



SBEC SUGAR LIMITED

CIN: L15421UP1991PLC019160

Regd Off: Village- Loyan Malakpur, Tehsil- Baraut, Baghpat, Uttar Pradesh-250611

T.: 01234-259206, 259273, Email id: investors@sbecsugar.com, Website: www.sbecsugar.com

NOTICE

Notice is hereby given that the **25th** Annual General Meeting of the Shareholders of **SBEC Sugar Limited** will be held on **Tuesday, the 24th day of September, 2019** at the Registered Office of the Company at **Village: Loyan, Malakpur, Tehsil: Baraut, District: Baghpat, Uttar Pradesh at 11:30 A.M.** to transact the following businesses:

ORDINARY BUSINESS:

1. Adoption of Standalone and Consolidated Financial Statements

To consider and adopt:

- The Audited Standalone financial statements of the Company for the financial period ended 31st March, 2019, the reports of the Board of Directors and Auditors thereon; and
- The Audited Consolidated financial statements of the Company for the financial period ended 31st March, 2019 and the Auditors Reports thereon.

2. To appoint Shri. Jayesh Modi, who retires by rotation as a Director

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 152 of the Companies Act, 2013, Shri. Jayesh Modi (DIN 02849637), who retires by rotation at this meeting be and is hereby appointed as a Director of the Company, liable to retire by rotation."

SPECIAL BUSINESS:

3. Appointment of Shri. Abhishek Modi as Whole Time Director Designated as Executive Director of the Company

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provision of section 196, 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the relevant provisions of the Articles of Association of the Company, the consent of the members be and is hereby accorded for the appointment of Shri. Abhishek Modi as Whole Time Director Designated as Executive Director of the Company for a period of five years with effect from 25th May, 2019 without any remuneration."

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

4. Re-appointment of Shri. Raj Kumar Sharma as Manager designated as "General Manager-Personnel and Administration"

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 read with Schedule V and other applicable provisions if any, of the Companies Act, 2013, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), and the Articles of Association of the Company consent of members of the Company be and is hereby accorded to the re-appointment of Shri. R.K. Sharma as a Manager designated as "General Manager-Personnel and Administration" on the Board of the Company for a period commencing from June 14, 2019 to August 25, 2019 upon the following terms and conditions:-

Total Salary

The Total CTC of Shri. R.K. Sharma will be in the range of Rs.14 to 17 Lacs per Annum. The above CTC will be bifurcated as per the standard salary structure of the company. He will be entitled for an annual increment as may be fixed by the Board of Directors (hereinafter referred to as



"the Board" which term shall be deemed to include Nomination and Remuneration Committee of the Board), within the above ceiling. He will also be entitled to the perquisites as per Company policies, as amended from time to time. Company's contribution to Provident Fund to the extent not taxable under the Income-tax Act, Gratuity according to the Company's rules and Encashment of Leave at the end of the tenure shall not be included in the limits for the remuneration or perquisites.

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

5. Re-appointment of Mr. Rohit Garg (DIN: 03296571) as an Independent Director.

To Consider and, if thought fit, to pass the following resolution, with or without Modifications as a "Special Resolution".

"RESOLVED THAT pursuant to the provisions of Sections 149, 150 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force of Mr. Rohit Garg (DIN: 03296571), who was appointed as an Independent Director to fill the casual vacancy, caused by the death of Sh. Manmohan and who holds office as an Independent Director up to September 25, 2019, in respect of whom the Company has received a declaration that he meets the criteria of independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, who is eligible for re-appointment, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of 5 (five) consecutive years i.e. up to September 24, 2024 on the Board of the Company.

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

6. Approval of Loans, Investments, Guarantee or Security under Section 185 of Companies Act, 2013.

To Consider and, if thought fit, to pass the following resolution, with or without Modifications as a "Special Resolution".

