



# K.M. Sugar Mills Ltd.

Factory & Works : P.O. Motinagar-224201, Dist. Ayodhya (U.P.)  
Phone : 7571000692, Email : director@kmsugar.com  
CIN No.: L15421UP1971PLC003492 GSTIN No.: 09AAACK5545P1ZZ

Date: 25.02.2022

National Stock Exchange Of India Limited. Exchange Plaza,C-1,Block-G, Bandra Kurla Complex ,Bandra (E), Mumbai-400051 Phone No.022-26598100	Bombay Stock Exchange Limited, 27 <sup>th</sup> Floor, Phiroze Jeebhoy Tower, Dalal Street ,Fort ,Mumbai-400001 Phone No.022-22728527 Bandra (E),Mumbai-400051
Scrip Code: INE157h01023	Scrip Code:532673

Dear Sirs,

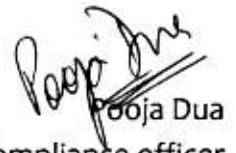
**Sub.: Submission of Notice of Extra Ordinary General Meeting under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we submit herewith the Notice of the 03<sup>rd</sup> Extra Ordinary General Meeting of the Company to be held on Thursday, 24<sup>th</sup> March, 2022 at 11:00 A.M.

This is for your information and records.

Thanking you.

Yours Faithfully,  
For K.M Sugar Mills Limited

  
Pooja Dua

Company Secretary-cum- Compliance officer



## 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)

Phone: 0512-2310762; 0522-4079561; E-mail: [cs@kmsugar.in](mailto:cs@kmsugar.in)

### NOTICE TO SHAREHOLDERS

Notice is hereby given that the 3<sup>rd</sup> Extra-Ordinary General Meeting of the K. M. Sugar Mills Ltd. will be held **through Video Conference / Other Audio Visual Means**, on Thursday, the 24<sup>th</sup> day of March, 2022 at 11:00 a.m. transact the following business:

#### SPECIAL BUSINESS: -

1. To consider reclassification of Outgoing Promoters to "Public" Shareholder Category and, to consider and pass, the following resolution as an Ordinary Resolution (refer note 1 of the explanatory statement):

**"RESOLVED THAT** pursuant to the provisions of Regulation 31A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modifications or re-enactment thereof for the time being in force) ("Listing Regulations") and other applicable laws and subject to necessary approvals from the BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE") (together, "Stock Exchanges") and such other approvals as may be necessary and in accordance with the recommendation of the Board of Directors of the Company, consent of the Members of the Company be and is hereby accorded for reclassification of shareholders listed hereunder (hereinafter referred to as "Outgoing Promoters"), from "Promoter/ Promoters Group" category to "Public" category, in the shareholding pattern of the Company, records and / or disclosures:

S.No	Name of the shareholder	No. of Shares held as at date of notice	% of holding
1	Prakashchandra Dwarkadas Jhunjunwala -HUF	32,78,271	3.56
2	Umadevi Jhunjunwala	25,51,717	2.77
3	Madhu Prakash Jhunjunwala	15,71,660	1.71
	<b>TOTAL</b>	<b>74,01,648</b>	<b>8.04</b>

**"RESOLVED FURTHER THAT** the above applicant confirmed that all the conditions specified in sub-clause (i) to (vii) of clause (b) of sub-regulation (3) of Regulation 31A of the Listing Regulations have been complied with and also confirmed that at all times from the date of such reclassification, shall continue to comply with conditions mentioned in Regulation 31A of the Listing Regulations."

**“RESOLVED FURTHER THAT** on approval of the Stock Exchange(s) upon application for reclassification of the aforementioned applicant, the Company shall effect such reclassification in the Statement of Shareholding pattern from immediate succeeding quarter under Regulation 31 of the Listing Regulations.”

**“RESOLVED FURTHER THAT** the Board of Directors (which may include sub-delegation of all or any of the powers herein conferred to any committee of directors or director(s) or any other officer or officers of the Company) of the Company be and are hereby authorized, to perform and execute all such acts, deeds, matters and things including but not limited to making intimation/filings to stock exchange(s), seeking approvals from the SEBI (if required) and the Stock Exchanges where shares of the Company are listed and to execute all other documents required to be filed in the above connection and to settle all such questions, difficulties or doubts whatsoever which may arise and take all such steps and decisions in this regard to give full effect to the aforesaid resolution without requiring the Board to secure any further consent or approval of the members of the Company.”

**“RESOLVED FURTHER THAT** a copy of the aforesaid resolution certified by any Director or the Company Secretary of the Company be provided to the concerned persons/ authorities as may be necessary.”

2. To enter into Contract(s)/ Arrangement(s)/ Transaction(s) with the M/s Concept Consultings, Related Party and, to consider and pass, the following resolution as an Ordinary Resolution:

**“RESOLVED THAT** pursuant to the provisions of Section 188(1)(d), 188(1)(f) and other applicable provisions, if any of the Companies Act, 2013 (“Act”) read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, as amended till date, 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), the consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the “Board”, which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution) to enter into contract(s)/ arrangement(s)/ transaction(s) with the M/s Concept Consultings, a related party within the meaning of Section 2(76) of the Act and Regulation 2(1)(zb) of the Listing Regulations, including appointment at a place of profit, as a Consultant, Advisor or service provider by any other name, whatsoever, for taking services in relation to business of the Company including development, diversification, modernization, on such terms and conditions as the Board may deem fit, up to a maximum aggregate value of Rs. 500 Lacs for each financial year.”

