

MAWANA SUGARS LIMITED

[CIN: L74100DL1961PLC003413]

Registered Office: 5th Floor Kirti Mahal 19 Rajendra Place New Delhi - 110125

Phone No: 91-11-25739103 | Fax No: 91-11-25743659

E-mail: corporate@mawanasugars.com | Website: www.mawanasugars.com



NOTICE

NOTICE is hereby given that 56th Annual General Meeting of the shareholders of Mawana Sugars Limited (the "Company"/ "MSL") will be held on Monday, the 10th day of August, 2020 at 11.00 A.M. through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the following business:

ORDINARY BUSINESS:

- To consider and adopt:
 - the audited financial statements of the Company for the financial year ended 31st March, 2020 and the reports of the Board of Directors and Auditors thereon; and
 - the audited consolidated financial statements of the Company for the financial year ended 31st March, 2020 and the report of Auditors thereon.
- To appoint a Director in place of Mr. Piar Chand Jaswal (DIN- 07100098) who retires by rotation and being eligible, offers himself for reappointment.

SPECIAL BUSINESS:

- 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 other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and any other applicable law, the remuneration of Rs.2,40,000/- (Rupees Two lacs Forty Thousand only) plus GST & out-of-pocket expenses, if any, payable to M/s Bahadur Murao & Co., Cost Accountants (Firm Registration No.4941), the Cost Auditors appointed by the Board of Directors of the Company, to conduct the audit of the cost accounting records of the Company for the financial year 2020-21, be and is hereby ratified and confirmed.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution."

- 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 applicable provisions of the Companies Act, 2013 and rules made thereunder (including any amendment thereto and enactment thereof), and the Memorandum of Association, commencement of business of production of Hand Sanitizers at its unit Nanglamal Sugar Complex, Nanglamal, situated in the state of Uttar Pradesh be and is hereby ratified.

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

- 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 181 and other applicable provisions of the Companies Act, 2013 (including any re-enactment(s) and amendment(s) made there under, if any, for the time being in force) and the applicable rules and regulations thereto, following donations made by the Company to support the efforts of Central Government and State Governments of the States where the operations of the company are located (namely Uttar Pradesh and Punjab) to fight against the dire situation caused by the spread of Corona Virus Pandemics be and is hereby ratified.

- One Time Donation of Rs. 10 (Ten) lacs to PM CARES Fund by the Company.
- One Time donation of Rs. 10 (Ten) Lacs to Punjab Chief Minister Relief Fund (by whatever name designated) by Siel Chemical Complex (SCC), Rajpura, Punjab, a Unit of the Company.
- One Time Donation of Rs. 10(Ten) lacs towards to UP Chief Minister Relief Fund (by whatever name designated) by Nanglamal Sugar Complex (NSC), Nanglamal, U.P., a Unit of the Company.
- One Time Donation of Rs. 10(Ten) lacs towards to UP Chief Minister Relief Fund (by whatever name designated) by Unit Mawana Sugar Works (MSW), Mawana, U.P., a Unit of the Company.
- One Time Donation to PM CARES Fund of an amount equivalent to one day basic salary donated by the employees of the Company.

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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 recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors and subject to the provisions of Sections 196, 197, 203 and Schedule – V of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time, and other applicable provisions, if any, of the Companies Act, 2013 and Article of Association of the Company, consent of the members of the Company be and is hereby accorded to the re-appointment of Mr. Dharam Pal Sharma (DIN-07259344), Whole Time Director of the Company for a period of 2 years w.e.f. 13.08.2020 to 12.08.2022 and payment of following remuneration for a period of 2 years w.e.f. 13.08.2020 to 12.08.2022 as under:

1.	Basic Salary	Rs.60,000/- per month.
2.	Provident Fund	As per the rules of the Company.
3.	Gratuity	As per the rules of the Company.
4.	Medical (Reimbursement)	Expenses incurred for self and family upto Rs.1,250/- p.m. as per the rules of the Company.
5.	Leave Travel Allowance	Rs.2,000/- per month.
6.	Conveyance Allowance	Rs.1,600/- per month.
7.	Special Allowance	Rs.1,24,950/- per month.
8.	Leave Facility	Leave facility and retirement benefits will be as per the rules of the Company.