"RESOLVED THAT pursuant to the provisions of Section 185 of the Companies Act, 2013, read with Companies (Amendment) Act, 2017 and Rules made there under as amended from time to time, the consent of the Company be and is hereby accorded to authorize the Board of Directors of the Company (hereinafter referred to as the Board, which term shall be deemed to include unless the context otherwise required, any committee of the Board or any director or officer(s) authorized by the Board to exercise the powers conferred on the Board under this resolution) to advance any loan including any loan represented by a book debt, or give any guarantee or provide any security in connection with any loan taken by any entity covered under the category of 'a person in whom any of the director of the company is interested' as specified in the explanation to Sub section 2 of the said Section upto an aggregate sum of 60 Crores (Rupees Sixty Crores Only) in their absolute discretion deem beneficial and in the interest of the Company."

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution the Board of Directors of the Company be and are hereby authorised to do all acts, deeds and things in their absolute discretion that may be considered necessary, proper and expedient or incidental for the purpose of giving effect to this resolution in the interest of the Company."

7. Authorization for Related Party Transactions

To consider and, if thought fit, to pass the following resolution as a Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and Section 188 to the extent applicable and all other applicable provisions, if any, of the Companies Act, 2013 (the Act) read with Companies (Meetings of Board and its Powers) Rules, 2014 and subject to such other approvals, consents, permissions and sanctions of any authorities as may be necessary, consent of the members be and is hereby accorded to the Board of Directors of the Company ("hereinafter referred to as the "Board" which term shall include any Committee constituted by the Board or any person(s) authorized by the Board to exercise its powers, including the powers conferred by this Resolution) to enter into the contracts and/or arrangements, material related party transactions with the Related Parties and its associate companies as defined under the Act, with respect to sale, purchase or supply of any goods or materials, selling or otherwise disposing of or buying, leasing of property of any kind, availing or rendering of any services or any other transactions of whatever nature, giving and taking of ICD's and creation of Charge in favour of Related



Parties on such terms and conditions as may be mutually agreed upon between the Board of Directors of the company and the related parties, as per details mentioned below w.e.f. 1st April, 2019 and every year thereafter upto maximum amount per annum not to exceed Rs. 200 Crores:-

SI No.	Name of Related Party	Period of Contract	Particulars of Contract	Expected Maximum Value of Transactions per annum w.e.f. 1 st April, 2019 (Rs. Crores)
1.	Modi Industries Limited	1 st April, 2019 to 31 st March, 2022	Sale, purchase or supply of any goods or material, availing or rendering of any service or any other material related party transactions.	200 Crores
2.	Jayesh Tradex Private Limited	--do--	Sale, purchase or supply of any goods or material, availing or rendering of any service, Selling or otherwise disposing of, or buying, property of any kind, ICDs taken/given and creation of charges, payment of Interest on ICDs etc., or any other material related party transactions.	
3.	G.S. Pharmbutor Private Limited	---do--	Sale, purchase or supply of any goods or material, availing or rendering of any service, Selling or otherwise disposing of, or buying, property of any kind, sale of Sugar, ICDs taken/given and creation of charges, payment of Interest on ICDs etc., or any other material related party transactions.	
4.	SBEC Bioenergy Limited	---do---	Sale, purchase or supply of any goods or material, availing or rendering of any service, Selling or otherwise disposing of, or buying, property of any kind, Guarantee/ Security given or any other material related party transactions.	
5.	Longwell Investments Private Limited	----do---	Availing or rendering of any service, Selling or otherwise disposing of, or buying, property of any kind, ICDs taken/given, payment of Interest on ICDs or any other material related party transactions.	
6.	Arvind Continental Private Limited	---do---	Availing or rendering of any service, ICDs taken/given, payment of Interest on ICDs, or any other material related party transactions.	
7.	Moderate Leasing and Capital Services Limited	---do---	Availing or rendering of any service, ICDs taken/given, payment of Interest on ICDs, or any other material related party transactions.	
8.	Any other related party/ies not mentioned hereinabove and as defined under the Act.	--do--	Availing or rendering of any service, Selling or otherwise disposing of, or buying, property of any kind, ICDs taken/given, payment of Interest on ICDs, Guarantee/ Security given or any other material related party transactions.	

"RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters and things; to finalize or vary the terms and conditions of the transactions with the aforesaid parties; and to execute or authorize any person to execute all such documents, instruments and writings as may be considered necessary, relevant, usual, customary, proper and / or expedient for giving effect to this resolution and to settle all questions, difficulties or doubts that may arise in this regard at any stage without requiring the Board to secure any further consent or approval of the Members of the Company to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution for the purpose of giving effect to this Resolution."

8. Remuneration of Cost Auditors

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modifications(s) or re-enactments(s) thereof for the time being in force), the remuneration of Rs. 60,000/- (Rupees Sixty Thousand only) plus applicable tax and reimbursement of out of pocket expenses payable to M/s. M.K. Singhal & Co., Cost Accountants (Firm Registration No.00074) for conduct of audit of the cost records of the Company for the financial year ending March 31, 2020 as approved by the Board of Directors, be and is hereby ratified.

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

For & behalf of SBEC Sugar Limited

Date : 14th August, 2019
Place : New Delhi

Umesh Kumar Modi
Chairman & President

**NOTES:**

1. The relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("Act") in respect of the business under Item Nos. 3 to 8 of the Notice, is annexed hereto. The relevant details as required under SEBI (LODR) Regulations, 2015 entered into with the Stock Exchange, of persons seeking appointment / re-appointment as Directors under Items No. 3 to 8 of the Notice, are also annexed.
2. A Member entitled to attend and vote at the Annual General Meeting (AGM) is entitled to appoint a proxy to attend and vote instead of himself/herself and such proxy need not be a Member of the Company. The instrument appointing the proxy, in order to be effective, must be deposited at the Company's Registered Office, duly completed and signed in the format sent herewith, not less than FORTY-EIGHT HOURS before the commencement of the meeting. Proxies submitted on behalf of limited companies, societies, etc., must be supported by appropriate resolutions/authority, as applicable.

A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such person shall not act as a proxy for any other person or shareholder.
3. Corporate Members intending to send their authorized representatives to attend the meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representatives to attend and vote on their behalf at the meeting.
4. The Register of Members & Share Transfer Books of the Company will remain closed from 18th September, 2019 to 24th September, 2019 (both days inclusive).
5. **The requirement to place the matter relating to appointment of Auditors for ratification by members at every AGM is done away with vide notification dated May 7, 2018 issued by the Ministry of Corporate Affairs, New Delhi. Accordingly, no resolution is proposed for ratification of appointment of Auditors, who were appointed in the Annual General Meeting held on August 29, 2017.**
6. Members, who hold shares in dematerialized form, are requested to notify, changes, if any, in their address, to their respective Depository Participant and those, who hold shares in physical form, may intimate the same to the Company.
7. Members holding shares in physical form are requested to consider converting their holding to dematerialized form to eliminate all risks associated with physical shares and for ease of portfolio management. Members can contact the Company or Beetal Financial & Computer Services Pvt. Ltd for assistance in this regard.
8. Members holding shares in physical form in identical order of names in more than one folio are requested to send to the Company or Beetal Financial & Computer Services Pvt. Ltd, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be returned to such Members after making requisite changes thereon.
9. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by Member holding shares in:
 - a) Demat form to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts and
 - b) Physical form to submit copies of PAN of all shareholders and original cancelled cheque of first shareholder along with copy of Pass Book or Bank Statements to the RTA.
10. SEBI has also mandated that for registration of transfer of securities, the transferee(s) as well as transferor(s) shall furnish a copy of their PAN card to the RTA for registration of transfer of securities.
11. As per SEBI notification dated 03.12.2018, request for Transfer of shares held in physical form will not be processed w.e.f. 31.03.2019 and it shall be mandatory to demat the shares to get the shares transfer in their name. Shareholders are therefore requested to dematerialize their shares for transfer purpose.
12. In case of joint holders attending the Meeting, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
13. Members/proxies are requested to bring attendance slips sent herewith duly filled in, for attending the meeting.
14. Members desiring any information as regards to accounts are requested to address their questions to the Company Secretary at least 7 days before the date of the meeting so that the required information is made available at the meeting.
15. The Notice of the AGM along with the Annual Report 2018-19 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company / Depositories, unless any Member has requested for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode.
16. To support the 'Green Initiative' Members who have not registered their e-mail addresses are requested to register the same with Beetal Financial & Computer Services Pvt. Ltd Company.
17. Members holding shares in physical form are advised to make nomination in Form SH-13 in respect of their shareholding in the Company. The nomination form will be made available by the Company on request.
18. Members may also note that the Notice of the Twenty Fifth Annual General Meeting and the Annual Report for financial year 2018-19 will also be available on the Company's website i.e. **www.sbecsugar.com** for their download.



