

**SIR SHADI LAL ENTERPRISES LIMITED**

Board of Directors	:	Shri Lakshmi Kant Dawarka Das Jhunjhunwala – Chairman (DIN No. 01854647) Shri Rajat Lal – Managing Director (DIN No. 00112489) Shri Vivek Viswanathan – Joint Managing Director (DIN No. 00141053) Shri Rahul Lal – Executive Director (DIN No. 06575738) Shri Hemantpat Singhania (DIN No. 00141096) Shri Onke Aggarwal (DIN No. 00141124) Shri R.C. Sharma (DIN No. 00023274) Smt. Radhika Viswanathan Hoon (DIN No. 06436444) Shri Ajit Hoon (DIN No. 00540300) Shri Sidharth Prasad (DIN No. 00074194)
BANKERS	:	State Bank of India Punjab National Bank
AUDITORS	:	Messrs Jugal Kishore & Associates, 1076, Hardyan Singh Road, Karol Bagh, New Delhi – 110 005
REGISTERED OFFICE	:	4 – A, Hansalaya, 15, Barakhamba Road, New Delhi – 110 001
MANUFACTURING UNITS	:	Upper Doab Sugar Mills, Shamli – 247 776 (U.P.)  Shamli Distillery & Chemical Works, Shamli – 247 776 (U.P.)



## SIR SHADI LAL ENTERPRISES LIMITED

(Corporate Identity No. L51909DL1933PLC009509)

Regd. Office: 4 – A, Hansalaya, 15, Barakhamba Road, New Delhi– 110 001

Ph. 011– 23316409, Fax No. : 011-23722193 Email Id [udsm\\_shamli@sirshadilal.com](mailto:udsm_shamli@sirshadilal.com), Website : [www.sirshadilal.com](http://www.sirshadilal.com)

### NOTICE FOR THE 83RD ANNUAL GENERAL MEETING

Notice is hereby given that the 83rd Annual General Meeting of the Shareholders of Sir Shadi Lal Enterprises Limited will be held on Tuesday, the 26th September, 2017 at 11.00 a.m. at P.H.D. House, 4/2, Siri Institutional Area, August Kranti Marg, Opposite Asian Games Village, New Delhi - 110 016 to transact the following business:

#### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2017, Statement of Profit and Loss account for the year ended on that date together with the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Rahul Lal, (DIN: 06575738) who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. Ajit Hoon, (DIN: 00540300) who retires by rotation and being eligible, offers himself for re-appointment.
4. To consider and, if thought fit, to pass, with or without modification (s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of section 139 and all other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, as amended from time to time; M/s Jugal Kishore & Associates, Chartered Accountants, Firm Registration No 01045N, having their office at 1076, Hardyan Singh Road, Karol Bagh, New Delhi 110005 be and are hereby appointed as Auditors of the Company to hold office from the conclusion of 83rd Annual General Meeting (AGM) till the conclusion of the 88th Annual General Meeting (AGM) of the Company to be held in the year 2022 (subject to ratification of their appointment at every AGM), at such remuneration plus GST, out-of-pocket and traveling expenses, etc., as may be mutually agreed between the Board of Directors of the Company and the Auditors.”

#### SPECIAL BUSINESS:

5. To consider and, if thought fit, to pass, with or without modification (s), the following resolution as an Ordinary Resolution:  
“RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification (s) or re-enactment thereof, for the time being in force), payment of remuneration as set out in the Statement annexed to the Notice convening this Meeting to Mr. Rishi Mohan Bansal, Cost Auditors (Firm Registration

No. 000022) who was appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the Financial Year ending 31st March, 2018 be and is hereby ratified and approved.”

“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”.

6. To consider and, if thought fit, to pass with or without modification(s) the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Section 180(1)(a) and all other applicable provisions, if any, of the Companies Act, 2013 (including any amendment thereto or re-enactment thereto for the time being in force), the Memorandum and Articles of Association of the Company and subject to the other applicable statutory provisions, rules, regulations, guidelines, and subject to the consents, approvals, sanctions and permissions as may be required from the concerned Statutory Authorities and subject to such terms and conditions as may be imposed by them; 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 expression shall also include a Committee thereof constituted by the Board in this regard), to sale/ transfer the 2800 sq. mtr. of land of the Company situated at the factory premises of the Company at Shamli, at such price not lower than the Circle rate or book value of the concerned land whichever is higher on the transfer date and on such other terms and conditions as may be decided by the Board of Directors, effective from such date, as the Board may deem fit in the best interest of the Company.”

“RESOLVED FURTHER THAT the Board be and is hereby authorized to do and perform all such acts, matters, deeds and things, as may be necessary without further referring to the Members of the company including finalizing the terms and conditions, methods and modes in respect thereof, determining the exact effective date, and finalizing and executing necessary documents including agreements, deeds of assignments, and such other documents as may be necessary or expedient in its own discretion and in the best interest of the company including the power to delegate, to give effect to this Resolution.”