**“RESOLVED FURTHER THAT** the Board of Director of the Company be and is hereby authorized to sign/execute necessary documents, etc., to delegate all or any of the powers conferred on it by or under this resolution to any Committee of Directors or any Director of the Company and to do all such acts and deeds and things as may be considered necessary, desirable or expedient to give effect to this Resolution and to settle any queries, difficulties, doubts that may arise with regard to the above, finalize the terms and conditions and execute such documents and writings.”

3. To Approve the Change in Terms of Appointment of Shri L.K. Jhunjhunwala (Din: 01854647) as A Whole Time Director Designated as Chairman of the Company and in this Regard and, to consider and pass, the following resolution as a Special Resolution:

**“RESOLVED THAT** pursuant to the provisions of the Section 197, 198 read with the Schedule V and other applicable provisions, if any 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 Obligations & Disclosure Requirement) Regulations, 2015, and in furtherance to the special resolution passed in the 46<sup>th</sup> Annual General Meeting of the company held on 20<sup>th</sup> day of August, 2019, and based on the recommendations of Nomination and Remuneration Committee and the Board of Directors of the company, the consent of the

members of the Company be and is hereby accorded to increase the remuneration including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year to Shri L. K. Jhunjhunwala, (DIN: 01854647), Whole Time Director, designated as a Chairman of the Company, for remaining term of 2 years with effect from 01<sup>st</sup> April, 2022 to 31<sup>st</sup> March, 2024 as per the details mentioned in the explanatory statement, and such remuneration along with the remuneration payable to other Whole Time Directors and Managing Directors may be in excess to 10% of the net profit of the Company computed in the manner stipulated in section 198 of the Act.”

” **RESOLVED FURTHER THAT** the consent of the members of the Company be and is hereby accorded for payment of aforesaid remuneration even if due to the above payment the total managerial remuneration is in excess to the over-all limit specified in section 197 of the Act for the respective year;”

”**RESOLVED FURTHER THAT** the Board of Directors (hereinafter referred to as “the Board” which term shall include the Nomination and Remuneration Committee of the Board) be and is hereby authorised to alter and vary remuneration as it may deem fit within the aforesaid limit;”

”**RESOLVED FURTHER THAT** the Board be and is hereby authorised 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.”

4. To Approve the Change in Terms of Appointment of Shri Aditya Jhunjhunwala, (Din: 01686189) Whole Time Director, designated as a Managing Director of the Company and in this Regard and, to consider and pass, the following resolution as a Special Resolution

”**RESOLVED THAT** pursuant to the provisions of the Section 197, 198 read with the Schedule V and other applicable provisions, if any 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 Obligations & Disclosure Requirement) Regulations, 2015, and in furtherance to the special resolution passed in the 46<sup>th</sup> Annual General Meeting of the company held on 20<sup>th</sup> day of August, 2019, and based on the recommendations of Nomination and Remuneration Committee and the Board of Directors of the company, the consent of the members of the Company be and is hereby accorded to increase the remuneration including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year to Shri Aditya Jhunjhunwala, (Din: 01686189), Whole Time Director, designated as Managing Director of the Company, for remaining term of 2 years with effect from 01<sup>st</sup> April, 2022 to 31<sup>st</sup> March, 2024 as per the details mentioned in the explanatory statement, and such remuneration along with the remuneration payable to other Whole Time Directors and Managing Directors may be in excess to 10% of the net profit of the Company computed in the manner stipulated in section 198 of the Act.”

”**RESOLVED FURTHER THAT** the consent of the members of the Company be and is hereby accorded for payment of aforesaid remuneration even if due to the above payment the total managerial remuneration is in excess to the over-all limit specified in section 197 of the Act for the respective year;”

”**RESOLVED FURTHER THAT** the Board of Directors (hereinafter referred to as “the Board” which term shall include the Nomination and Remuneration Committee of the Board) be and is hereby authorised to alter and vary remuneration as it may deem fit within the aforesaid limit;”

”**RESOLVED FURTHER THAT** the Board be and is hereby authorised 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 Terms of Appointment of Shri Sanjay Jhunjhunwala (Din: 01777954) Whole Time Director, designated as a Joint Managing Director of the Company and in this Regard and, to consider and pass, the following resolution as a Special Resolution

**“RESOLVED THAT** pursuant to the provisions of the Section 197, 198 read with the Schedule V and other applicable provisions, if any 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 Obligations & Disclosure Requirement) Regulations, 2015, and in furtherance to the special resolution passed in the 46<sup>th</sup> Annual General Meeting of the company held on 20<sup>th</sup> day of August, 2019, and based on the recommendations of Nomination and Remuneration Committee and the Board of Directors of the company, the consent of the members of the Company be and is hereby accorded to increase the remuneration including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year to Shri Sanjay Jhunjhunwala (Din: 01777954), Whole Time Director, designated as a Joint Managing Director of the Company, for remaining term of 2 years with effect from 01<sup>st</sup> April, 2022 to 31<sup>st</sup> March, 2024 as per the details mentioned in the explanatory statement, and such remuneration along with the remuneration payable to other Whole Time Directors and Managing Directors may be in excess to 10% of the net profit of the Company computed in the manner stipulated in section 198 of the Act.”