Resolved further that the Board be and is hereby authorized to do all acts and to take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

By Order of the Board of Directors
For **Mawana Sugars Limited**

(**Ashok Kumar Shukla**)
Company Secretary
ACS-29673

Place : New Delhi
Dated : 26.06.2020

NOTES:

1. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the Ministry of Corporate Affairs (“MCA”) vide its circular dated May 5, 2020 read with circulars dated April 8, 2020 and April 13, 2020 (collectively referred to as “MCA Circulars”) has permitted the holding of the Annual General Meeting (“AGM”) through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 (“Act”), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) and MCA Circulars, the AGM of the Company is being held through VC / OAVM.
2. **Since, the AGM is being conducted through VC/ OAVM (without the physical presence of the members), the Proxy Form, Attendance Slip, Route Map and place of meeting are not required.**
3. Corporate members intending to attend the AGM through authorized representatives are requested to send a scanned copy of duly certified copy of the board or governing body resolution authorizing the representatives to attend and vote at the Annual General Meeting. The said Resolution/ Authorization shall be sent to the Scrutinizer by email through its registered email address to nirbhaykumar77@gmail.com with a copy marked to corporate@mawanasugars.com.
4. The register of members and share transfer books of the Company shall remain closed from 04.08.2020 to 10.08.2020 (both days inclusive) for the purpose of Annual General Meeting.
5. Members holding shares in electronic form are advised to notify the changes, if any, in their address/ bank details/ mandate to their respective depository participants.
6. Members holding shares in physical form, may write to the Company or to the registrar and share transfer agent Mas Services Limited (“RTA”) for any change in their addresses and bank mandate.
7. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are therefore requested to submit the PAN to their Depository Participants with whom they are maintaining their Demat accounts. Members holding shares in physical form can submit their PAN details to the Company or to the RTA.

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8. The statutory register maintained under Section 189 of the Companies Act, 2013 and Section 170 of the Companies Act, 2013, and all documents referred to in the Notice and accompanying explanatory statements will be available for inspection by members in electronic mode. Members can inspect the same by sending an email to corporate@mawanasugars.com.
9. In terms of Section 72 of the Companies Act, 2013 and related Rules thereunder, Member(s) of the Company may nominate a person to whom the Shares held by him/her shall vest in the event of his/her death. Member(s) desirous of availing this facility may submit nomination in the prescribed Form SH-13 to the RTA/Company in case shares are held in Physical form, and to their respective DP if held in electronic form. The Form SH-13 can be downloaded from the website of RTA.
10. Pursuant to provisions of Section 124 of the Companies Act, 2013, dividend which remains unpaid or unclaimed for a period of seven years from the date of its transfer to unpaid dividend account, is required to be transferred by the Company to Investor Education and Protection Fund ('IEPF'), established by the Central Government under the provisions of Section 125 of the Companies Act, 2013. Shareholders are advised to claim the unclaimed dividend lying in the unpaid dividend account from the Company's RTA or directly from the Company. It may be noted that once the unclaimed dividend is transferred to IEPF of the Central Government as above, no claim shall lie in respect thereof against the Company.
11. In Compliance with the aforesaid MCA Circulars and SEBI Circular dated May 12, 2020 Notice, inter-alia, explaining the manner of attending AGM through VC/OAVM and electronic (e-voting) voting along with explanatory statement of 56th AGM of the Company and with the Annual Report 2019-20 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories. Therefore, those Members, whose email address is not registered with the Company or with their respective Depository Participant/s, and who wish to receive the Notice of the 56th AGM and the Annual Report for the year 2019-20, may note that the Notice and Annual Report will also be available on Company's website www.mawanasugars.com, website of the stock exchanges i.e. BSE Limited and National Stock Exchange of India Ltd. at www.bseindia.com and www.nseindia.com respectively, on the website of CDSL at www.evoting.india.com and also at the website of our RTA at www.masserv.com.
12. PROCESS FOR THOSE SHAREHOLDERS WHO WISH TO OBTAIN LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE BUT WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES:
 1. For Physical shareholders- Kindly send an email with a scanned request letter duly signed by 1st shareholder, scan copy of front and back of one share certificate, and copy of PAN card to info@masserv.com
 2. For Demat shareholders - Kindly update your email id with your depository participant and send copy of client master to info@masserv.com
13. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
14. Additional information, pursuant to Regulation 36 (3), of the Listing Regulations, in respect of directors reappointing at the Annual General Meeting and Explanatory Statement as required under Section 102 of the Companies Act, 2013, in respect of special business under item numbers 3 to 6 of the Notice is appended hereto and forms part of this Notice.
15. In compliance with the provisions of Regulation 44 of the Listing Regulations and Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended, the Company is pleased to provide electronic voting facility to its members for transacting all the businesses as stated in the Notice for the 56th Annual General Meeting of the Company through remote e-voting services being provided by Central Depositories Services (India) Limited ("CDSL").
16. **THE INTRUCTIONS FOR SHAREHOLDERS FOR REMOTE E-VOTING ARE AS UNDER:**
 - (i) The Remote e-voting period begins on Friday, 7th August, 2020 at 09:00 a.m. and ends on Sunday, 9th August, 2020 at 05:00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. Monday, 3rd August, 2020 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