7. To consider and, if thought fit, to pass, with or without modification(s), the following Resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and all other applicable provisions of the Companies Act, 2013 (“Act”) and the Rules made there under



read with Schedule IV to the Act, (including any statutory modification(s) or re-enactment thereof for the time being in force) and pursuant to applicable provisions of SEBI (LODR) regulation 2015, Mr. Sidharth Prasad (DIN 0074194), who was appointed as an Additional Director of the Company by the Board of Directors at its meeting held on 26.09.2016 and whose term of office expires at this Annual General Meeting ('AGM') and in respect of whom the Company has received a Notice in writing from a Member alongwith the deposit of the requisite amount under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director be and is hereby appointed as an Independent Director of the Company not liable to retire by rotation for a period of 5 years from 26.09.2017 to 25.09.2022."

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

8. To consider and, if thought fit, to pass, with or without modification(s), the following Resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and all other applicable provisions of the Companies Act, 2013 ("Act") and the Rules made there under read with Schedule IV to the Act, (including any statutory modification(s) or re-enactment thereof for the time being in force) and pursuant to applicable provisions of SEBI (LODR) regulation 2015, Mr Lakshmi Kant Dwarka Das Jhunjhunwala (DIN 01854647), who was appointed as an Additional Director of the Company by the Board of Directors at its meeting held on 26.09.2016 and whose term of office expires at this Annual General Meeting ('AGM') and in respect of whom the Company has received a Notice in writing from a Member alongwith the deposit of the requisite amount under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director be and is hereby appointed as an Independent Director of the Company not liable to retire by rotation for a period of 5 years from 26.09.2017 to 25.09.2022."

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

9. To consider and, if thought fit, to pass, with or without modification (s), the following resolution as a Special Resolution:

"RESOLVED THAT in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 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), consent of the Company be and is hereby accorded to the increase in the remuneration of Mr. Rajat Lal, Managing Director w.e.f. 01.04.2017 for the remaining tenure of his appointment as set out in the explanatory Statement."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to vary the remuneration and perquisites including the monetary value thereof as specified

in the explanatory Statement, to the extent the Board of Directors may consider appropriate, as may be permitted or authorized in accordance with the provisions under the Companies Act, 2013 or Schedule appended thereto, for the time being in force or any statutory modification or re-enactment thereof and/or in rules or regulations promulgated thereunder."

10. To consider and, if thought fit, to pass, with or without modification (s), the following resolution as a Special Resolution:

"RESOLVED THAT in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 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), consent of the Company be and is hereby accorded to the increase in the remuneration of Mr. Vivek Viswanathan, Joint Managing Director, w.e.f. 08.08.2017 for the remaining tenure of his appointment as set out in the explanatory Statement."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to vary the remuneration and perquisites including the monetary value thereof as specified in the explanatory Statement, to the extent the Board of Directors may consider appropriate, as may be permitted or authorized in accordance with the provisions under the Companies Act, 2013 or Schedule appended thereto, for the time being in force or any statutory modification or re-enactment thereof and/or in rules or regulations promulgated thereunder."

11. To consider and, if thought fit, to pass, with or without modification (s), the following resolution as a Special Resolution:

"RESOLVED THAT in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 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), consent of the Company be and is hereby accorded to the increase in the remuneration of Mr. Rahul Lal, Executive Director w.e.f. 08.08.2017 for the remaining tenure of his appointment as set out in the explanatory Statement."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to vary the remuneration and perquisites including the monetary value thereof as specified in the explanatory Statement, to the extent the Board of Directors may consider appropriate, as may be permitted or authorized in accordance with the provisions under the Companies Act, 2013 or Schedule appended thereto, for the time being in force or any statutory modification or re-enactment thereof and/or in rules or regulations promulgated thereunder."

12. To consider and, if thought fit, to pass, with or without modification (s), the following resolution as a Special Resolution:

"RESOLVED THAT in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial

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Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), approval of the Company be and is hereby accorded for re-appointment of Mr. Vivek Viswanathan as Joint Managing Director for a further period of Five years w.e.f. 01.01.2018 to 31.12.2022 on the terms & conditions and remuneration including commission and perquisites as set out in the explanatory Statement.”

“RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do such acts and things as specified in the explanatory Statement, to the extent the Board of Directors may consider appropriate, as may be permitted or authorized in accordance with the provisions under the Companies Act, 2013 or Schedule appended thereto, for the time being in force or any statutory modification or re-enactment thereof and/or in rules or regulations promulgated thereunder.”