**“RESOLVED FURTHER THAT** the consent of the members of the Company be and is hereby accorded for payment of aforesaid remuneration even if due to the above payment the total managerial remuneration is in excess to the over-all limit specified in section 197 of the Act for the respective year;”

**“RESOLVED FURTHER THAT** the Board of Directors (hereinafter referred to as “the Board” which term shall include the Nomination and Remuneration Committee of the Board) be and is hereby authorised to alter and vary remuneration as it may deem fit within the aforesaid limit;”

**“RESOLVED FURTHER THAT** the Board be and is hereby authorised 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 of Appointment of Shri Subhash Chandra Agarwal, (Din -02461954) Whole Time Director, designated as an Executive Director- cum-CEO of the Company and in this Regard and, to consider and pass, the following resolution as a Special Resolution

**“RESOLVED THAT** pursuant to the provisions of the Section 197, 198 read with the Schedule V and other applicable provisions, if any 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 Obligations & Disclosure Requirement) Regulations, 2015, and in furtherance to the special resolution passed in the 46<sup>th</sup> Annual General Meeting of the company held on 20<sup>th</sup> day of August, 2019, and based on the recommendations of Nomination and Remuneration Committee and the Board of Directors of the company, the consent of the members of the Company be and is hereby accorded to increase the remuneration including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year to Shri Subhash Chandra Agarwal, (Din -02461954), Whole Time Director, designated as an Executive Director-cum-CEO of the Company, for remaining term of 2 years with effect from 01<sup>st</sup> April, 2022 to 31<sup>st</sup> March, 2024 as per the details mentioned in the explanatory statement, and such remuneration along with the remuneration payable to other Whole Time Directors and Managing Directors may be in excess to 10% of the net profit of the Company computed in the manner stipulated in section 198 of the Act.”

**“RESOLVED FURTHER THAT** the consent of the members of the Company be and is hereby accorded for payment of aforesaid remuneration even if due to the above payment the total managerial remuneration is in excess to the over-all limit specified in section 197 of the Act for the respective year;”

**“RESOLVED FURTHER THAT** the Board of Directors (hereinafter referred to as “the Board” which term shall include the Nomination and Remuneration Committee of the Board) be and is hereby authorised to alter and vary remuneration as it may deem fit within the aforesaid limit;”

**“RESOLVED FURTHER THAT** the Board be and is hereby authorised 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.”

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



**Company Secretary  
Company Secretary & Compliance Officer**

**Place: Lucknow  
Dated: 12.02.2022**

**Notes:**

1) In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs (“MCA”) has vide its circular dated 5th May, 2020 read with circulars dated 8th April, 2020, 13th April, 2020, 5th May, 2020, 13th January, 2021 and General Circular No. 20/2021 dated 08th December 2021 (collectively referred to as “MCA Circulars”) permitted the holding of the Extra-Ordinary General Meeting (“EGM”) through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 (“Act”), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) and MCA Circulars, the EGM of the Company is being held 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 MCA Circulars dated 8th April, 2020, 13<sup>th</sup> April, 2020 and 5th May, 2020, 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 EGM 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 EGM (“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 first come- 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 EGM through VC/ OAVM are provided at point no. 22.

5) The facility for joining the EGM 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 Notice of the 03<sup>rd</sup> EGM 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). Notice 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 03<sup>rd</sup> EGM is being held pursuant to the MCA Circulars, through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the 03<sup>rd</sup> EGM 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 EGM

9) Members having any queries related to accounts and operations or any other matter to be placed at the EGM of the Company, may write to the Company through an email on [cs@kmsugar.in](mailto:cs@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) 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: cs@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 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 EGM will be conducted through VC / OAVM, the Route Map is not annexed to this Notice.

16) 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 EGM. Also, the Notice for this 03rd EGM along with requisite documents 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 [cs@kmsugar.in](mailto:cs@kmsugar.in)

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

- i. Commencement of remote e-voting: From 09.00 a.m. IST of Monday, March 21, 2022.
- ii. End of remote e-voting: Up to 5.00 p.m. IST of Wednesday, March 23, 2022.

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. Thursday, March 17, 2022 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. Further, Register of member and share transfer books of the company will remain closed from Friday, 18th March, 2022 to Thursday, 24th March, 2022 (both days Inclusive).

19) Pursuant to SEBI Circular No. SEBI/HO/MIRSD/MIRSD RTAMB/P/CIR/2021/655 dated November 03, 2021 read with SEBI Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2021/687 dated December 14, 2021, the listed



Companies have to record the PAN, Nominations and KYC details of all the shareholders and Bank Account details of first holder of all the security holders in physical mode. In this regard, the shareholders who are having physical shares are required to update their KYC i.e. PAN, Bank Details, Nomination before April 01, 2023, failing to which their folios will be frozen as per SEBI Circular.

20. Pursuant to SEBI Circular No. SEBI/HO/MIRSD/MIRSD\_ RTAMB/P/CIR/2022/8 dated January 25, 2022, the Members holding shares in physical form are required to convert their shares into dematerialized form, failing which the RTA will not initiate and/or accept any request from such Members. Further, upon non-conversion, such shares will be credited to the Suspense Escrow Demat Account of the Company which shall be credited to the Members only upon furnishing their demat details.

