

## K M SUGAR MILLS LIMITED

Regd. Office: 11 MOTI BHAWAN COLLECTOR GANJ,

KANPUR, Uttar Pradesh-208001

CIN: L15421UP1971PLC003492;

Website: [www.kmsugar.com](http://www.kmsugar.com)

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### NOTICE TO SHAREHOLDERS

Notice is hereby given that the 47th Annual General Meeting of the K. M. Sugar Mills Ltd. will be held through Video Conference / Other Audio Visual Means, on Thursday, the 10th day of September, 2020 at 11:00 a.m. transact the following business:

### ORDINARY BUSINESSES:

1. To consider and adopt the standalone and consolidated Financial Statements of the Company for the financial year ended 31st March, 2020 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 standalone and consolidated Financial Statements of the Company for the financial year ended 31st March, 2020 and the Reports of the Board of Directors and the Auditors thereon laid before the 47th 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 Sanjay 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 Sanjay Jhunjunwala (DIN-01777954) 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 47th 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 Shri S.C. Agarwal, 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 S.C. Agarwal (DIN- 02461954) 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 47th 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."

### SPECIAL BUSINESS :-

4. To approve the change in terms of 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 FURTHER THAT in supersession of the earlier resolutions passed in the annual general meeting of the company held on 20th August, 2019 and 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, and pursuant to the recommendation of the Board of Directors of the company, the consent of the Shareholders be and is hereby accorded to revise the remuneration, by way of increase in the remuneration payable to Shri L.K. Jhunjunwala (DIN: 01854647) as a Chairman of the Company for the financial year ended at 31st

March 2020 as well as for remaining term of appointment of his present term as per the revised salary, allowance and perquisites as under as per the terms & conditions mentioned, 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 in the event of any statutory amendment, modification or relaxation by the Central Government to schedule V to the Companies Act, 2013, during the tenure of his appointment, the Board of Directors be and is hereby authorized to vary or increase the remuneration, payable to him for such remaining period of his tenure, including salary, perquisites, allowances, etc with such prescribed limits or ceiling and the agreement entered into, if any, between the Company and Shri L.K. Jhunjunwala shall be suitably amended to give effect to such modification, relaxation or variation without any further reference to or approval by the Company in General Meeting"

"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."

5. To approve the change in the terms of 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 FURTHER THAT in supersession of the earlier resolutions passed in the annual general meeting of the company held on 20th August, 2019 and 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, and pursuant to the recommendation of the Board of Directors of the company, the consent of the Shareholders be and is hereby accorded to revise the remuneration, by way of increase in the remuneration payable to Shri Aditya Jhunjunwala, (DIN: 01686189) as a Managing Director of the Company for the financial year ended at 31st March 2020 as well as for remaining term of appointment of his present term as per the revised salary, allowance and perquisites as under as per the terms & conditions mentioned, 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 in the event of any statutory amendment, modification or relaxation by the Central Government to schedule V to the Companies Act, 2013, during the tenure of his appointment, the Board of Directors be and is hereby authorized to vary or increase the remuneration, payable to him for such remaining period of his tenure, including salary, perquisites, allowances, etc with such prescribed limits or ceiling and the agreement entered into, if any, between the Company and Shri Aditya Jhunjunwala shall be suitably amended to give effect to such modification, relaxation or variation without any further reference to or approval by the Company in General Meeting"

"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 the terms of 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 FURTHER THAT in supersession of the earlier resolutions passed in the annual general meeting of the company held on 20th August, 2019 and 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, and pursuant to the recommendation of the Board of Directors of the company, the consent of the Shareholders be and is hereby accorded to revise the remuneration, by way of increase in the remuneration payable to Shri Sanjay Jhunjunwala (DIN: 01777954) as a Joint Managing Director of the Company for the financial year ended at 31st March 2020 as well as for remaining term of appointment of his present term as per the revised salary, allowance and perquisites as under as per the terms & conditions mentioned, 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 Jhunjhunwala time to time."

"RESOLVED FURTHER THAT in the event of any statutory amendment, modification or relaxation by the Central Government to schedule V to the Companies Act, 2013, during the tenure of his appointment, the Board of Directors be and is hereby authorized to vary or increase the remuneration, payable to him for such remaining period of his tenure, including salary, perquisites, allowances, etc with such prescribed limits or ceiling and the agreement entered into, if any, between the Company and Shri Sanjay Jhunjhunwala shall be suitably amended to give effect to such modification, relaxation or variation without any further reference to or approval by the Company in General Meeting"

"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 authorize the Board to make investments / give loans or guarantees / provide security up to an aggregate amount not exceeding Rs. 400.00 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 there of, 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. 400.00 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 there of 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."

8. To approve the change the object clause of Memorandum of Association of the company and to consider and if thought fit to pass, the following resolution as a Special Resolution :-

"RESOLVED THAT pursuant to provisions of Section 13, Section 4 and other applicable provisions, if any, of the Companies Act, 2013, ("Act") including any statutory modifications or re-enactment thereof for the time being in force and rules made thereunder and subject to such other requisite approvals, if any, in this regard from appropriate authorities and terms(s), condition(s), amendment(s), modification(s), as may be required or suggested by any such appropriate authorities, pursuant to the recommendation of the Board of the company, the consent of the shareholders of the company be and is hereby accorded for alteration in the Objects Clause of the Memorandum of Association ("MOA") of the Company to insert the additional sub-clauses (3),(4),(5),(6),(7),(8),(9),(10) reading as under after sub clause (2) of clause III (A) and placing existing sub clause (3) after newly inserted sub clause (10 ) as sub-clause (11) reading as under of clause III (A) of the Memorandum of Association of the company".