19. Documents referred to in the accompanying notice are open for inspection at the Registered Office of the Company during office hours on all working days between 11.00 A.M to 1.00 P.M upto the date of Annual General Meeting.
20. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, the Company will be providing members facility to exercise their right to vote on resolutions proposed to be considered at the ensuing Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by Central Depository Services Limited (CDSL).

The Board of Directors has appointed Ms Nupur Gupta, Practicing Chartered Accountant, 214, Citi Centre, Begum Bridge Road, Meerut, U.P.-250002 (Membership No-075983) as Scrutinizer to scrutinize voting process in a fair and transparent manner. The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith submit to the Chairman of the Company.

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on Saturday 21st day of September, 2019 and ends on Monday 23rd day of September, 2019. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of Tuesday 17th day of September, 2019 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website **www.evotingindia.com**.
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to **www.evotingindia.com** and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form

PAN: Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)

— Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.

— In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.

Dividend Bank Details OR Date of Birth (DOB)

Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.

— If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant **SBEC SUGAR LIMITED** on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.



- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the changed password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) **Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store. Please follow the instructions as prompted by the mobile app while voting on your mobile.**
- (xix) **Note for Non-Individual Shareholders and Custodians**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to **www.evotingindia.co.in** and register themselves as Corporate.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to **helpdesk.evoting@cdslindia.com**.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts should be mailed to **helpdesk.evoting@cdslindia.com** and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at **www.evotingindia.com**, under help section or write an email to **helpdesk.evoting@cdslindia.com**.

GENERAL INSTRUCTIONS:

- (A) The voting period begins on Saturday 21st day of September, 2019 at 9:00 AM and ends on Monday 23rd day of September, 2019 at 5:00 PM. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of Tuesday 17th day of September, 2019 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (B) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at **www.evotingindia.co.in** under help section or write an email to **helpdesk.evoting@cdslindia.com**.
- (C) Mr. Shobit Nehra, Company Secretary and Compliance Officer of the Company shall be responsible for addressing all the grievances in relation to this 25th Annual General Meeting including e-voting. His mail ID is **investors@sbecsugar.com** and may be contacted on phone no. 011-42504878.
- (D) The Notice of the 25th Annual General Meeting are being sent to all the Members, whose names appear in the Register of Members as on cut-off date (record date) i.e. 23th August, 2019 through the mode prescribed under the Companies Act, 2013 and also by E-Mail, wherever registered. The Members may also download a copy of the Notice from the Website of the Company (**www.sbecsugar.com**)
- (E) The Members of the Company, holding Equity Shares either in physical form or in dematerialized (demat) form as on 17th September, 2019 and not casting their vote electronically, may only cast their vote at the 25th Annual General Meeting. The voting rights of shareholders shall be in proportion to their shareholding of paid up share capital of the Company as on 17th September, 2019.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013.