### **21) Remote e-Voting Instructions for shareholders:**

Remote e-Voting Instructions for shareholders post change in the Login mechanism for Individual shareholders holding securities in demat mode, pursuant to SEBI circular dated December 9, 2020:

Pursuant to SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode can vote through their demat account maintained with Depositories and Depository Participants.

Shareholders are advised to update their mobile number and email Id in their demat accounts to access e-Voting facility.

### **Login method for Individual shareholders holding securities in demat mode is given below:**

1. Individual Shareholders holding securities in demat mode with NSDL
  1. Existing IDeAS user can visit the e-Services website of NSDL viz... <https://eservices.nsd.com> either on a personal computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name i.e. LINKINTIME and you will be re-directed to "InstaVote" website for casting your vote during the remote e-Voting period.
  2. If you are not registered for IDeAS e-Services, option to register is available at <https://eservices.nsd.com> Select "Register Online for IDeAS Portal" or click at <https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp>
  3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://eservices.nsd.com> either on a personal computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen-digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name i.e. LINKINTIME and you will be redirected to "InstaVote" website for casting your vote during the remote e-Voting period.
2. Individual Shareholders holding securities in demat mode with CDSL
  1. Existing users who have opted for Easi / Easiest, can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <https://web.cdslindia.com/myeasi/home/login> or [www.cdslindia.com](http://www.cdslindia.com) and click on New System Myeasi.

2. After successful login of Easi/Easiest the user will be able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. LINKINTIME. Click on LINKINTIME and you will be redirected to “InstaVote” website for casting your vote during the remote e-Voting period.
  3. If the user is not registered for Easi/Easiest, option to register is available at <https://web.cdslindia.com/myeasi/Registration/EasiRegistration>.
  4. Alternatively, the user can directly access e-Voting page by providing demat account number and PAN No. from a link in [www.cdslindia.com](http://www.cdslindia.com) home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. LINKINTIME. Click on LINKINTIME and you will be redirected to “InstaVote” website for casting your vote during the remote e-Voting period.
3. Individual Shareholders (holding securities in demat mode) login through their depository participants You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name i.e. LINKINTIME and you will be redirected to “InstaVote” website for casting your vote during the remote e-Voting period.

**Login method for Individual shareholders holding securities in physical form is given below:**

Individual Shareholders of the company, holding shares in physical form as on the cut-off date for e-voting may register for e-Voting facility of Link Intime as under:

1. Open the internet browser and launch the URL: <https://instavote.linkintime.co.in>
2. Click on “**Sign Up**” under ‘**SHARE HOLDER**’ tab and register with your following details: -

**A. User ID:** Shareholders 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) (Shareholders 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 **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).

3. Click on ‘Login’ under ‘**SHARE HOLDER**’ tab.
4. Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on ‘**Submit**’.

**Cast your vote electronically:**

1. After successful login, you will be able to see the notification for e-voting. Select ‘**View**’ icon.

2. E-voting page will appear.
3. 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).
4. 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.

**Guidelines for Institutional shareholders:**

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.

**Helpdesk for Individual Shareholders holding securities in physical mode/ Institutional shareholders:**

Shareholders facing any technical issue in login may contact Link Intime INSTAVOTE helpdesk by sending a request at [enotices@linkintime.co.in](mailto:enotices@linkintime.co.in) or contact on: - Tel: 022 – 4918 6000.

**Helpdesk for Individual Shareholders holding securities in demat mode:**

Individual Shareholders holding securities in demat mode may contact the respective helpdesk for any technical issues related to login through Depository i.e. NSDL and CDSL.

<b>Login type</b>	<b>Helpdesk details</b>
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022-23058738 or 22- 23058542-43.

**Individual Shareholders holding securities in Physical mode has forgotten the password:**

If an Individual Shareholders holding securities in Physical mode has forgotten the USER ID [Login ID] or Password or both then the shareholder can use the "Forgot Password" option available on the e-Voting website of Link Intime: <https://instavote.linkintime.co.in>

- o Click on '**Login**' under '**SHARE HOLDER**' tab and further Click '**forgot password?**'
- o Enter User ID, select Mode and Enter Image Verification code (CAPTCHA). Click on "SUBMIT".

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

User ID for Shareholders holding shares in Physical Form (i.e. Share Certificate): Your User ID is Event No + Folio Number registered with the Company

**Individual Shareholders holding securities in demat mode with NSDL/ CDSL has forgotten the password:**

Shareholders who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned depository/ depository participants website.

- 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 this 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”.

## **22) Process and manner for attending the Extra-Ordinary General Meeting through InstaMeet**

1. 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

## **23) Instructions for Shareholders/ Members to Speak during Extra-Ordinary 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.

## **24) Instructions for Shareholders/ Members to Vote during the Extra-Ordinary 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.**



**Pooja Dua  
Company Secretary & Compliance Officer**

**Place: Lucknow  
Dated: 12.02.2022**

**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. 1**

Members are apprised that the Company has received request letters from few members of Promoter Group for reclassification to Public category in terms of Regulation 31A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

**Request from Outgoing Promoters**

Mrs. Uma Devi Jhunjunwala on behalf of self and Prakashchandra Dwarkadas Jhunjunwala -HUF, Madhu Prakash Jhunjunwala (hereinafter referred to as the "Outgoing Promoters") who are part of the Promoter Group holding 7401648 equity shares representing 8.04% of the paid-up capital of the Company, has vide letter dated February 07, 2022 requested to reclassify their shareholding to 'Public' category.