3. To carry on business as manufacturers, traders, exporters, importers, dealers, wholesalers, retailers, service providers, commission agents in all varieties of sugar, sugar candy, jaggery, khandasari sugar, beet sugar, sugar cane, molasses, syrups, melada, alcohol, spirits including grain spirits and all products and by-products, thereof such as confectionery, glucose, acetone, carbon-dioxide, hydrogen, potash, cane wax, fertilizers, cattle feed and food products generally.
4. To carry on business as manufacturers, traders, exporters, importers, dealers, wholesalers, retailers, service providers, commission agents in breweries, IMFL, Country Liquor, beer, ale, port, stout, wines, whiskies intoxicating or not, produced from all kinds of ingredients, raw materials and or malt, malt products, hops, yeast, essences, flavours, concentrates and so on.
5. To carry on business as manufacturers, traders, exporters, importers, dealers, wholesalers, retailers, service providers, commission agents in distillery, blending, or mixed liquors including ratified spirits, Ethanol, ENA and sanitizer and

manufacturing of any other articles or things of a character similar or analogous to the foregoing or any of them or connected therewith.

6. To carry on business as manufacturers, traders, exporters, importers, dealers, wholesalers, retailers, service providers, commission agents in mineral water, drinking water, soft drink, beverages and related items.
7. To Purchase, sale, construct, establish, lease, acquire, carry on, rent, enter into joint venture, partnership, association etc. with regards to a factory or factories.
8. To carry on business as manufacturers, traders, exporters, importers, dealers, wholesalers, retailers, service providers, commission agents in all kinds and descriptions of laminates, Boards, veneers, paper, pulp, Agro/Non-Agro based, glass ware, commercial and industrial.
9. To carry on business of manufacturers, processors, dealers of all kinds of fertilizers manures, pesticides, weedicides and plant and all the other type protecting and nurturing products.
10. To promote, develop, generate, distribute, accumulate, transmit, supply, sell electricity and/or power by installing power plants(s) whether based on thermal, hydel, gas, solar, windmill, diesel, furnace oil, bagasse or any other source and to lay down, establish power stations, cables, transmission lines or towers, sub-stations, terminals and other works for the aforesaid purposes and to acquire, run or manage any company or undertaking engaged in similar business and/or activities.

Placing existing sub clause (3) after newly inserted sub clause (10) as sub-clause (11):

11. To do business for the utilizing the by-products of the company as the company may otherwise deem advantageous.

"RESOLVED FURTHER THAT the Board of Directors of the company be and are hereby authorized to do all such acts, deeds, matters and things, as they may be necessary and to file necessary form with the appropriate authorities in this regard, in their absolute discretion, proper and desirable."

9. To adopt the new Memorandum of Association of the company as per Companies Act, 2013 and to consider and if thought fit to pass, the following resolution as a Special Resolution:-  
"RESOLVED THAT pursuant to Section 13, 15 and other applicable provisions, if any, of the Companies Act, 2013 read with applicable provisions of the Companies Rules, 2014 including any statutory modification or re-enactment thereof for the time being in force, and Rules made thereunder and subject to necessary statutory approvals and modifications if any, pursuant to the

recommendation of the Board of the company, the consent of the shareholders of the company be and is hereby accorded to adopt the new Memorandum of Association in accordance with Table A set out under Schedule I to the Companies Act, 2013 in place of the existing Memorandum of Association by replacing:-

Clause I containing : "The name of the company until registration shall be "KAMLAPAT MOTILAL" and after registration "K M SUGAR MILLS LIMITED" with "The name of the company is "K M SUGAR MILLS LIMITED".

Clause II containing : "The Registered office of the company shall be situated in the state of Uttar Pradesh" with "The Registered office of the company will be situated in the state of Uttar Pradesh";

Clause III A containing : By replacing the heading from "The Main objects of the company" to "The objects to be pursued by the company on its incorporation are:" Main objects of the company and after sub-clause 2 of clause III (A) sub-clauses (3),(4),(5),(6),(7),(8),(9),(10) shall be inserted and placing existing sub clause (3) after newly inserted sub clause (10) as sub-clause (11) of clause III (A) of the Memorandum of Association of the company.

Clause III B containing : the "Objects Incidental or Ancillary to the attainment of Main Objects" containing sub-clause no. 4 to 6E shall stand deleted and be replaced by New Clause III B "Matters which are necessary for furtherance of the Objects specified in sub-clause B of Clause III containing the sub-clause no. 1 to 34 reading as under :-

1. To enter into agreements and contracts with Indian or foreign individuals, companies or other organizations for technical, financial or any other assistance for carrying out all or any of the objects of the Company.
2. To purchase, take on lease or otherwise acquire, any lands, buildings, machinery or other Property and to build, repair and construct any factories, houses or other buildings or works that may be necessary or expedient for the above purposes or any of them, and from time to time alter or extend the same.
3. To develop the resources of and turn to account any land and any rights over or connected with land belonging to or in which the company is interested and in particular by cleaning, draining, fencing, planting, cultivating, building, improving, farming, irrigation, grazing and by promoting immigration and emigration and the establishment of villages and settlements.
4. To advertise and adopt means of making known the business activities of the Company or any articles or goods traded in or dealt with by the Company in any way as may be expedient including the posting of bills in relation thereto and the issue of circulars, books, pamphlets and price-lists and the conducting of competitions, exhibitions and giving of prizes, rewards and donations.