ITEM NO.3

The Board of Directors changed the designation of Shri. Abhishek Modi from Whole Time Director to Non Executive Director of the Company w.e.f. 13.02.2019 subject to the approval of shareholder, after that Board of Directors received a request letter from Shri Abhishek Modi where he again showed his willingness to act again as Whole Time Director of the Company.

Then on the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company at its meeting held on May 25, 2019 approved appointment of Shri. Abhishek Modi, as Whole Time Director Designated as Executive Director of the Company for a term of five years commencing from 25th May, 2019 subject to the approval of the members of the Company.

The Board of Directors of the Company has recommended this resolution for approval of the members for his appointment on the terms detailed in the resolution, with effect from 25th May, 2019 in terms of Section 196, 197 and 203 of the Companies Act, 2013 read with Schedule V and other applicable provisions of the Companies Act, 2013.

The profile and specific areas of expertise of Shri. Abhishek Modi is provided to this notice. Mr. Abhishek Modi is interested or concerned in the resolution. Further Mr. Umesh K. Modi, Chairman and President, Mrs. Kumkum Modi and Mr. Jayesh Modi, Director being relatives of Mr. Abhishek Modi are deemed to be concerned or interested in the resolution.

The Board recommends the Ordinary Resolution set out at Item No. 3 of the Notice for approval of the members.

Disclosure under regulation 36(3) of the Listing Regulations is set out in the annexure to the Explanatory Statements.

**ITEM NO.4**

Pursuant to the provisions of Sections 196, 197, 203 read with Schedule V and other applicable provisions if any, of the Companies Act, 2013, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), and the Articles of Association of the Company, the Board of Directors of the company has re-appointed Shri. R.K. Sharma (DIN- 07741845) Manager designated as "General Manager-Personnel and Administration" on the Board of the Company for a period of one year commencing from June 14, 2019 to June 13, 2020, and the Nomination and Remuneration Committee of Directors and the Board of Directors in their respective meeting held on 25.05.2019 have approved the re-appointment and proposed remuneration.

Further, by letter dated 14.08.2019 Mr. R.K. Sharma gave resignation from the post of Director and Manager of the Company w.e.f. 25th August, 2019. Therefore, on the recommendations of the Nomination and remuneration Committee, the Board of Directors recommends the re-appointment of Mr. R.K. Sharma, Manager designated as "General Manager- Personnel and Administration" for a period commencing from June 14, 2019 to August 25, 2019, subject to the approval of the shareholders of the Company and such other approvals as may be necessary in this regard.

The Information As Required Under Schedule V To The Companies Act, 2013 Is Given Hereunder:**I. GENERAL INFORMATION:**

(1)	Nature of Industry	The Company is engaged in the manufacturing and marketing Sugar at its unit at Village-Loyan, Malakpur, Tehsil-Baraut, Baghpat, U.P.
(2)	Date or expected date of commencement of commercial production	The Company is an existing Company and is into manufacturing operation since long.
(3)	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not Applicable
(4)	Financial performance based on given indicators:	Year ended 31 st March, 2019

	In lakhs
Sales and Other Income	40129.98
Total Expenditure	43064.45
Operating Profit/(Loss) before Depreciation, Exceptional items & Tax	(2934.47)
Depreciation & Exceptional items	1811.89
Operating Profit/ (Loss) after Depreciation and Exceptional items but before tax	(4746.36)
Income tax	-
Credit for Deferred tax	1.30
Profit / (Loss) after tax	(4747.66)

(5)	Export performance and net foreign exchange collaborations	Nil
(6)	Foreign investments or collaborators, if any	None