**MEMBERS MAY PLEASE NOTE THAT NO GIFTS/GIFT COUPONS SHALL BE DISTRIBUTED AT THE VENUE OF THE MEETING.**

By order of the Board

**Rajat Lal**

Managing Director

DIN : 00112489

Place : New Delhi

Dated : 8th August, 2017

**NOTES:**

1. **A member entitled to attend and vote at the Annual General Meeting (“Meeting”) is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the Company. The Proxy form duly completed and signed, in order to be effective must be received at the registered office of the company not less than 48 hours before the commencement of the Meeting.**
2. **A person can act as a proxy on behalf of members not exceeding fifty and holding in aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as 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 representative to attend and vote on their behalf at the Meeting.
4. In terms of Article 98 of the Articles of Association of the Company, read with section 152 of the Companies Act, 2013 Mr. Rahul Lal and Mr. Ajit Hoon, Directors, retire by rotation at this meeting and being eligible, offer themselves for reappointment. The Board of Directors of the Company recommends their re-appointment.
5. As per Regulation 36(3) of the Listing Regulations and Secretarial Standards on General Meetings (SS-2), the brief resume and functional expertise of directors proposed for appointment/re-appointment are annexed to this notice along with the details of the Companies in which they are Directors and the Board Committees of which they are members.
6. An Explanatory Statement pursuant to Section 102(1) of the

Companies Act, 2013, relating to the Special Business to be transacted at the Meeting is annexed hereto.

7. The Register of Members and Share Transfer Books of the Company will remain closed from the 14th September 2017 to the 26th September, 2017 (both days inclusive).
8. Shareholders are requested to intimate to the Company/ Registrar and Transfer Agent, M/s Alankit Assignments Limited, change if any, in their registered addresses.
9. Members are informed that in case of joint holders attending the Meeting, only such joint holder who is higher in order of the names will be entitled to vote.
10. Relevant documents referred to in the accompanying Notice are open for inspection by the members at the Registered Office of the Company on all working days, between 11.00 a.m. and 1.00 p.m. up to the date of the Meeting and also at the meeting.
11. Members who are holding shares in identical order of names in more than one folio are requested to write to the Company or to the Share Transfer Agent of the Company, M/s Alankit Assignments Limited, to enable it to consolidate their holdings in one folio.
12. Members are requested to bring their copies of the Report and Accounts to the meeting.
13. Members, who hold shares in dematerialized form, are requested to bring their depository account number (Client ID No.) for easier identification and recording of attendance at the meeting.
14. Members who require any information about the accounts to be explained in the meeting are requested to inform the Company about their intended query at least seven days in advance of the meeting.
15. Pursuant to Section 205A and 205C of the Companies Act, 1956, unpaid/ unclaimed dividends for the year 1995-96, 1996-97, 1997-98, 1998-99, interim and final dividend of 1999-2000, 2000-2001, 2001-2002, 2003-04, 2004-05 & 2005-06 have been transferred by the Company to “Investor Education & Protection Fund”(IEPF) constituted by the Central Government under Section 205A and 205C of the Companies Act, 1956. Further, under the amended provisions of Section 205B of the Companies Act, 1956, no claim shall lie for the unclaimed Dividend from IEPF by the shareholders. Pursuant to the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on 26th September, 2016(date of last Annual General Meeting) on the website of the Company ([www.sirshadilal.com](http://www.sirshadilal.com)).
16. Pursuant to the provisions of Section 205A(5) of the Companies Act, 1956, dividend for the Financial Year ended 31st March, 2010 which remain unclaimed for a period of seven years will be transferred by the Company to the Investor Education and Protection Fund (IEPF) established by the Central Government pursuant to Section 125 of the Companies Act, 2013 as detailed below:

Financial Year	Date of Declaration of Dividend	Due date for the transfer to IEPF
2009-10	24.09.2010	30.10.2017





Shareholders who have not so far encashed/claimed their dividend warrants for the Financial Year 2009-2010 are requested to approach the Company for re-validation of dividend warrants or for obtaining duplicate dividend warrants. Shareholders are requested to note that no claim shall lie against the company or the said fund in respect of any amounts, from the aforementioned respective date of transfer.

17. Section 72 of the Companies Act, 2013, has extended nomination facility to individuals holding shares in Companies. Shareholders, in particular, those holding shares in single name, are requested to avail of the above facility by furnishing to the company Form SH-13. Shareholders may please write to the company for the prescribed Nomination Form SH-13.
18. The Securities and Exchange Board of India (SEBI) has mandated that 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 or Registrar and Transfer Agent, M/s Alankit Assignments Limited.
19. Members are requested to provide us the following information which is mandatory to maintain the Register of Members pursuant to provision of section 88 (1)(a) of the Companies Act, 2013 and rule 3(1) of the Companies (Management and Administration) Rules, 2014, Email ID, CIN/ Registration No., Unique Identification No., Father's/Mother's/Spouse's Name, Status, Occupation, PAN No., in case member is a minor, name of the guardian, Date of Birth of minor, details of membership, date of becoming member, date of declaration under section 89, if applicable.
20. Members who have not registered their e-mail addresses so far are requested to register their e-mail addresses for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.
21. Entry to the Auditorium will be strictly against entry slip available at the counters at the venue against exchange of Attendance Slip. Photocopy of the Attendance Slip will not be entertained.
22. For the security and safety of the Shareholders, no articles/baggage will be allowed at the venue of the meeting. The Members/Attendees are strictly requested not to bring any article/baggage etc. at the venue of the meeting.
23. Annual Report is also available at the website of the Company at [www.sirshadilal.com](http://www.sirshadilal.com) in the Investors Relations section.
24. In compliance with the provisions of section 108 of the Companies Act, 2013 and the Rules framed there under, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by NSDL, on all resolutions set forth in this Notice.