5. To apply for, purchase or otherwise acquire and protect, prolong and renew trade marks, trade names, designs, secret processes, patent rights, "Brevets D'Invention" licenses, protections and concessions which may appear likely to be advantageous or useful for the Company and to spend money in experimenting and testing and improving or seeking to improve any patents, inventions or rights, which the Company may acquire or propose to acquire or develop.
6. To expend money on research, experimentation, development, testing, improving or seeking to improve existing products, patents, rights, etc., in connection with any of its activities in pursuance of the aforesaid objects and to expend money to invent, develop, or seek, any new products allied to and in the course of pursuing the objects as detailed in this clause.
7. To work, develop, license, sell or otherwise deal with any inventions in which the Company is interested whether as Owner, Licensee or otherwise, and to make, levy, or hire any machinery required for making or desirable to be used as machines included in such inventions.
8. To enter into any arrangement with any Government or State Authority, Municipal, Local or otherwise that may seem conducive to the Company's objects or any of them and to obtain from any such Government or State Authority, any rights, privileges and concessions which may seem conducive to the Company's objects or any of them.
9. To deal in or engage in the manufacture of materials required for the packing and preservation and despatch of finished and unfinished goods, raw materials and articles required for the Company, or produced by the Company.
10. To purchase or otherwise acquire, issue, reissue, sell, place and deal in shares, Stocks, bonds, debentures and securities of all kinds.
11. To subscribe, contribute or guarantee money for any charitable, benevolent, national, public, General, or useful objects or funds or fund of parties or institutions or for any exhibition and pecuniarily or otherwise any association, body or movement having for an object the Solution, settlement or surmounting of industrial or labour problems or troubles or the Promotion of the industry or trade, but not to any political parties or for any political purpose.
12. To draw, make accept, endorse, discount, execute and issue promissory notes, Bills of exchange, Hundies, Bills of Lading, Warrants, Debentures and other negotiable or Transferable instruments and to buy, sell and deal in the same.
13. To borrow or raise or secure the payment of money or to receive money on deposit at Interest for any of the purpose of the company and at such times as may be thought fit, buy Promissory notes, or by taking credit in or opening current accounts with any person, firm, Bank or company and whether with or without any security, or by such other means the Directors may in their absolute discretion deem expedient, and in particular by the issue of Debentures perpetual or otherwise; and in security mortgage, pledge or charge the whole or any part of the property and assets of the company both present and future including Uncalled capital, by special assignment or otherwise, or to transfer or convey the same absolutely or in trust, and give the lenders power of sale and other powers as may seem Expedient and to purchase, redeem or pay off any such securities.
14. To sell, improve, alter manage, develop, exchange, lease, mortgages, enfranchise, dispose turn to account or otherwise deal with, all or any part of the land, properties assets and Rights and generally resources and undertaking of the company, in such manner as on Such terms as may be year or for terms of years, otherwise at annual or rents, and of repairing and maintaining the same respectively whether belonging to this company, or not, and of selling exchanging otherwise dealing in the same respectively.
15. To acquire by concession, grant, purchase, amalgamation, barter, lease, license or Otherwise either absolutely or conditionally and either solely or jointly with others, lands, farm quarries, water rights and existing steel mill.
16. To carry on business as financiers and concessionaries and to undertake carry out all kinds of financial and other operation other than banking business as defined under banking companies Act, 1949.
17. To establish and support or aid in the establishment and in support to associations, Institutions, funds trusts and convenience calculated to benefit persons who are or have been employed by the company (including the director and or Managing Directors of the Company) or who are serving or have served the company or the dependents, connections of such persons and to grant pensions, gratuity, provident fund benefits and allowances and to make payment towards their insurances subject to the relevant provisions of the companies Act, 2013.
18. To carry on the business or trade of insurance agents, company promoters, underwriters, land proprietors, contractors, suppliers of goods to government and other public and private bodies, shroffs, guarantee brokers, miners, and carriers, by land, water or ship, board and barge owners and builders, characters, warehouses, marine, tire, and other insurers, mucedums, spinners, weavers, bleachers, dyers, colour, paints, varnishes, drugs, chemicals, oils, cements, and manures or any one or more of such business in all or any of their respective branches.
19. To acquire and hold shares, stocks, debentures,