II. INFORMATION ABOUT THE APPOINTEE:

(1) Background details:	Shri. Raj Kumar Sharma has completed his Masters in Social work from Lucknow University. He has a rich experience in the field of Human Resource & Development for more than 31 Years.
(2) Past remuneration:	He was drawing a Basic Salary of Rs. 590,700/- and perquisites per annum.
(3) Recognition or awards:	None
(4) Job profile and his suitability:	Mr. Raj Kumar Sharma has served as Manager designated as "General Manager-Personnel and Administration" of the Company and as " OCCUPIER " under the Factories Act, 1948, Uttar Pradesh Sugarcane (Regulation of Supply & Purchase) Act, 1953. He has devoted whole time attention to the affairs of the Company. He has also performed such other duties as are assigned to him from time to time by the Board of Directors of the Company
(5) Remuneration proposed:	Details of the proposed remuneration is given in Item no. 4 of the Notice convening the 25th Annual General Meeting.
(6) Comparative remuneration profile with respect to industry size of the company, profile of the position and person:	The remuneration paid to Shri. Raj Kumar Sharma is in line with the industry norms and even on lower side when compared with similar profile in the industry.



(7) Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any:	Apart from remuneration, Mr. R.K. Sharma does not have any other pecuniary relationship with the Company. Further, Mr. R.K. Sharma is not related with any other managerial personnel of the Company.
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III. OTHER INFORMATION:

(1) Reasons of loss or inadequate profits:	The company has made losses during the financial year 2018-19. The reason for accumulated losses/inadequate profit were due to several external factors like (a) Irrational fixation of SAP by the State Government (b) Lower Sugar Price resulting into lower sugar sales realization (c) Negligible Molasses Prices.
(2) Steps taken or proposed to be taken for improvement:	The company is taking steps to improve quality of sugarcane by introducing various cane development Programme which will increase the recovery of sugar. Secondly, the Company has been taking all measures to maximize the efficiencies and minimize the cost of production of sugar.
(3) Expected increase in productivity and profit in measurable terms.	It is expected that in sugar season 2019-2020, the production of sugarcane and recovery will be better than the previous sugar season. The Government also has been taking steps to help the sugar industries in terms of various measures viz. compulsory export of sugar linked to the Cane Subsidy, minimum sugar selling price, hike in import duty of sugar, Interest Subvention scheme, and subsidy for sugar exports. However, the single most factor which drive the performance of the Company is the volatility in sugar selling price and the uncertainty in sugar procurement cost. In view of the facts stated above, it is difficult to forecast the productivity and profitability in measurable terms. However, the Company expects that the productivity and profitability may improve and would be comparable with the industry average.

Except Shri. R.K. Sharma and his relatives, if any, in the Company, none of the Directors, Key Managerial Personnel or their relatives is concerned or interested in the said Resolution.

The Board recommends the Ordinary Resolution set out at Item No. 4 of the Notice for approval by the members.

Disclosure under regulation 36(3) of the Listing Regulations is set out in the annexure to the Explanatory Statements.

ITEM No.5

Mr. Rohit Garg was appointed as an Independent Director to fill the casual vacancy, caused by the death of Sh. Manmohan and current term of his office is due to expire on September 25, 2019.

Mr. Rohit Garg, aged 39 years has experienced in the area of administration and management.

As per the provision of Section 149 of the Companies Act, 2013 an Independent Director shall hold office for a term upto five consecutive years on the Board of a Company but shall be eligible for re-appointment, for another term of upto five year, on passing a special resolution by shareholder.

Mr. Rohit Garg, has given consent and intimation in writing to act as a Director in form DIR-2 and intimation in form DIR-8, he is not disqualified from being re-appointed as an Independent Director in terms of Section 164 of the Company Act, 2013 and a declaration that he meets the criteria of independence as provided under Section 149(6) of the Company Act, 2013 & regulation 16 of SEBI (LODR), 2015 as amended from time to time.

Pursuant to recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company approved the re-appointment of Mr. Rohit Garg as Independent Non-Executive Director of the Company for a second term of five years commencing from 24th September, 2019 subject to the approval of shareholders of the Company and such other approvals as may be necessary in this regard.

