaction with Francoise Commerce Pvt. Ltd. | | | |
| 17. | To approve the remuneration of Cost Auditor. | | | |

Signed this..... day of August, 2019

Signature of shareholder

Affix
revenue
stamp

Signature of first proxy holder (s)

Notes:

- (1) The 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.
- (2) A Proxy need not be a member of the Company.
- (3) 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.
- ** (4) This is only optional. Please put a '✓' 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.
- (5) Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.
- (6) In the case of jointholders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.

Route map of the registered office of K.M SUGAR MILLS LIMITED at 11 – MOTI BHAVAN, COLLECTOR GANJ, KANPUR-208001 (U.P.)