- debenture-stocks, bonds, obligations and securities issued or guaranteed by any company constituted or carrying on business in India or elsewhere and debentures, debenture-stocks, bonds, obligations and securities issued or guaranteed by any Government, Municipality, public body or other legal authority and such shares, stocks, debentures, debenture-stocks, bonds, obligations or securities, acquired by original subscription, tender, purchase, exchange or otherwise and so to subscribe for, either conditionally or otherwise and to guarantee the subscription thereof and to guarantee the subscription thereof and exercise and such shares, stocks, debentures, debenture-stock, obligations or securities and to sell or otherwise dispose of the same.
20. To establish and maintain agencies at any place or any places in India or other parts of the World, for the conduct of the business of the company or for purchase and sale of any merchandise, commodities, goods, wares, materials, produce, products, articles and things require for a dealt in, or manufactured by or at the disposal of the company.
  21. To enter in to partnership of, into any arrangement for sharing profits, amalgamation, Union of interest, co-operation, joint venture, reciprocal, concession, technical collaboration, or otherwise with any person firm or company carrying on or engaged in, or about to carry on or engage in any business or transaction which this company is authorized to carry on or to amalgamate with any other company having objects altogether or in part similar to those of this company and to lend money, to guarantee, to contracts, of or otherwise assist any such person, firm or company and to place, take otherwise acquire or to be interested in, hold deal in and dispose of shares, stocks, debentures and others securities of any such company.
  22. To amalgamate with any Company or Companies. To acquire or merge with any other Company. To start a joint venture with any other Company. To hive off, split, demerge, restructure the business of the Company.
  23. To promote and register and aid the promotion and registration of any company or Companies subsidiary or otherwise for the purpose of acquiring all or any of the property, rights and liabilities of this company or for any other purpose which may seem to benefit this company and to transfer to any such company any property of this company and to be interested in, or take or otherwise acquire hold, sell or otherwise dispose of share, stock, debentures and other securities in or of any such company or any other company for all or any of the objects mentioned in this memorandum and to subsidise or otherwise assist any such company, and to undertake secretarial or other work, duties and business of any such company, on such terms as may be arranged.
  24. To invest and deal with the moneys and funds belonging or entrusted to the company not Immediately required in lands, buildings, bullion, commodities, articles, goods, negotiable instruments, advances against any property or goods, government, municipal and other bonds and securities, and in such other investments and in such manner as may from time to time be determined, and to vary such investments and transactions and to lend money to such persons and on such terms, and or with or without security as may seem expedient and in particular to customers and others having dealing with the company and to guarantee the performance of contracts of any such persons provided that the company shall not carry on the business of banking as defined in the Banking Companies Act.
  25. To sell, in any other manner, deal with or dispose of properties or undertaking of the Company, or any part thereof or such consideration as the company may think fit, and in particular for shares stock, debentures and other securities of any other company having objects altogether or in part similar to those of this company.
  26. To create any depreciation fund, reserve fund, sinking fund, insurance fund, provident fund, Superannuation fund or any other special or other fund, whether for depreciation or for repairing , improving, extending or maintaining any of the properties of the company or for redemption of debentures or redeemable preference shares, workers" welfare or for any other purpose whatsoever conducive to the interests of the company.
  27. To provide for the welfare of the employees or ex-employees of the company and the wives and families or the dependents or connections of such persons by building or contributing to the building of houses, dwellings or chawls or by grants of money, pensions, allowances, bonus, or other payments, or by creating and from time to time subscribing or contributing to provident fund and other associations, institutions fund, or trusts and/or by providing or subscribing towards places of instruction and recreation, hospitals and dispensaries, medical and other attendances and other assistance as the company shall think fit.
  28. To adopt such means of making know the products if the company as may seem expedient and in particular by advertising in the press, by circulars, by purchase and exhibition of works of arts or interest, by publication of books and periodicals and by granting prizes, reward and donations or holding exhibitions.
  29. To remunerate servants of the company and other out of and in the proportion to the profits of the company or otherwise as may be thought fit.
  30. To distribute any of the property of the company amongst the members in specie or in kind in the event of the winding up of the company.
  31. To remunerate to (by cash or assets, or by the allotment

of fully or partly paid shares, or by a call or option an shares and debentures of this or any other company, or in any other manner whether out of the company's capital or profits or otherwise) any person or persons for services rendered or to be rendered in introducing any property or business to company, or in placing or assisting to place or guaranteeing the subscription of any shares, debentures, or other securities of the company or for any other purpose which the company may think proper.

32. To procure the registration or other recognition of the company in any country, state or Place outside India and to establish and maintain local registers at branch places of Business in any part of the world.

33. To do all or any of the above things as principals, agents, contractors, or otherwise and by or through trustee or otherwise and either alone or in conjunction with others and to do all such things as are incidental or as the company may think conducive to the attainment of the above objects or any of them.

34. To do all such acts or deeds which may be considered necessary for furtherance of the main objects.

Clause III C containing "The other Objects of the company "containing sub-clause no. 7 to 46 shall stand deleted"

Clause IV containing: By replacing "The liability of the members is limited" to "The liability of the member(s) is limited and this liability is limited to the amount unpaid, if any, on the shares held by them."

Clause VI, VII, VIII, IX shall stand deleted in accordance with Table A set out under Schedule I to the Companies Act, 2013."

"RESOLVED FURTHER THAT Board of Directors of the Company be and hereby authorized d to do all such acts, deeds, matters and things as may be deemed proper, necessary, or expedient, including filing the requisite forms with Ministry of Corporate Affairs or submission of documents with any other authority, for the purpose of giving effect to this resolution and for matters connected therewith or incidental thereto."

10. To approve the remuneration of Cost Auditor appointed for the financial year 2020-21 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 2020-21 be and is hereby ratified."

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

-Sd-  
Company Secretary  
Pooja Dua

Place: Lucknow

Dated: 18.08.2020

Notes:

1) In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its General Circular No. 20/2020 dated May 5, 2020 read with General Circular No. 14/2020 and 17/2020 dated April 8, 2020 and April 13, 2020 respectively (collectively referred to as "MCA Circulars") and also SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 permitted holding of the Annual General Meeting ("the Meeting/AGM") through Video Conferencing ("VC")/Other Audio Visual Means ("OAVM"), without the physical presence of the Members, Directors, Auditors or other eligible persons at a common venue. In compliance with the provisions of the Companies Act, 2013 ("Act, 2013"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and aforesaid MCA and SEBI Circulars, the AGM of the Company will be conducted through VC/OAVM.