In the opinion of the Board, Mr. Rohit Garg satisfies the conditions specified under the Companies Act, 2013, rule made there under and SEBI (LODR), 2015 for his appointment as an Independent Director of the Company. His continuation on the Board as Independent Director will be beneficial to the Company and the Board recommends the resolution set out under Item No.5 for the approval of the members as a Special Resolution.

Except Mr. Rohit Garg and his relatives, if any, in the Company, none of the Directors, Key Managerial Personnel or their relatives is concerned or interested in the said Resolution.

Disclosure under regulation 36(3) of the Listing Regulations is set out in the annexure to the Explanatory Statements.

ITEM NO. 6

The Company is expected to render support for the business requirements of other companies in the group, from time to time. However, owing to certain restrictive provisions contained in the Section 185 of the Companies Act, 2013, the Company was unable to extend financial assistance by way of loan, guarantee or security to other entities of the Group. In the light of amendments notified effective May 7, 2018, inter-alia replacing the provisions Section 185 of Companies Act, 2013, the Company with the approval of members by way of special resolution, would be in a position to provide financial assistance by way of loan to other entities in the group or give guarantee or provide security in respect of loans taken by such entities, for their principal business activities.

The members may note that board of directors would carefully evaluate proposals and provide such loan, guarantee or security proposals through deployment of funds out of internal resources / accruals and / or any other appropriate sources, from time to time, only for principal business activities of the entities in the Group.



Hence, in order to enable the company to advance loan to Subsidiaries/ Joint Ventures /associates/ other Companies/ Firms in which Directors are interested directly or indirectly under section 185 of the Companies Act, 2013 requires approval of members by a Special Resolution.

The Board of Directors Recommend the Special Resolution for approval by the members. Except Shri. Umesh Kumar Modi, Chairman& President, Smt. Kumkum Modi, Shri. Jayesh Modi, Non-Executive Director, Shri. Abhishek Modi, Whole Time Director and Shri. R.K. Agarwal, Director of the Company, none of the Directors or Key Managerial Persons or their relatives is concerned or interested in the resolution.

ITEM NO. 7

Pursuant to Section 188 of the Companies Act, 2013, the Company can enter into transactions which are in the ordinary course of business and/or are on arm's length basis. Transactions that do not satisfy these criteria can be carried out only with the approval of the shareholders accorded by way of an ordinary resolution. Though all the transactions with the related parties mentioned under the resolution in Item No.7 are in the ordinary course of business and are at arm's length basis.

Further, pursuant to Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, has made it mandatory that all material Related Party Transactions (i.e., the transaction/transactions to be entered into individually or taken together with previous transactions during a financial year, exceeds ten percent of the annual consolidated turnover of the company as per the last audited financial statements of the company) shall require approval of the shareholders by way of an ordinary resolution. The Audit Committee and the Board of Directors of the Company in their meetings held on 14th August, 2019 have approved the transactions given in Item No.7 of the Notice. However, since these transactions, though may be on arm's length basis and also may be in the ordinary course of business, yet as an abundant caution, it is proposed to seek approval of members by passing an ordinary Resolution pursuant to Section 188 read with rules made thereunder and as per Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Nature of Interest of Related parties in the Company is given below:-

Sl. No.	Name of the Related Party	Nature of Interest or Concern
1.	Modi Industries Limited	Sh. Umesh Kumar Modi Chairman & President of the Company is also Managing Director in the Related party and holds 3.15% shares in Related Party and Sh. Abhishek Modi Whole Time Director of the Company are also Director in Related Party.
2.	Jayesh Tradex Private Limited	Smt. Kumkum Modi Director are also Director in Related Party and Sh. Jayesh Modi Director holds Directorship and 99.99% shareholding in Related Party.
3.	G.S. Phrambutor Private Limited	Sh. Rajeev Kumar Agarwal, Independent Director is also Director in Related Party.
4.	SBEC Bioenergy Limited	It is a Subsidiary Company of the Company. Shri. Umesh Kumar Modi is common chairman of the Board of Directors of both companies, while Sh. Abhishek Modi, Whole Time Director is Whole Time Director in both the Companies.
5.	Longwell Investment Private Limited	Sh. Umesh Kumar Modi, Smt. Kumkum Modi, Sh. Abhishek Modi, Sh. Jayesh Modi Directors of SBEC Sugar Limited are also Directors in Related Party.
6.	Arvind Continental Private Limited	Relative of Smt. Kumkum Modi (Director of SBEC Sugar Limited) is Director in Related Party.
7.	Moderate Leasing and Capital Services Limited	Holds 19.02% of paid-up Equity Share Capital of the company and belongs to the part of promoter group of the Company