The instructions for e-voting are as under:

- A. In case a Member receives an e-mail from NSDL (for Members whose e-mail addresses are registered with the Company/Depositories):
  - i. Open the e-mail and also open PDF file namely "SLELE e-voting. pdf" with your Client ID or Folio

No. as password. The said PDF file contains your user ID and password for e-voting. Please note that the password is an initial password.

- ii. Open the internet browser and type the following URL: <https://www.evoting.nsdl.com>.
  - iii. Click on Shareholder – Login.
  - iv. If you are already registered with NSDL for e-voting then you can use your existing user ID and password.
  - v. If you are logging in for the first time, please enter the user ID and password provided in the PDF file attached with the e-mail as initial password.
  - vi. The Password Change Menu will appear on your screen. Change to a new password of your choice, making sure that it contains a minimum of 8 digits or characters or a combination of both. Please take utmost care to keep your password confidential.
  - vii. Once the e-voting home page opens, click on e-voting> Active Voting Cycles.
  - viii. Select "EVEN" (E-Voting Event Number) of Sir Shadi Lal Enterprises Limited. Now you are ready for e-voting as Cast Vote page opens.
  - ix. Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
  - x. Upon confirmation, the message "Vote cast successfully" will be displayed.
  - xi. Once the vote on the resolution is cast, the Member shall not be allowed to change it subsequently.
  - xii. Institutional shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned copy (PDF/JPG format) of the relevant Board Resolution/Authority letter, etc., together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to [sunil.jain.sk@gmail.com](mailto:sunil.jain.sk@gmail.com), with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
  - xiii. In case of any queries, you may refer the Frequently Asked Questions (FAQs)-Shareholders and e-voting user manual-Shareholders, available at the downloads section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- B. In case a Member receives physical copy of the Notice of AGM (for Members whose email addresses are not registered with the Company/Depositories):
    - i. Initial password is provided in the enclosed ballot form: EVEN (E-Voting Event Number), user ID and password.
    - ii. Please follow all steps from Sl. No. A (i) to Sl. No. A (xiii) above, to cast vote.
  - C. Other Instructions:
    - i. The e-voting period commences on 23rd September, 2017 (9.00 a.m. IST) and ends on 25th September, 2017 (5.00 p.m. IST). During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on 19th September 2017 may cast their vote electronically.

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- The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, he shall not be allowed to change it subsequently.
- ii. The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on 19th September, 2017.
  - iii. Shri Sunil K. Jain, Prop. Sunil K. Jain & Associates, Company Secretaries (Membership No. FCS 4089; C.P.No.4079), has been appointed as the Scrutinizer to scrutinize the e-voting process (including the Ballot Form received from the Members who do not have access to the e-voting process) in a fair and transparent manner.
  - iv. The Scrutinizer shall, within a period not exceeding three working days from the conclusion of the e-voting period, unblock the votes in the presence of at least two 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 to the Chairman of the Company.
  - v. The results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.sirshadilal.com](http://www.sirshadilal.com) and on the website of NSDL [www.evoting.nsdl.com](http://www.evoting.nsdl.com) within two days of the passing of the resolutions at the 83rd AGM of the Company and communicated to the BSE Limited, where the shares of the Company are listed.

#### **ANNEXURE TO NOTICE**

#### **Explanatory Statement under Section 102 (1) of the Companies Act, 2013**

##### **ITEM NO. 4**

As per provisions of Section 139(2)(b) of the Companies Act, 2013, M/s Basant Ram & Sons, Chartered Accountants, (Firm Registration No. 000569N), current Auditors of the Company, would complete their term as Auditors of the Company. The Board of Directors of the Company has, based on the recommendation of the Audit Committee, proposed the appointment of M/s Jugal Kishore & Associates, Chartered Accountants, Firm Registration No 01045N as the Auditors of the Company for a period of five years. M/s Jugal Kishore & Associates have consented to their appointment as Statutory Auditors and have confirmed that if appointed, their appointment will be in accordance with Section 139 read with Section 141 of the Act.

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

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. 4 of the Notice.

##### **ITEM NO. 5**

The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of the Cost Auditors to conduct the audit of the cost records of the Company for the Financial Year ending 31st March, 2018 as per the following details:

#### **Remuneration of Cost Auditor**

For the product "Sugar"

for Upper Doab Sugar Mills

Cost Audit Fee	Rs. 30,000
(inclusive of all incidental and traveling expenses)	per annum

For the product "Industrial Alcohol"

for Shamli Distillery & Chemical Works

Cost Audit Fee	Rs. 20,000
	per annum

Extra Travelling Expenses and	Actual
Incidental Expenses	Rs. 2,000
for attending Audit Committee/	per day
Board Meeting(s)	

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 members of the Company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 5 of the Notice for ratification of the remuneration payable to the Cost Auditors for the Financial Year ending 31st March, 2018.

The Board recommends the Ordinary Resolution set out at Item No. 5 of the Notice for approval by the shareholders.

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. 5 of the Notice.