The said shareholders became part of the Promoter Group of the company due to relationship of Late Prakashchandra DwarkaDas Jhunjunwala- Mrs. Uma Devi Jhunjunwala, being wife of Late Prakashchandra DwarkaDas Jhunjunwala and Ms. Madhu Prakash Jhunjunwala being Daughter of Late Prakashchandra DwarkaDas Jhunjunwala.

*Shri Prakashchandra Dwarkadas Jhunjunwala shifted his base in early 80's to Mumbai to concentrate on his own business interests. Though he continued to be on the board of the Company as Non- Executive Director, but had no active participation in the business of the Company and he also resigned from the position of Non-Executive Director of the Company with effect from 31.03.2005. He expired on 20<sup>th</sup> June, 2021.*

Further, Mrs. Uma Devi Jhunjunwala on behalf of self and Prakashchandra Dwarkadas Jhunjunwala -HUF, Madhu Prakash Jhunjunwala (hereinafter referred to as the "Outgoing Promoters") does not exercise any control over the Company, directly or indirectly, nor do they have any influence over the Board of Directors nor any key managerial personnel of the Company, nor do they hold substantial shareholding in the Company, which is evident from the following chart as on date therefore wanted to reclassify to during her lifetime to avoid any issues in future.

S.No	Name of the shareholder	No. of Shares held as at date of notice	% of holding
1	Prakashchandra Dwarkadas Jhunjunwala -HUF	32,78,271	3.56
2	Umadevi Jhunjunwala	25,51,717	2.77
3	Madhu Prakash Jhunjunwala	15,71,660	1.71
	<b>TOTAL</b>	<b>74,01,648</b>	<b>8.04</b>

**Confirmation by the Outgoing Promoters**

The Outgoing Promoters in their respective Request Letters have confirmed that, they along with the persons related to them:

- i. do not, together, hold more than 10% of the total voting rights in the Company;
- ii. do not exercise control over the affairs of the Company, directly or indirectly;
- iii. do not have any special rights with respect to the Company through formal or informal

- iv. arrangements including through any shareholder agreements;
- v. are not represented on the board of directors of the Company (including through nominee director);
- vi. are not acting as a key managerial person in the Company;
- vii. are not 'willful defaulters' as per the Reserve Bank of India Guidelines; and
- viii. are not fugitive economic offenders.

Further, the Outgoing Promoters have confirmed that subsequent to their reclassification, they shall continue to comply with the provisions of Regulation 31A(4) of the Listing Regulations for a period of not less than three years from the date of such re-classification.

#### **Confirmation by the Company**

As at the date of this Notice, the Company is compliant with the following conditions specified in Regulation 31A(3)(c) of the said Listing Regulations and is accordingly competent to make an application to the Stock Exchanges for their approval for re-classification of status of the said Outgoing Promoters to 'Public' shareholder category.

- a) The Company is in compliance with requirements of minimum public shareholding as required under Regulation 38 of the Listing Regulations;
- b) The trading in equity shares of the Company have not been suspended by the Stock Exchanges where equity shares of the Company are listed;
- c) The Company does not have outstanding dues to the SEBI, Stock Exchanges or the Depositories.

#### **Impact of Reclassification on Promoters/ Promoter Group**

As at the date of this Notice, the total Promoters holding is 34.95% and promoter group holding is 29.61% making total Promoters/ Promoter Group holding to 64.56%.

In the event, the reclassification is approved by the Members of the Company and the Stock Exchanges, the total Promoters holding will remain unchanged to 34.95% and Promoter Group holding shall reduce from **29.61% to 21.57%** and thereby total Promoters/ Promoter Group holding shall stand reduced from 64.56% to 56.52%.

#### **Board's Consideration and Recommendations**

Members may further note that on the basis of the rationale and the confirmation provided by the Outgoing Promoters, in accordance with provisions of Regulation 31A of the Listing Regulations, the Board of Directors of the Company at their meeting held on February 12, 2022 had approved unanimously the request for reclassification of

the Outgoing Promoters from "Promoter and Promoter Group" Category to the "Public" Category in the shareholding of the Company, records and/or disclosures subject to the approval of Members and Stock Exchanges where shares of the Company are listed i.e. BSE Limited and National Stock Exchange of India Limited.

Board also considered Company's confirmations in this matter and the impact of the proposed reclassification. Upon perusal of the above, Board of Directors of the Company approved the Reclassification Requests of the Outgoing Promoters, subject to approval of the Members and the Stock Exchanges.

#### **Approval of Stock Exchanges(s) & SEBI**

Post approval from the members, the Company will take appropriate steps including approval from Stock Exchanges where shares of the Company are listed for reclassification of Outgoing Promoters, Member of Promoter Group from "Promoter and Promoter Group" Category to the "Public" Category. On approval of the Stock Exchange(s) upon application for reclassification of the aforementioned applicant, the Company shall effect such reclassification in the Statement of Shareholding pattern from immediate succeeding quarter under

Regulation 31 of the Listing Regulations. Further, to give effect to the above reclassification if any approval/waiver is required from SEBI, the Company shall make necessary application for the same.

The above referred Request Letters are available for e-inspection of the Members.