2) In accordance with the provisions of Section 108 of the Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI Listing Regulations and in view of the aforesaid MCA and SEBI Circulars, the Company has engaged the services of Link Intime (India) Private Limited (LIPL) to provide the facility of voting by electronic voting system to all the Members to enable them to cast their votes electronically during the AGM in respect of all the businesses to be transacted at the aforesaid Meeting. The facility of casting the votes by the Members using such electronic voting system from a place other than venue of the AGM ("remote e-voting") is also provided by LIPL.

3) VC/OAVM facility provided by the Company, is having a capacity to allow 1000 members to participate at the Meeting on a firstcome- first-served basis. However, the large shareholders (i.e. shareholders holding 2% or more shareholding), promoters, institutional investors, Directors, KMPs, the Chairperson of the Audit Committee, Nomination and Remuneration Committee and Stakeholders' Relationship Committee, CSR Committee, Auditors etc. may be allowed to attend the

Meeting without restriction on account of first-come-first-served principle.

- 4) Company is providing two way teleconferencing facility for the ease of participation of the members. The instructions for members attending/ participating in the AGM through VC/ OAVM are provided at point no. 19.
- 5) The facility for joining the AGM through VC/OAVM shall be open at least 15 minutes before the time scheduled to start the Meeting and shall not be closed till the expiry of 15 minutes after such scheduled time.
- 6) In compliance with the aforesaid MCA Circulars and SEBI Circulars, electronic copy of the Annual Report for the financial year 2019-20 and Notice of the 47th AGM of the Company, inter alia, indicating the process and manner of e-voting will be sent only through electronic mode to all the Members whose e-mail IDs are registered with the Company's Registrar & Share Transfer Agent/Depository Participant(s) for communication purposes, as the requirement of sending the hard copies of annual report and notice of AGM has been dispensed with. Members may note that the Notice and Annual Report will also be available on the Company's website [www.kmsugar.com](http://www.kmsugar.com), websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively.
- 7) Pursuant to the provisions the Act, a Member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote on a poll instead of him/her and the proxy need not be a Member of the Company. Since the 47th AGM is being held pursuant to the MCA Circulars, through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, in line with the MCA General Circular No. 14/2020 dated April 08, 2020, the facility for appointment of proxies by the Members will not be available for the 47th AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
- 8) Institutional/Corporate Members intending to attend the Meeting are required to send a scan of certified copy of the Board Resolution (JPG/PDF format), pursuant to Section 113 of the Act, 2013, authorizing their representative to attend the Meeting through VC/OAVM on its behalf and vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through its registered email address : [pragatics@gmail.com](mailto:pragatics@gmail.com).  
Recorded transcript of the Meeting shall be uploaded on the website of the Company and the same shall also be maintained in safe custody of the Company. The registered office of the company shall be deemed to be the place of Meeting for the purpose of recording of the

minutes of the proceedings of this AGM. Further Ms. Pragati Gupta, Practicing company secretary, Lucknow, (Membership No. A19302 CP No. 7878) has been appointed as the scrutiner to scrutineer the voting and remote e-voting process in a fair and transparent manner.

- 9) Members having any queries related to accounts and operations or any other matter to be placed at the AGM of the Company, may write to the Company through an email on [csiko@kmsugar.in](mailto:csiko@kmsugar.in) at least seven working days in advance of the Meeting. The same will be replied by the Company suitably.
- 10) Members are requested to contact the Company's Registrar & Share Transfer Agent (RTA), Link Intime India Private Limited (LIPL) Noble Heights, 1st Floor, Plot NH 2 C-1 Block LSC, Near Savitri Market, Janakpuri, New Delhi-110058 (Phone No.: +91-11- 41410592; Fax No.: +91-11-41410591; Email: [delhi@linkintime.co.in](mailto:delhi@linkintime.co.in)) for reply to their queries/redressal of complaints, if any, or contact Ms. Pooja Dua, Company Secretary at the Corporate Office of the Company (Phone No.: +91-522-4079561; Email: [csiko@kmsugar.in](mailto:csiko@kmsugar.in)).  
Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, to their DPs in case shares are held in electronic form or to Company's RTA i.e. LIPL in case shares are held in physical form.
- 11) As per Regulation 40 of the SEBI Listing Regulations, as amended, the securities of the listed company cannot be transferred in physical mode w.e.f. April 01, 2019, except in case of request received for transposition or transmission of securities. In view of this, Members holding shares in physical form are requested to get their shares dematerialized at the earliest. Members can contact the Company or the Company's RTA i.e. LIPL for assistance in this regard.
- 12) The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company/RTA i.e. LIPL.
- 13) In keeping with the Ministry of Corporate Affairs' Green Initiative measures, the Company hereby requests the Members who have not registered their email addresses so far, to register their email addresses with their DPs in case shares are held by them in electronic form and with the Company's RTA i.e. LIPL in case



shares are held by them in physical form for receiving all communication including annual report, notices, circulars etc. from the Company electronically.

14) Members attending the Meeting through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act, 2013.

15) Since the AGM will be conducted through VC / OAVM, the Route Map is not annexed to this Notice.