##### **ITEM NO. 6**

U P State Bridge corporation Limited has expressed its interest to acquire a piece of land admeasuring 2800 Sq. Mtr. adjoining boundary wall of the factory for construction of a flyover over the railway line at the close vicinity of the factory. The Company has also received a proposal from the U P State Bridge Corporation Limited for sale/ transfer of the said land of the Company for erection of the aforesaid flyover,. It is in the interest of the public that, U P State Bridge Corporation Limited completes the flyover project. So far as the company is concerned, due to continuous losses in the past, in spite of profit in the two continuous years, the net worth of the Company is still in negative i.e. (-)33 Crs. at the end of the Financial Year 2016-17. Due to the negative net worth it is hard to get the financial assistance from the Banks, even if we get the finance from the Bank, the cost of finance is too high. Your management is willing to sell the said 2800 sq. mtr. of land of the Company situated at factory premises towards Budhana Road, Shamli so that the interest of the public may not suffer for the safe passage over the railway line. simultaneously It is presumed that the realization will be about Rs. 10 -15 Crores which will be used to pay the Cane growers liability and the remaining fund will be used for the modernization of the Sugar unit. It will help to improve the net worth of the company.

In terms of the 'Explanation' given in Section 180(1)(a) of the Companies Act,2013, the said land admeasuring 2800 Sq. Mtrs does not constitute the Whole or 'Substantially' the whole of the Undertaking of the Company . Hence provision of Section 110 of the Companies Act, 2013 would not apply to this transaction. The Board of Directors thought it prudent to seek the approval of members of the Company for transacting this item of business by way of passing a Special Resolution.



The Board recommends the Resolution, as a Special Resolution to the shareholders for approval.

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

#### ITEM NO. 7

The Board of Directors of the Company in its meeting held on 26.09.2016 has appointed Mr. Sidharth Prasad (DIN: 0074194) as an Additional Director of the Company in compliance of applicable provisions of Section 161 of the Companies Act, 2013 ('the Act') and all other provisions, if any. In terms of the provisions of section 161 of the Act, Mr. Sidharth Prasad would hold the office upto the date of ensuing Annual General Meeting of the Company. However he can be regularized as the Director at the Annual General Meeting of the Company. The Company has received the request notice in writing under Section 160 of the Act along with the deposit of Rs. 1,00,000/- (Rupees One Lakh Only) from a member proposing the candidature of Mr. Sidharth Prasad as an Independent Director of the Company. Further Mr. Sidharth Prasad has consented to the proposed appointment and has made a declaration that he meets the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. In the opinion of the Board of Directors, Mr. Sidharth Prasad, proposed to be appointed as the Independent Director of the Company, fulfills the conditions specified in the Act and rules made thereunder.

The Board recommends the resolution set forth in item no. 7 for the approval of members of the Company.

None of the Directors and Key Managerial Personnel of the Company and their relatives except Mr. Sidharth Prasad, being an appointee is concerned or interested, financial or otherwise, in the resolution.

#### ITEM NO. 8

The Board of Directors of the Company in its meeting held on 26.09.2016 has appointed Mr. Lakshmi Kant Dwarka Das Jhunjhunwala (DIN: 01854647) as an Additional Director of the Company in compliance of applicable provisions of Section 161 of the Companies Act, 2013 ('the Act') and all other provisions, if any. In terms of the provisions of section 161 of the Act, Mr. Lakshmi Kant Dwarka Das Jhunjhunwala would hold the office upto the date of ensuing Annual General Meeting of the Company. The Company has received the request notice in writing under Section 160 of the Act along with the deposit of Rs. 1,00,000/- (Rupees One Lakh Only) from a member proposing the candidature of Mr. Lakshmi Kant Dwarka Das Jhunjhunwala as an Independent Director of the Company. Further Mr. Lakshmi Kant Dwarka Das Jhunjhunwala has consented to the proposed appointment and has made a declaration that he meets the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. In the opinion of the Board of Directors, Mr. Lakshmi Kant Dwarka Das Jhunjhunwala, proposed to be appointed as an Independent Director of the Company, fulfills the conditions specified in the Act and rules made there under.

The Board recommends the resolution set forth in item no. 8 for the approval of members of the Company.

None of the Directors and Key Managerial Personnel of the Company and their relatives except Mr. Lakshmi Kant Dwarka Das Jhunjhunwala, being an appointee is concerned or interested, financial or otherwise, in the resolution.

#### ITEM NO. 9

Mr. Rajat Lal has been discharging responsibilities of the office of the Managing Director successfully and efficiently. Keeping in view of the salary structure of managerial personnel in the industries and present salary in the Sugar industries, the Nomination and Remuneration Committee of Directors at their meeting held on 06.02.2017 and Board of Directors at its meeting held 07.02.2017 have approved the increase in salary of Mr. Rajat Lal, Managing Director w.e.f. 01.04.2017 till his remaining tenure on the terms and conditions of appointment and remuneration including commission and perquisites as under:-

Name	: Mr. Rajat Lal
Designation	: Managing Director
Tenure of Office	: 01.04.2014 to 31.03.2019 as originally approved (Remaining tenure 01.04.2017 to 31.03.2019)
Salary per Month	: Rs.1,26,000/- (increased from Rs. 1,20,000/-)
Commission	: Remuneration by way of commission will also be allowed subject to the limits of total remuneration as laid down in section 197 read with Schedule V of the Companies Act, 2013 subject to the maximum of 4.5% of the net profits as reduced by the amount paid to him by way of salary and perquisites.