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- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting.
- (iii) The shareholders need to visit the e-voting website <https://www.evotingindia.com/>.
- (iv) Click on "Shareholders" module.
- (v) 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. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

	For Shareholders 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) <ul style="list-style-type: none"> • Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is mentioned in email..

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. <ul style="list-style-type: none"> • If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).
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- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders 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 also to be used by the demat holders for voting on resolutions of any other company for which they are eligible to vote, provided that the 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.
- (xi) For shareholders holding shares in physical form, the details can be used only for remote e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for Mawana Sugars Limited.
- (xiii) 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.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) After selecting the resolution on which you have decided to vote, 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.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

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- (xvii) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xviii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) Shareholders can also cast their vote using CDSE’s mobile app “m-Voting”. The m-Voting app can be downloaded from respective Store. Please follow the instructions as prompted by the mobile app while Remote Voting on your mobile.

17. INSTRUCTIONS FOR JOINING MEETING THROUGH VC:

- (i) To join the meeting, the shareholders should log on to the e-voting website <https://www.evotingindia.com/> and login as explained above. After logging-in, kindly click on ‘live streaming’ tab and you will be redirected to ‘cisco’ website.

In the “Name” field	Put your name.
In the “last name” field	Enter your folio no. as informed in e-mail
In the “Email ID” field	Put your email ID
In the “Event password” field	Put the password as “cdsl@1234”

Click join now button.

Event will start and you will be in the AGM through Video conferencing.

You can join meeting through laptop, tablet, and desktop. In case you want to join through mobile, you need to download the webex meet app from the respective play store .

PRE-REQUISITE FOR JOINING OF MEETING THROUGH DESKTOP OR LAPTOP:

- System requirement:
 - ✓ Windows 7, 8 or 10
 - ✓ I3
 - ✓ Microphone, speaker
 - ✓ Internet speed minimum 700 kbps
 - ✓ Date and time of computer should be current date and time

PRE-REQUISITE FOR JOINING OF MEETING THROUGH MOBILE:

- ✓ Please download webex application from play store

NOTE: IT IS ADVISABLE TO LOGIN BEFORE AND AT E-VOTING SYSTEM AS EXPLAINED IN E-VOTING INSTRUCTIONS ABOVE, TO BE FAMILIAR WITH THE PROCEDURE, SO THAT YOU DO NOT FACE ANY TROUBLE WHILE LOGGING-IN DURING THE AGM.

(ii) PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:

Physical Holding	<p>Send a request to Registrar and Transfer Agents of the Company, MAS Services Limited at info@masserv.com providing Folio number, Name of the shareholder, scanned copy of the share certificate (Front and Back), PAN(Self attested scanned copy of PAN Card), AADHAR (Self attested scanned copy of Aadhar Card) for registering email address.</p> <p>Please send your bank detail with original cancelled cheque to our RTA (i.e. MAS Services Limited, T-34 2nd floor, Okhla industrial area phase-II, New Delhi 110020 alongwith letter mentioning folio no. if not registered already.)</p>
Demat Holding	<p>Please contact your Depository Participant (DP) and register your email address as per the process advised by DP.</p> <p>Please also update your bank detail with your DP for dividend payment by NACH if declare by company.</p>

(iii) Note for Non – Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.