16) The Register of Members and share transfer books of the company will remain closed from 04th September 2020 to 10th September 2020 (both days inclusive). The Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Act, 2013, the Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, 2013 read with Rules issued thereunder will be made available electronically for inspection by the Members during the Meeting. All documents referred to in the Notice will also be available for electronic inspection from the date of circulation of this Notice up to the date of AGM. Also, the Notice for this 47th AGM along with requisite documents and the Annual Report for the financial year 2019-2020 shall also be available on the Company's website [www.kmsugar.com](http://www.kmsugar.com) Further, the notice received, if any, under Section 160 of the Companies Act, 2013 will be put up on the website of the Company up to the date of the Meeting. Members seeking to inspect such Documents can send an email to [csiko@kmsugar.in](mailto:csiko@kmsugar.in).

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

i. Commencement of remote e-voting : 07th September, 2020 (10:00 a.m.)

ii. End of remote e-voting: 09th September, 2020 (05:00 p.m.)

18) During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. Friday, September 04, 2020 may cast their vote through remote e-voting. The remote e-voting module shall be disabled by LIPL for voting thereafter and the facility will be blocked forthwith.

19) Remote e-Voting Instructions for shareholders:

1. Open the internet browser and launch the URL: <https://instavote.linkintime.co.in>

Those who are first time users of LIPL e-voting platform or holding shares in physical mode have to mandatorily Generate their own Password, as under :

» Click on "Sign Up" under 'SHARE HOLDER' tab and register with your following details :-

A. User ID: Enter your User ID

• Shareholders/ members holding shares in CDSL demat

account shall provide 16 Digit Beneficiary ID

• Shareholders/ members holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID

• Shareholders/ members holding shares in physical form shall provide Event No + Folio Number registered with the Company

B. PAN: Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/

Company shall use the sequence number provided to you, if applicable.

C. DOB/DOI: Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format)

D. Bank Account Number: Enter your Bank Account Number (last four digits), as recorded with your DP/Company.

• Shareholders/ members holding shares in CDSL demat account shall provide either 'C' or 'D', above

• Shareholders/ members holding shares in NSDL demat account shall provide 'D', above

• Shareholders/ members holding shares in physical form but have not recorded 'C' and 'D', shall provide their Folio number in 'D' above

• Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#\$%&\*), at least one numeral, at least one alphabet and at least one capital letter).

• Click "confirm" (Your password is now generated).

NOTE: If Shareholders/ members are holding shares in demat form and have registered on to e-Voting system of LIPL: <https://instavote.linkintime.co.in>, and/or voted on an earlier event of any company then they can use their existing password to login.

2. Click on 'Login' under 'SHARE HOLDER' tab.

3. Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on 'Submit'.

4. After successful login, you will be able to see the notification for e-voting. Select 'View' icon.

5. E-voting page will appear.

6. Refer the Resolution description and cast your vote by selecting your desired option 'Favour / Against' (If you wish to view the entire Resolution details, click on the 'View Resolution' file link).

7. After selecting the desired option i.e. Favour / Against, click on 'Submit'. A confirmation box will be displayed. If you wish to confirm your vote, click on 'Yes', else to change your vote, click on 'No' and accordingly modify your vote.

8. Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on the e-voting system of LIPL at <https://instavote.linkintime.co.in>

and register themselves as 'Custodian / Mutual Fund / Corporate Body'. They are also required to upload a scanned certified true copy of the board resolution /authority letter/power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the 'Custodian / Mutual Fund / Corporate Body' login for the Scrutinizer to verify the same.

If you have forgotten the password:

- Click on 'Login' under 'SHARE HOLDER' tab and further Click 'forgot password?'
- Enter User ID, select Mode and Enter Image Verification (CAPTCHA) Code and Click on 'Submit'.

In case shareholders/ members is having valid email address, Password will be sent to his / her registered e-mail address.

- Shareholders/ members can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above.
- The password should contain minimum 8 characters, at least one special character (@!#\$%&\*), at least one numeral, at least one alphabet and at least one capital letter.
- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in the Notice.
- During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular "Event".
- Shareholders/ members holding multiple folios/demat account shall choose the voting process separately for each of the folios/demat account.
- In case shareholders/ members have any queries regarding e-voting, they may refer the Frequently Asked Questions ('FAQs') and InstaVote e-Voting manual available at <https://instavote.linkintime.co.in>, under Help section or send an email to [enotices@linkintime.co.in](mailto:enotices@linkintime.co.in) or contact on: - Tel: 022-4918 6000.

20) Process and manner for attending the Annual General Meeting through InstaMeet :

- Open the internet browser and launch the URL: <https://instameet.linkintime.co.in>
- Select the "Company" and 'Event Date' and register with your following details: -

A. Demat Account No. or Folio No: Enter your 16 digit Demat Account No. or Folio No

- Shareholders/ members holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID

- Shareholders/ members holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 digit Client ID

- Shareholders/ members holding shares in physical form shall provide Folio Number registered with the Company

B. PAN: Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.

C. Mobile No.: Enter your mobile number.

D. Email ID: Enter your email id, as recorded with your DP/Company.

- Click "Go to Meeting" (You are now registered for InstaMeet and your attendance is marked for the meeting

21) Instructions for Shareholders/ Members to Speak during the Annual General Meeting through InstaMeet :

1. Shareholders who would like to speak during the meeting must register their request 3 days in advance with the company on the specific email id created for the general meeting.
2. Shareholders will get confirmation on first cum first basis depending upon the provision made by the client.
3. Shareholders will receive "speaking serial number" once they mark attendance for the meeting.
4. Other shareholder may ask questions to the panellist, via active chat-board during the meeting.
5. Please remember speaking serial number and start your conversation with panellist by switching on video mode and audio of your device.

Shareholders are requested to speak only when moderator of the meeting/ management will announce the name and serial number for speaking.