#### Perquisites

##### Part A

Housing	: 60% of the salary
Electricity & Water Charges	: 5% of the salary
Medical Reimbursement	: Expenses incurred for self and family, subject to a ceiling of one month salary per year or 5 months salary in a period of 5 years.
Personal Accident Insurance & Mediclaim Insurance	: Premium not to exceed Rs. 10,000 per year.

##### Part B

Company's contribution	: Company contribution towards Provident Fund @ 12% of salary and Superannuation Fund @ 15% of salary.
Gratuity	: As per rules of the Company
Encashment of Leave	: As per rules of the Company

##### PART-C:

- 1) **Car:** Provision of a chauffeur driven car for office use.
- 2) **Telephone:** Free telephone facility at residence, personal long distance calls to be paid by them.
- 3) **Entertainment Expenses:** Reimbursement of entertainment expenses actually and properly incurred in the course of legitimate business of the Company.

Payments in Part-C will not be considered as perquisites for the purpose of ceiling under Sections 197 of the Companies Act, 2013.

#### OTHER TERMS APPLICABLE TO THE APPOINTMENT & MINIMUM REMUNERATION:

1. He will not be paid any "Sitting fee" for attending the meetings of the Board of Directors or Committee's thereof.

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2. The Board/'Nomination and Remuneration Committee' may revise the existing terms or allow any other facilities/perquisites, from time to time, within the overall ceiling.
3. In the event of absence or inadequacy of profits in any Financial Year, he will be paid the above remuneration excluding commission as minimum remuneration, subject to the overall ceilings laid down in Part-II of Schedule V. (In that event, contribution to Provident Fund and Superannuation Fund to the extent these are exempted under the Income-Tax Act, 1961 and gratuity payable at the rate not exceeding half a month's salary for each completed year of service and encashment of leave at the end of tenure will not be included in the computation of the ceiling on perquisites).
4. The appointment may be terminated by either party by giving six calendar month's notice in writing or lesser notice as may be agreed to.

In the event of termination of the appointment by the Company, he will be entitled to receive compensation in accordance with the Provisions of section 191 & 202 of the Companies Act, 2013.

Brief resume of Mr. Rajat Lal, nature of his expertise in specific functional areas, names of companies in which he holds directorships and memberships/chairmanships of Board Committees, shareholding and relationships amongst directors inter-se as stipulated under Regulation 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations"), are provided in the Corporate Governance Report forming part of the Annual Report.

The Company has not defaulted in debt servicing. Hence, the proposed remuneration could be sanctioned by the shareholders, without need for the approval of Central Government, by way of special resolution. Statement containing prescribed information for this purpose is furnished hereunder.

Memorandum and Articles of Association, relevant resolutions passed by the Nomination and Remuneration Committee and the Board and the written memorandum setting out the terms of revision of salary of Managing Director vide Section 190 (1) (b) are available for inspection by members at the registered office of the Company between 11.00 a.m. and 1.00 p.m. on any working day and will also be available at the meeting.

The above may be treated as a written memorandum setting out the terms of revision of salary of Shri Rajat Lal under Section 190 of the Act.

Mr. Rajat Lal and Mr. Rahul Lal are interested in the resolution. None of the other Directors/Key Managerial Personnel of the Company/ his relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

Your Directors recommend for increase in salary of Mr. Rajat Lal, Managing Director of the Company.

Statement containing required information as per Part II of Section II of Schedule V of the Companies Act, 2013.

#### **I. GENERAL INFORMATION :**

(1)	Nature of industry	:	Manufacture of Sugar and all kind of Alcohol
(2)	Date of commencement of commercial production	:	26.6.1933
(3)	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	:	N.A.

#### **(4) Financial performance based on given indicators: (Rs. In Lakhs)**

Particulars	2016-17	2015-16	2014-15
Total Income	39894.36	27773.67	40251.97
Profit/(Loss) before providing for exceptional item and Depreciation	1968.41	166.41	(6327.60)
Exceptional Item	0	192.41	1636.99
Cash Profit /( Loss)	1968.41	358.62	(4690.61)
Provision for depreciation as per Companies Act	173.77	157.41	327.62
Profit/ (Loss) before tax	1794.64	201.21	(5018.23)
Current tax	0	0	28.59
Deferred Tax Assets	0	0	1895.56
Net Profit/ (Loss)	1794.64	201.21	(3094.08)
Net Worth	(3301.92)	(5096.56)	(5297.77)

(5)	Foreign investments or collaborations, if any.	:	N.A.
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#### **II. INFORMATION ABOUT THE MANAGING DIRECTOR:**