ITEM NO. 8

The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of M/s M.K. Singhal & Co., Cost Accountants as Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending March 31, 2020. In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the Company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 8 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2020.

The Board recommends the Ordinary Resolution at Item No. 8 for approval of the Members. None of the 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. 8 of the Notice.

For & behalf of SBEC Sugar Limited

Date : 14th August, 2019
Place : New Delhi

Umesh Kumar Modi
Chairman & President



Details of Directors seeking appointment/ re-appointment in Annual General Meeting [Pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

Name of Director	Mr. Jayesh Modi	Mr. Abhishek Modi	Mr. Raj Kumar Sharma	Mr. Rohit Garg
Director Identification Number (DIN)	02849637	00002798	07741845	03296571
Date of Birth & Age	14/11/1991 & 28 Yr	22/12/1975 & 44 Yr	11/08/1961 & 57 Yr	16/12/1979 & 39 Yr
Date of Appointment	18/06/2010	13/05/1994	23/02/2017	25/03/2016
Qualifications	Completed his studies in United Kingdom.	Engineering Graduate and has done Masters in Business Administration from Harvard Business School, U.S.A.	Completed his Master in Social work from Lucknow University	M.B.B.S from University of Pune, M.D. from Chattarpati Sahu Ji Maharaj Medical University
Expertise	He has rich experience in various types of Packaging Products.	He has more than 18 years of vast experience in Business Industry.	He has a rich experience in the field of Human Resource & Development for more than 32 Years.	He has rich experience in the area of Administration and Managements
Shareholding of Director in the Company	55,487	NIL	NIL	NIL
Relationship with other directors and KMPs of the Company	Mr. Umesh Kumar Modi (father) Mrs. Kumkum Modi (Mother) Mr. Abhishek Modi (Brother)	Mr. Umesh Kumar Modi (father) Mrs. Kumkum Modi (Mother) Mr. Jayesh Modi (Brother)	NIL	NIL
List of outside Directorships as on Appointment Date	1. A to Z Holdings Pvt. Ltd. 2. Modi-Mundipharma Pvt. Ltd. 3. Jayesh Traders Pvt. Ltd. 4. Longwell Investment Pvt. Ltd. 5. Modi Hitech India Ltd. 6. SBEC Bioenergy Ltd. 7. Win-medicare Pvt. Ltd. 8. Bihar Sponge Iron Ltd.	1. A to Z Holdings Private Limited 2. Bihar Sponge Iron Limited 3. Longwell Investment Private Limited 4. Modi Industries Limited 5. Modi Mundipharma Private Limited 6. Modiline Travel Service Private Limited 7. Modi Hitech India Limited 8. SBEC Bioenergy Limited 9. Win-Medicare Private Limited 10. Modi Goods and Retail Services P Ltd 11. Modi Arts Pvt. Limited 12. PHD Chamber of Commerce and Industry 13. Modi Ilva India Pvt. Limited 14. YPO (Delhi Chapter) U/S25	NIL	1. Bihar Sponge Iron Limited 2. Chandil Power Ltd. 3. Eazy Healthcare Solutions Pvt. Ltd. 4. Elpis Pharmaceuticals Pvt. Ltd.
Chairmanship/ Membership of Committee	Nil	Nil	Nil	Nil