22) Instructions for Shareholders/ Members to Vote during the Annual General Meeting through InstaMeet :

Once the electronic voting is activated by the scrutinizer/ moderator during the meeting, shareholders/ members who have not exercised their vote through the remote e-voting can cast the vote as under:

1. On the Shareholders VC page, click on the link for e-Voting "Cast your vote"
2. Enter your 16 digit Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for InstaMEET and click on 'Submit'.
3. After successful login, you will see "Resolution Description" and against the same the option "Favour/ Against" for voting.

4. Cast your vote by selecting appropriate option i.e. "Favour/Against" as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under 'Favour/Against'.
5. After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on "Save". A confirmation box will be displayed. If you wish to confirm your vote, click on "Confirm", else to change your vote, click on "Back" and accordingly modify your vote.
6. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.  
Shareholders/ Members, who will be present in the Annual General Meeting through InstaMeet facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting facility during the meeting. Shareholders/ Members who have voted through Remote e-Voting prior to the Annual General Meeting will be eligible to attend/ participate in the Annual General Meeting through InstaMeet. However, they will not be eligible to vote again during the meeting.  
Shareholders/ Members are encouraged to join the Meeting through Tablets/ Laptops connected through

broadband for better experience.

Shareholders/ Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.

Please note that Shareholders/ Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

In case shareholders/ members have any queries regarding login/ e-voting, they may send an email to [instameet@linkintime.co.in](mailto:instameet@linkintime.co.in) or contact on: - Tel: 022-49186175.

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

sd/-  
Pooja Dua  
Company Secretary

Place: Lucknow  
Dated: 18-08-2020

**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 : 4,5,6

Shri L.K. Jhunjhunwala, Shri Aditya Jhunjhunwala and Shri Sanjay Jhunjhunwalawere re-appointed as whole time directors designated as Chairman, Managing Director & Joint Managing Director respectively at the 46th annual general meeting of the Company held on 20.08.2019 for the period of five years. On the recommendation of the Nomination and Remuneration Committee, the Board, at its meeting held on April 29, 2020 has approved the change in terms including remuneration and perquisites payable to them for the financial year ended at 31st March 2020 as well as for remaining term of appointment as per the revised as per the terms & conditions mentioned. 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.

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

**1. REMUNERATION :-**

Name	Shri L.K. Jhunjhunwala	Shri Aditya Jhunjhunwala	Shri Sanjay Jhunjhunwala
Basic Salary	Rs. 8,00,000/-	Rs. 8,00,000/-	Rs. 8,00,000/-
Commission	on profits at rate decided by the Board from time to time up to Rs. 5 crores	on profits at rate decided by the Board from time to time up to Rs. 5 crores	on profits at rate decided by the Board from time to time up to Rs. 5 crores
House	Free Furnished House	Free Furnished House	Free Furnished House
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.
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.
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
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
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	In accordance with the rules of the company and subject to the ceiling as per law for the time being in force.	In accordance with the rules of the company and subject to the ceiling as per law for the time being in force.	In accordance with the rules of the company and subject to the ceiling as per law for the time being in force.
Co.'s cont. Pension	As per company's rules together with PF and to such amount not taxable under Income Tax	As per company's rules together with PF and to such amount not taxable under Income Tax	As per company's rules together with PF and to such amount not taxable under Income 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
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
Leave	Encashment of one full month pay for every 11 months of salary	Encashment of one full month pay for every 11 months of salary	Encashment of one full month pay for every 11 months of salary
Travelling	Shall be entitled to use company car with driver for business use and also entitled to get reimbursement of travelling and other incidental expenses incurred with respect to his family when he accompanies his family in Business trips and it will not be reckoned as perquisite.	Shall be entitled to use company car with driver for business use and also entitled to get reimbursement of travelling and other incidental expenses incurred with respect to his family when he accompanies his family in Business trips and it will not be reckoned as perquisite.	Shall be entitled to use company car with driver for business use and also entitled to get reimbursement of travelling and other incidental expenses incurred with respect to his family when he accompanies his family in Business trips and it will not be reckoned as perquisite.
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
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

**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 minimum 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. 4, 5 & 6 the above terms and conditions shall be applicable to the respective directors for financial year ended at 31st March 2020 as well as for remaining term of appointment their remaining term at the ensuing 47th annual general meeting.

As proposed in item no.4, 5 & 6, 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 the approval of the change in terms of appointment of Shri L.K. Jhunjhunwala, Shri Aditya Jhunjhunwala, and Shri Sanjay Jhunjhunwala as set out above for financial year ended at 31st March 2020 as well as for remaining term of appointment at the ensuing 47th annual general meeting.

In resolution no. 4, 5 & 6, none of the Directors or Key Managerial Personnel of the Company or their relatives, except Shri L K Jhunjhunwala, Shri Aditya Jhunjhunwala & Shri Sanjay Jhunjhunwala are concerned or interested financially or otherwise in this resolution.