(1)	Background details	:	Shri Rajat Lal, aged 58 years, is B.Com., B.S.(U.S.A.), M.B.A. (U.S.A.). Mr. Rajat Lal was appointed as the Joint Managing Director of the Company by the shareholders of the Company in their meeting held on 27.05.1999 for a period of 5 years w.e.f. 01.04.1999. Mr. Rajat Lal was appointed as the Managing Director of the Company by the shareholders of the Company in their meeting held on 25.09.2003 for a period of 5 years w.e.f. 01.04.2004. He was re-appointed as Managing Director of the Company by the shareholders of the Company in their meeting held on 23.09.2013 for a further period of 5 years w.e.f. 01.04.2014.
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#### **(2) Past remuneration :**

Name of the Director	Financial Year	Category	Salary (Rs.)	Perquisites (Rs.)	Commission (Rs.)	Total (Rs.)	Service Contract/ Notice period/ Severance fees
Mr. Rajat Lal	2016-17	Managing Director	1440000	1376483	-	2816483	Contractual
	2015-16		1440000	1386713	-	2826713	Contractual
	2014-15		1440000	1367940	-	2807940	Contractual

(3)	Recognition or awards	:	N.A.
(4)	Job profile and his suitability	:	Mr. Rajat Lal has been discharging responsibilities of the office of the Managing Director successfully and efficiently for last more than two decades.





(5)	Remuneration proposed	:	As set out in the Statement under Section 102 (1) of the Companies Act, 2013.
(6)	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	:	Considering the profile and experience of Mr. Rajat Lal and current trend of compensation package in Sugar Industry and other Corporate, the remuneration proposed is in line with comparable remuneration levels in the industry.
(7)	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.	:	Mr. Rajat Lal holds 943421 equity shares in the Company. Other than the remuneration Stated above, he has no pecuniary relationship directly or indirectly with the Company. Mr. Rahul Lal, Executive Director of the Company, is a relative of him.

### III. OTHER INFORMATION:

(1)	Reasons of loss or inadequate profits	:	Sugar industry is intrinsically cyclical with huge swings in production between years. Sugar price precariously fall both in the global and local markets during glut in supply. Since Sugar and Sugarcane are essential commodities and politically sensitive, they are subject to State intervention like arbitrary cane price fixation as against Fair and Remunerative Price of Central Government. The Company has suffered losses in past years, due to less early variety cane, lower Sugar recovery and higher cost of production as against unviable Sugar sales realization. In spite of profit in two continuous years the networth of the company is negative.
(2)	Steps taken or proposed to be taken for improvement	:	To encourage farmers to do autumn planting on a large scale for facilitating multiple cropping which would in turn maximize their returns and would result in better recovery. Company is installing equipment for saving in steam, power consumption and better operational efficiencies.
(3)	Expected increase in productivity and profits in measurable terms.	:	The Company maintains commendable control over its operations that are however subject to climatic challenges, State intervention for fixing Sugar cane price on linkage to sale realization formula.

### IV. DISCLOSURES:

The following disclosures shall be mentioned in the Board of

Director's report under the heading "Corporate Governance", if any, attached to the financial Statement: -

(i)	all elements of remuneration package such as salary, benefits, bonuses, stock options, pension, etc., of executive directors for the Financial Year 2016-17 are as under:
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Sl. No.	Name of the Director	Category	Salary (Rs.)	Perquisites* (Rs.)	Commission (Rs.)	Total (Rs.)	Service Contract/ Notice period Severance fees
1.	Mr. Rajat Lal, Managing Director	Executive	1440000	1376483	-	2816483	Contractual
2.	Mr. Vivek Viswanathan, Joint Managing Director	Executive	1320000	1273394	-	2593394	Contractual
3.	Mr. Rahul Lal, Executive Director	Executive	720000	697376	-	1417376	Contractual
	Total		3480000	3347253	-	6827253	

(ii)	details of fixed component and performance linked incentives along with the performance criteria; N.A.
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(iii)	service contracts, notice period, severance fees;	:	The increase in remuneration is for his remaining tenure ie, from 01.04.2017 to 31.03.2019. The appointment may be terminated by either party by giving six calendar month's notice in writing or lesser notice as may be agreed to. In the event of termination of the appointment by the Company, he will be entitled to receive compensation in accordance with the Provisions of section 191 & 202 of the Companies Act, 2013.
(iv)	stock option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable.	:	N.A.

### ITEM NO. 10

Mr. Vivek Viswanathan is the Joint Managing Director of the Company. He was reappointed as Joint Managing Director for a period of three years from January 1, 2015 upto December 31, 2017 by the Board of Directors on the recommendation of the Nomination and Remuneration Committee in their meeting held on July 12, 2014 on the following remuneration :

- Salary : Rs.1,10,000/- per month..
- Commission: Remuneration by way of commission was also be allowed subject to the limits of total remuneration as laid down in section 197 read with Schedule V of the Companies Act, 2013 subject to the maximum of 4.5% of the net profits as reduced by the amount paid to him by way of salary and perquisites.