Further, Outgoing Promoters seeking reclassification and person related to such promoters under Regulation 31A(1)(b) seeking reclassification shall not vote to approve such reclassification request.

**Details of shares held by Persons related to the promoter(s) seeking re-classification**

In terms of the Regulation 31A(1)(b) of Listing Regulations “persons related to the promoter(s) seeking re-classification” shall mean such persons with respect to that promoter(s) seeking re-classification who fall under sub-clauses (ii), (iii) and (iv) of clause (pp) of sub-regulation (1) of regulation 2 of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (SEBI ICDR Regulations).

Details of shares held by the Persons/entities covered in Regulation 2(1)(pp)(ii), (iii) & (iv) of SEBI ICDR Regulations:

Regulation	Details	Name of the Persons/entities	No of shares held	Percentage
(ii)	an immediate relative of the promoter (i.e. any spouse of that person, or any parent, brother, sister or child of the person or of the spouse)	1) Mrs. Manjari Jhunjhunwala  2) Mr. Pankaj Jain	25000  6000	0.027  0.006
(iii)	in case promoter is a body corporate:  A. a subsidiary or holding company of such body corporate; B. any body corporate in which the promoter holds twenty per cent. or more of the equity share capital; and/or any body corporate which holds twenty percent or more of the equity share capital of the promoter;	N/a	N/a	N/a
(iv)	in case the promoter is an individual:  A. any body corporate in which twenty percent or more of the equity share capital is held by the promoter or an immediate relative of the promoter or a firm or Hindu Undivided Family in which the promoter or any one or more of their relative is a member; B. any body corporate in which a body corporate as provided in (A) above holds twenty per cent. or more, of the equity share capital; and C. any Hindu Undivided Family or firm in	N/a	N/a	N/a



	which the aggregate share of the promoter and their relatives is equal to or more than twenty per cent. of the total capital;			
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Members may also note that none of other promoters/promoter Group are related to the Promoters seeking reclassification from “Promoter and Promoter Group” Category to “Public” Category.

None of the Directors, or their relatives are, in any way, concerned or interested, financially or otherwise, in the resolutions set out at Item No.2 except as stated above and to the extent of their shareholding as Member, if any.

The Board recommends passing of the proposed resolutions as stated in Item No.1 as an Ordinary Resolutions and requests Members’ approval for the same.

### **ITEM No:2**

The Company has been exploring the possibilities of development, diversification & modernisation since past few years. In this direction the Company has taken several initiatives including but not limited to engagement of consultants, advisors. On the recommendations of the Audit Committee of the Company the Board of Directors of the Company in their meeting held on February 12, 2022 had subject to the approval of the shareholders consented to enter into contract(s)/ arrangement(s)/ transaction(s) with the M/s Concept Consultings, a related party within the meaning of Section 2(76) of the Act and Regulation 2(1)(zb) of the Listing Regulations, including appointment at a place of profit, as a Consultant, Advisor or service provider by any other name, whatsoever, for taking services in relation to business of the Company including development, diversification, modernisation, on such terms and conditions as the Board may deem fit, up to a maximum aggregate value of Rs. 500 Lacs for each financial year. The above contract shall be initially for the period of three years and may be extended further for another three years.

Section 188 of the Act and the applicable Rules framed thereunder provide that any Related Party Transaction will require prior approval of shareholders through ordinary resolution, if the aggregate value of transaction(s) amounts to 10% or more of the annual turnover of the Company as per last audited financial statements of the Company. Further, the prior approval of the shareholders of the Company is also required in case of related party’s appointment to any office or place of profit in the company, its subsidiary company or associate company at a monthly remuneration exceeding two and a half lakh rupees.

Further, as required under Regulation 23(4) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, all material related party transactions other than as specified under Regulation 23 (5) of the said Regulations shall require approval of the shareholders through an Ordinary Resolution.

Pursuant to Rule 15 of Companies (Meetings of Board and its Powers) Rules, 2014, as amended till date, particulars of the transactions with the Related Party are as follows:

Sr. No.	Particulars	Remarks
1.	Name of the Related Party	M/s Concept Consultings
2.	Name of the Director or KMP who is related	Mr. Aditya Jhunjunwala, Managing Director Mr. Sanjay Jhunjunwala, Joint Managing Director Mr. Lakshmi Kant Jhunjunwala, Chairman
3.	Nature of Relationship	Partnership Firm in which Managing Director is a Partner
4.	Nature, material terms, monetary value and particulars of the contract or	Contract for availing services in relation to business of the Company including development, diversification,

	arrangement	modernisation, up to a maximum aggregate value of Rs. 500 Lacs for each financial year
5.	Any other information relevant or important for the members to take a decision on the proposed resolution	The above contract(s)/ arrangement(s)/ transaction(s) with the Related Party may also fall under the provisions of Section 188(1)(f) of the Act regarding the appointment at a place of profit

None of the Directors and Key Managerial Personnel of the Company or their respective relatives, other than as mentioned above is concerned or interested, financially or otherwise, in the resolution.

In terms of the provisions of Regulation 23(4) of the Listing regulations, the entities as falling under definition of related party of the Company shall vote to approve such resolutions whether the entity is a related party to the particular transaction or not. Further, the second proviso to Section 188(1) of the Act provides that no member of the company shall vote on such resolution, to approve any contract or arrangement which may be entered into by the company, if such member is a related party.