The Board recommended resolution set out in item no. 4, 5 & 6 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 4, 5 & 6):

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 46 years with its date of incorporation being 19 <sup>th</sup> December, 1971																			
Financial performance based on given indicators	The details of financial performance of the Company for the years 2019-20 being provided in the Annual Report of 2020.																			
Foreign investments or collaborations, if any	-NA-																			
II. Information about the appointees																				
Background details	<ol style="list-style-type: none"> <li>Shri L.K. Jhunjhunwala is Chairman-cum-Whole Time Director ;</li> <li>Shri Aditya Jhunjhunwala is Managing Director ;</li> <li>Shri Sanjay Jhunjhunwala is Jt. Managing Director ;</li> </ol>																			
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="3">Remuneration</th> </tr> <tr> <th>L.K. Jhunjhunwala</th> <th>Aditya Jhunjhunwala</th> <th>Sanjay Jhunjhunwala</th> </tr> </thead> <tbody> <tr> <td>2017-18</td> <td>42.34</td> <td>29.03</td> <td>28.02</td> </tr> <tr> <td>2018-19</td> <td>81.60</td> <td>68.51</td> <td>67.67</td> </tr> <tr> <td>2019-20*</td> <td>308.25</td> <td>308.13</td> <td>107.59</td> </tr> </tbody> </table> <p>* subject to ratification by the shareholders of the company in the forthcoming AGM of the company</p>	Year	Remuneration			L.K. Jhunjhunwala	Aditya Jhunjhunwala	Sanjay Jhunjhunwala	2017-18	42.34	29.03	28.02	2018-19	81.60	68.51	67.67	2019-20*	308.25	308.13	107.59
Year	Remuneration																			
	L.K. Jhunjhunwala	Aditya Jhunjhunwala	Sanjay Jhunjhunwala																	
2017-18	42.34	29.03	28.02																	
2018-19	81.60	68.51	67.67																	
2019-20*	308.25	308.13	107.59																	
Recognition or awards	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 47 years. Mr. Aditya Jhunjhunwala is a dynamic and young Management expert of Sugar Industry having experience for more than 26 years. Mr. Sanjay Jhunjhunwala is also young Management visionary and having experience for more than 22 years.																			
Job profile and his suitability	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 and Taxation experience in Sugar Industry; 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.																			
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 Jhunjhunwala and Mr. Sanjay Jhunjhunwala are sons of Mr. L.K. Jhunjhunwala. Besides the remuneration, Mr. L.K. Jhunjhunwala holds 1,38,02,600 nos. Equity shares (15.00 %), Mr. Aditya Jhunjhunwala holds 48,39,242 nos. Equity shares (5.26%) and Mr. Sanjay Jhunjhunwala holds 24,94,600 nos. of Equity Shares (2.72%) 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 2017-18, 2018-19 and 2019-2020 of Rs. Rs.18.87 crores, Rs.24.35 crores and 18.43 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 is 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 has introduced, it expects a significant reduction in its operational costs. Further, the Company has enhanced its production capacity from 6500 TCD to 7500 TCD and taking 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 improved during last two years, further the incentives given / announced by the Central and State Governments and 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 2020.	

#### Item No : 7

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 Rs.200 Crores or 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 anybody 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. 400.00 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.07 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 12th June, 2020 and the Board also recommends the passing of the resolution by the Members of the Company, as set out in Item No.7 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 : 8, 9

The Company has been exploring the possibilities of business diversification. Accordingly, the Board in the meeting held on 12th June, 2020 has recommended necessary changes in the object clause of the Memorandum of Association (MOA), for approval of the members at ensuing Annual General Meeting of the Company, to enable diversification as well as alignment of MOA with the provisions of the Companies Act, 2013. Further the existing Memorandum of Association (MOA) of the Company, is based on the Companies Act, 1956 are no longer in conformity with the 2013 Act. With the coming into force of 2013 Act, several clauses of MOA require alteration/deletion. Given this position, it is considered expedient to adopt a new set of Memorandum of Association (primarily based on Table A set out under Schedule I to the Companies Act, 2013) in place of existing MOA, instead of amending it by alteration/incorporation of provisions of 2013 Act. As

per the provisions of Section 13 & 14 of the Companies Act, 2013, a special resolution has to be passed by the members of the Company for adoption of amended and restated MOA of the Company. The Board recommends the above resolution to the shareholders for their approval as Special Resolutions.

A copy of amended and restated MOA of the Company would be available for inspection electronically by the Members during the Meeting of the members.

None of the directors or Key Managerial Personnel of the Company or their relatives are concerned or interested in the said resolution.

Item no : 10

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 2020-21 in the meeting held on 12th June, 2020 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, 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. 10 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.

sd/-  
Pooja Dua  
Company Secretary

Date: 18.08.2020

Place: Lucknow

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

Appendix -A

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. Sanjay Jhunhunwala (DIN-01777954)	B. Com., M.B.A. from U.K.	<ul style="list-style-type: none"> <li>- Shri Shakti Credits Ltd.,</li> <li>- Progressive Dealer Pvt. Ltd.,</li> <li>- Promising Logistic Pvt. Ltd.,</li> <li>- Jhunhunwala Securities Pvt. Ltd.,</li> <li>- Thermocraft (India) Pvt. Ltd.,</li> <li>- Prakash Properties Pvt. Ltd.,</li> <li>- Brahma Properties Pvt. Ltd.,</li> <li>- KM Spirits And Allied Industries Limited'</li> <li>- Marvel Business Pvt. Ltd.,</li> <li>- Benaras Inorganics Private Limited</li> </ul>	NIL	Has vast experience in Finance and Taxation and operational management of sugar industry	2494600 Nos. of Equity shares (Pledged with Bank) <hr/> Related with Shri L.K. Jhunhunwala and Shri Aditya Jhunhunwala
2.	Mr. S.C Agarwal (DIN-02461954)	B.Sc. From National Sugar Institute	Nil	Nil	Has vast experience of Sugar Technology and leadership skills in heading the Company	B.Sc. from the National Sugar Institute