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- 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.
- 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.
- Alternatively, Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer viz: nirbhaykumar77@gmail.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

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 or call 1800225533.

- (iv) Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID/folio number, PAN, mobile number at corporate@mawanasugars.com latest by 05.08.2020. Those Members who have registered themselves as a speaker will only be allowed to express their views/ ask questions during the meeting. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.
- (v) Facility of joining the AGM through VC / OAVM shall open 15 minutes before the time scheduled for the AGM till 15 minutes thereafter and will be available for Members on first come first served basis upto 1000 members. The large shareholders (i.e. shareholders holding 2% or more shareholding), promoters, institutional investors, directors, key managerial personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors, etc. can attend the 56th AGM without any restriction on account of first-come first served principle.
18. The voting rights of Shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date i.e Monday, 3rd August, 2020.

19. M/s Nirbhay Kumar & Associates, Company Secretaries, has been appointed as the Scrutinizer to scrutinize the remote e-voting process and voting during AGM in a fair and transparent manner.
20. The Scrutinizer shall after the conclusion of voting at the AGM, will unblock the votes cast through e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than two days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
21. The results of remote e-voting and voting during AGM on the resolutions shall be aggregated and declared on or after the AGM of the Company. Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the AGM.
22. The Results shall be declared on or after the AGM of the Company. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company i.e. www.mawanasugars.com and on the website of CDSL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the Stock Exchanges i.e. National Stock Exchange of India Limited and BSE Limited.
23. Details as required in Regulation 36 (3) of the Listing Regulations and Secretarial Standard on General Meeting (SS-2) of ICSI, in respect of the Directors seeking re- appointment at the AGM is enclosed as Annexure-A to this notice.

EXPLANATORY STATEMENT

As required under Section 102 of the Companies Act, 2013 ("Act"), the following explanatory statement sets out all material facts relating to business mentioned under Item Nos. 3 to 6 of the accompanying Notice:

ITEM NO. 3

The Board of Directors on the recommendation of the Audit Committee, has approved the appointment of M/s. Bahadur Murao & Co., Cost Accountants (Membership No. 4941), New Delhi to audit the cost accounting records of the Company at a total remuneration of Rs.2,40,000/- (Rupees Two Lacs Forty Thousand only) plus GST and out of pocket expenses, if any.

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In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors is required to be ratified by the Members of the Company.

Accordingly, confirmation of the Members is being sought by passing an Ordinary Resolution as set out at Item No. 3 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year 2020-21.

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.

ITEM NO. 4

In view of the prevailing health care conditions caused by the spread of Corona Virus Pandemic, there is an acute and urgent demand and need of sanitizers in the Country. The Government of India as well as State Government of UP had requested the sugar industry to come forward and use its resources to manufacture sanitizers from the Ethanol produced by the captive distilleries of the sugar industry to meet the urgent and dire demand for the country.

Given the urgency of the situation and in the larger public and national interest, the production of Hand sanitizers using the Ethanol produced by the Company was commenced after completing the necessary statutory formalities with the help of the State Government authorities.

Since manufacture of the Hand Sanitizers is a new business, approval of the members is required for the same. The manufacture and marketing of Ethanol and consequent products is permissible under the OBJECTS Clause of the Memorandum of Association of the Company.

The Board recommends the resolution for ratification 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.

ITEM NO. 5

Pursuant to the provisions of Section 181 of the Act, approval of the members is necessary for any contribution to charitable and community development activity if such contribution in a financial year exceeds the limits prescribed in that Section.

The spread of COVID-19 pandemic in the country has thrown up major challenges to normal life of the citizens. This challenge is being fought at various levels both by the Central Government and the State Governments. In order to support the efforts of Central Government and the State Governments of the States where the operations of the

Company are located (namely Uttar Pradesh and Punjab), the Company has made contribution to various funds as mentioned in item listed at Sl. No.5 of the Notice. These donations are meant for a public purpose and National cause.

The Board recommends the resolution for ratification 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.

ITEM NO. 6

The Members of the Company in their 52nd AGM held on 13.6.2016 had approved the appointment of Mr. Dharam Pal Sharma, Whole Time Director of the Company for a period of 5 years w.e.f. 13.8.2015. His existing term expires on 12.8.2020.