The Board of Directors recommends passing of the resolution as set out at item no. 2 of this Notice as an Ordinary Resolution.

#### **Item-3,4,5&6**

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 46<sup>th</sup> Annual general meeting of the Company held on 20.08.2019 for the period of five years. The Board in its meeting held on February 12, 2022 and November 10, 2021 considered the recommendation of the Nomination & Remuneration Committee and approved the proposal for the change in the terms of terms including remuneration and perquisites, by way of increase in the remuneration payable to them for remaining term of 2 years with effect from 01<sup>st</sup> April, 2022 to 31<sup>st</sup> March, 2024 as per the revised Terms and condition mentioned of Shri L.K. Jhunjunwala, Shri Aditya Jhunjunwala, Shri Sanjay Jhunjunwala and Shri S.C. Agarwal respectively.

In the terms of the provisions of the Section 197, 198 reads with Schedule V of the Companies Act 2013 and Regulation 17(6)(e) of the SEBI (Listing Obligations & Disclosure Requirement) Regulations, 2015 and other applicable provisions the approval of member by the way of special resolution is sought for making such variation. 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. 12,50,000/-Per month	Rs. 12,50,000/-Per month	Rs. 12,50,000/-Per month	Rs. 4,00,000/-Per month
Commission	Not exceeding Rs. 5 crores per annum, as may be approved by Board of its committee	Not exceeding Rs. 5 crores per annum, as may be approved by Board of its committee	Not exceeding Rs. 5 crores per annum, as may be approved by Board of its committee	Commission not exceeding 2% of Net profits under Section 198, as may be approved by Board of its committee
House	Free Furnished 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.	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.	Once in a 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	Membership of clubs in India, Abroad- admission and lifetime
Co.'s cont. to PF	As per company's rules and subject to the ceiling as per the law for the time being in force.	As per company's rules and subject to the ceiling as per the law for the time being in force.	As per company's rules and subject to the ceiling as per the law for the time being in force.	As per company's rules and subject to the ceiling as per the 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 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	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.	Co.'s car / reimbursement of travelling / other exp.
Telephone	Payment of telephone at residence / mobile cell phone bills shall not reckoned as perquisites	Payment of telephone at residence / mobile cell phone bills shall not reckoned as perquisites	Payment of telephone at residence / mobile cell phone bills shall not reckoned as perquisites	Payment of telephone 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 two years period starting with effect from 01<sup>st</sup> April, 2022 to 31<sup>st</sup> March, 2024, 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) There shall be no notice period and no severance fees.
- 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.-3, 4, 5 & 6 the above terms and conditions shall be applicable to the respective directors from 01<sup>st</sup> April, 2022 to 31<sup>st</sup> March, 2024 that is for their remaining term of appointment as per the resolution passed in the 46<sup>th</sup> Annual General Meeting of the company held on 20<sup>th</sup> day of August, 2019.

As proposed in item no 3, 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 197, 198 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 change in terms of appointment of Shri L.K. Jhunjhunwala, Shri Aditya Jhunjhunwala, Shri Sanjay Jhunjhunwala and Shri S.C. Agarwal, as set out above for the period April 01, 2022 till 31<sup>st</sup> March, 2024 that is the remaining term of appointment as per the resolution passed in the 46<sup>th</sup> Annual General Meeting of the company held on 20<sup>th</sup> day of August, 2019.

The above may be treated as a written memorandum setting out the terms of appointment of Shri L.K. Jhunjhunwala, Shri Aditya Jhunjhunwala, Shri Sanjay Jhunjhunwala and Shri S.C. Agarwal under Section 190 of the Act.

Shri L K Jhunjhunwala, Shri Aditya Jhunjhunwala & Shri Sanjay Jhunjhunwala are interested in the special resolution set out at Item No. 3, 4 & 5 with respect to their remunerations. The relatives of Shri L K Jhunjhunwala, Shri Aditya Jhunjhunwala & Shri Sanjay Jhunjhunwala may be deemed to be interested in the said resolution to the extent of their shareholding interest, if any, in the Company. Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 3, 4 & 5 of the Notice.

Shri S C Agarwal is interested in the special resolution set out at Item No. 6 with respect to his remuneration. The relatives of Shri S C Agarwal may be deemed to be interested in the said resolution to the extent of their shareholding interest, if any, in the Company. Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 6 of the Notice.

The Board recommends resolution set out in item no. 3, 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 item no. 3, 4, 5 & 6 ):

<b>I. General Information</b>			
Nature of Industry	Sugar, Rectified Spirit/Ethanol and Co-gen		
Date or expected date of commencement of commercial production	K.M. Sugar Mills Limited has legacy of more than 50 years with its date of incorporation being 17 <sup>th</sup> December, 1971		
Financial performance based on given indicators	The Company profit earned during the last 3 financial years is under: -		
	2018-19	2019-20	2020-21
	Rs. 24.35 crores	Rs.18.43 crores	Rs.26.24 crores
Foreign	-NA -		