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(c) Perquisites : Shri Vivek Viswanathan, Joint Managing Director was also entitled to the following perquisites in addition to the above remuneration:-

**Part A**

Housing	:	60% of the salary
Electricity & Water Charges	:	5% of the salary
Medical Reimbursement	:	Expenses incurred for self and family, subject to a ceiling of one month salary per year or 5 months salary in a period of 5 years.
Personal Accident Insurance & Mediciclaim Insurance	:	Premium not to exceed Rs. 10,000 per year.

**Part B**

Company's contribution	:	Company contribution towards Provident Fund @ 12% of salary and Superannuation Fund @ 15% of salary.
Gratuity	:	As per rules of the Company
Encashment of Leave	:	As per rules of the Company

**PART-C:**

- 1) **Car:** Provision of a chauffeur driven car for office use.
- 2) **Telephone:** Free telephone facility at residence, personal long distance calls to be paid by them.
- 3) **Entertainment Expenses:** Reimbursement of entertainment expenses actually and properly incurred in the course of legitimate business of the Company.

Payments in Part-C was not be considered as perquisites for the purpose of ceiling under Sections 197 of the Companies Act, 2013.

Keeping in view of the salary structure of managerial personnel in the industries and present salary in the Sugar industries, the Nomination and Remuneration Committee of Directors at their meeting held on 08.08.2017 and Board of Directors at its meeting held 08.08.2017. have approved the increase in salary of Mr. Vivek Viswanathan, Joint Managing Director by 5% w.e.f. 08.08.2017 till his remaining tenure on the terms and conditions of appointment and remuneration including commission and perquisites as under:-

(a) Salary : Rs.1,15,500/- per month (Increased from Rs. 1,10,000/-)

(b) Commission: Remuneration by way of commission was also be allowed subject to the limits of total remuneration as laid down in section 197 read with Schedule V of the Companies Act, 2013 subject to the maximum of 4.5% of the net profits as reduced by the amount paid to him by way of salary and perquisites.

(c) Perquisites : Shri Vivek Viswanathan, Joint Managing Director was also entitled to the following perquisites in addition to the above remuneration:-

**Part A**

Housing	:	60% of the salary
Electricity & Water Charges	:	5% of the salary
Medical Reimbursement	:	Expenses incurred for self and family, subject to a ceiling of one month salary per year or 5 months salary in a period of 5 years.
Personal Accident Insurance & Mediciclaim Insurance	:	Premium not to exceed Rs. 10,000 per year in each case

**Part B**

Company's contribution	:	Company contribution towards Provident Fund @ 12% of salary
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and Superannuation Fund @ 15% of salary.

Gratuity	:	As per rules of the Company
Encashment of Leave	:	As per rules of the Company

**PART-C:**

- 1) **Car:** Provision of a chauffeur driven car for office use.
- 2) **Telephone:** Free telephone facility at residence, personal long distance calls to be paid by them.
- 3) **Entertainment Expenses:** Reimbursement of entertainment expenses actually and properly incurred in the course of legitimate business of the Company.

Payments in Part-C will not be considered as perquisites for the purpose of ceiling under Sections 197 of the Companies Act, 2013.

**OTHER TERMS APPLICABLE TO THE APPOINTMENT & MINIMUM REMUNERATION:**

1. He will not be paid any "Sitting fee" for attending the meetings of the Board of Directors or Committee's thereof.
2. The Board/'Remuneration Committee' may revise the existing terms or allow any other facilities/perquisites, from time to time, within the overall ceiling.
3. In the event of absence or inadequacy of profits in any Financial Year, he will be paid the above remuneration excluding commission as minimum remuneration, subject to the overall ceilings laid down in Section-II of Part-II of Schedule V. (In that event, contribution to Provident Fund and Superannuation Fund to the extent these are exempted under the Income-Tax Act, 1961 and gratuity payable at the rate not exceeding half a month's salary for each completed year of service and encashment of leave at the end of tenure will not be included in the computation of the ceiling on perquisites).
4. The appointment may be terminated by either party by giving six calendar month's notice in writing or lesser notice as may be agreed to. In the event of termination of the appointment by the Company, he will be entitled to receive compensation in accordance with the Provisions of section 191 & 202 of the Companies Act, 2013.

Brief resume of Mr. Vivek Viswanathan, nature of his expertise in specific functional areas, names of companies in which he holds directorships and memberships/chairmanships of Board Committees, shareholding and relationships amongst directors inter-se as stipulated under Regulation 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations"), are provided in the Corporate Governance Report forming part of the Annual Report.

The Company has not defaulted in debt servicing. Hence, the proposed remuneration could be sanctioned by the shareholders, without need for the approval of Central Government, by way of special resolution. Statement containing prescribed information for this purpose is furnished hereunder.

Memorandum and Articles of Association, relevant resolutions passed by the Nomination and Remuneration Committee and the Board and the written memorandum setting out the terms of increase in remuneration of Joint Managing Director vide Section 190 (1) (b) are available for inspection by members at the registered office of the Company between 11.00 a.m. and 1.00 p.m. on any working day and will also be available at the meeting.

Mr. Vivek Viswanathan and Smt. Radhika Viswanathan Hoon being related are interested in this resolution.

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.