investments or collaborations, if any																									
<b>II. Information about the appointees</b>																									
Background details	<ol style="list-style-type: none"> <li>1. Shri L.K. Jhunjhunwala is Chairman-cum-Whole Time Director;</li> <li>2. Shri Aditya Jhunjhunwala is Managing Director;</li> <li>3. Shri Sanjay Jhunjhunwala is Jt. Managing Director;</li> <li>4. Shri S.C. Agarwal is Executive Director cum C.E.O. ;</li> </ol>																								
Past remuneration	<p style="text-align: center;">Details of past remuneration are as follows: <span style="float: right;">(Rs. In lakhs)</span></p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th rowspan="2">Year</th> <th colspan="4">Remuneration</th> </tr> <tr> <th>L K Jhunjhunwala</th> <th>Aditya Jhunjhunwala</th> <th>Sanjay Jhunjhunwala</th> <th>S. C. Agarwal</th> </tr> </thead> <tbody> <tr> <td>2018-19*</td> <td style="text-align: center;">81.60</td> <td style="text-align: center;">68.51</td> <td style="text-align: center;">67.67</td> <td style="text-align: center;">29.73</td> </tr> <tr> <td>2019-20</td> <td style="text-align: center;">308.35</td> <td style="text-align: center;">308.13</td> <td style="text-align: center;">107.59</td> <td style="text-align: center;">44.08</td> </tr> <tr> <td>2020-21*</td> <td style="text-align: center;">181.22</td> <td style="text-align: center;">200.36</td> <td style="text-align: center;">110.61</td> <td style="text-align: center;">43.94</td> </tr> </tbody> </table>	Year	Remuneration				L K Jhunjhunwala	Aditya Jhunjhunwala	Sanjay Jhunjhunwala	S. C. Agarwal	2018-19*	81.60	68.51	67.67	29.73	2019-20	308.35	308.13	107.59	44.08	2020-21*	181.22	200.36	110.61	43.94
Year	Remuneration																								
	L K Jhunjhunwala	Aditya Jhunjhunwala	Sanjay Jhunjhunwala	S. C. Agarwal																					
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2019-20	308.35	308.13	107.59	44.08																					
2020-21*	181.22	200.36	110.61	43.94																					
Recognition or awards	<p>Under the leadership of team of all the above named Whole Time 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 49 years. Mr. Aditya Jhunjhunwala is a dynamic and young Management expert of Sugar Industry having experience for more than 27 years. He is also the current president of ISMA. Mr. Sanjay Jhunjhunwala is also young Management visionary and having experience for more than 23 years. Mr. S.C. Agarwal is well known for his pioneering in Sugar Technology, having experience for more than 43 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	Due to the efforts and contribution by the Whole Time Directors of the company, the company																								

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)	is able to reach a prominent position in the sugar industry. The company has ensured long term sustainability due to the contribution and efforts of the Whole Time Directors. The proposed remuneration is based on the standards with respect to the size and operation of the company and the profile of each Whole Time Directors. Therefore, the Nomination and Remuneration Committee and the Board considers the proposed remuneration justified.	
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 1,43,02,600 nos. Equity shares (15.55 %), Mr. Aditya Jhunjunwala holds 52,89,242 nos. Equity shares (5.75%) and Mr. Sanjay Jhunjunwala holds 24,94,600 nos. of Equity Shares (2.71%)of the Company. Besides remuneration, Mr. S.C. Agarwal is in no manner concerned and does not hold any share of the Company.	
<b>III. Other Information</b>		
Reasons of special resolution for payment of proposed remuneration in case of inadequate profits	The Company has earned profit during 2018-19, 2019-20 and 2020-21 of Rs. 24.35 crores, Rs.18.43 crores and Rs.26.24 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 and it expects a significant reduction in its operational costs. Further, the Company has enhanced its production capacity from 7500 TCD to 9500 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.	
<b>IV. Disclosures:</b> Disclosures pursuant to Schedule V to the Act is given in the explanatory statement hereinbefore and other Disclosure is as follows: - Details of remuneration paid / payable to the Directors for the year ended <i>31st March, 2021</i> and their shareholding as on that date is as under:		
Sl. no.	Particulars of Remuneration	Name of MD/WTD/Manager

		Sh. L K Jhunjhunwala	Sh. Aditya Jhunjhunwala	Sh. Sanjay Jhunjhunwala	Sh. S. C. Agarwal
		Chairman	Managing Director	Joint Managing Director	Executive Director- cum- CEO
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act,1961  (b) Value of perquisites u/s 17(2) Income-tax Act,1961 (c) Profits in lieu of salary under section7(3)Income tax Act, 1961	9600000  369691  -	9600000  284306  -	9600000  308867  -	3600000  362274  -
2.	Stock Option	N/a	N/a	N/a	N/a
3.	Sweat Equity	-	-	-	-
4.	Commission - as % of profit - Others, specify...	7000000	9000000	-	-
5.	Others, please specify-P.F.	1152000	1152000	1152000	432000
	Total (A)	18121691	20036306	11060867	4394274
	Service Contract/ Notice period/ Severance Fees	Term of office valid up to 31.03.2024. No notice period and no severance fees	Term of office valid up to 31.03.2024. No notice period and no severance fees	Term of office valid up to 31.03.2024. No notice period and no severance fees	Term of office valid up to 31.03.2024. No notice period and no severance fees
	Shareholding (Equity)	1,43,02,600 nos. (15.55 %),	52,89,242 nos. (5.75%)	24,94,600 nos. (2.71%)	Nil

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

**Pooja Dua  
Company Secretary & Compliance Officer**

**Place: Lucknow  
Dated: 12.02.2022**