The Board of Directors of the Company in its meeting held on 26.06.2020, on the recommendations of Nomination & Remuneration Committee, have re-appointed Mr. Dharam Pal Sharma (DIN-07259344) as Whole Time Director (WTD) of the Company for a period of two (2) years with effect from 13.8.2020 upto 12.8.2022 and payment of remuneration for a period of two years w.e.f. 13.8.2020 upto 12.8.2022 on the terms and conditions as stated in the resolution, subject to the approval of members and such other approvals as may be required in this regard. He shall be liable to Retire by Rotation.

It is proposed to seek the members' approval for the re-appointment of Mr. Dharam Pal Sharma, as Whole Time Director of the Company, by way of Special Resolution as required under Schedule V and sub-section (3) of Section 196 of the Companies Act, 2013.

Keeping in view that Mr. Dharam Pal Sharma has rich and varied experience in the Industry; it would be in the interest of the Company to re-appoint Mr. Dharam Pal Sharma as Whole Time Director of the Company. The proposed remuneration being paid to the Whole Time Director is much below the prevailing remuneration in the industry of similar size for similarly placed persons.

Mr. Dharam Pal Sharma is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director.

This explanatory statement may also be read and treated as disclosure in compliance with the requirements of Section 190 of the Companies Act, 2013. The Board of Directors recommends the resolution as set out under item no. 6 of this Notice for the approval of members of the Company.

NOTICE (Contd.)

None of the directors and Key Managerial Personnel and their relatives except Mr. Dharam Pal Sharma and his relatives are interested or concerned, financially or otherwise, in the aforesaid resolution as set out under item no. 6.

The information required to be disclosed in the explanatory statement to the Notice as per item (iv) to third proviso of Section II of Part II of Schedule V of the Companies Act, 2013 is detailed below:

I. GENERAL INFORMATION:

(1) Nature of Industry:

The Company is engaged in the manufacturing and marketing of Sugar, Ethanol and Cogeneration of Power at its units at Mawana Sugar Works, Mawana, Distt. Meerut, (U.P.) and Nanglamal Sugar Complex, Nanglamal, Distt. Meerut (U.P.). The Company is also producing and marketing Chlor Caustic from its Unit Siel Chemical Complex, Rajpura, Punjab.

(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

Figure of Total Revenue, net Profit/(Loss) and Effective Capital recorded during the last three financial years/periods (on basis of Audited Balance Sheet of the Company) are as follows:

Amount (Rs./Million)

Particulars	As on 31.3.2018	As on 31.3.2019	As on 31.3.2020
- Total Revenue	13539.33	11767.71	14059.20
- Net Profit/ (Loss)	162.40	424.40	(796.82)
- Effective Capital	4551.96	5687.82	5586.96

(5) Foreign investments or collaborators, if any (as on 31.3.2020): None

II. INFORMATION ABOUT THE APPOINTEES:

(i) Background Details:

Mr. Dharam Pal Sharma is B.Sc. (Ag) (Hons). Mr. Dharam Pal Sharma having a sound knowledge of Sugar Industry over the years, he has developed various other management skills. His experience of more than 38 years with various sugars Company like Punjab Sugar Federation, Triveni Engineering, Piccadilly Agro Industrial Limited, RBNS Sugar Mills and from last 20 years he is associated with the Company.

(ii) Past remuneration:

The past remuneration (last 3 years) paid to Mr. Dharam Pal Sharma are as under:

(Per Annum)

Particulars	March 31, 2018	March 31, 2019	March 31, 2020
Salary	Rs.17,73,000/-	Rs. 21,47,936/-	Rs.23,64,000/-

(iii) Recognition or Awards: None

(iv) Job Profile and his Suitability:

Mr. Dharam Pal Sharma is designated as Whole Time Director and is entrusted with the responsibility of taking the company out of its difficult phase through different approaches and efforts for the revival of the company.

He is overlooking the cane department on the priority basis and actively involved in developing harmonious relationship with farmers in view of difficult financial position of the Company due to high pending of cane dues.

He is also involved in the financial control functions, strategic decisions formulation and discussions with various stakeholders of the company.

He will also be responsible for developing technical team and coordinating with commercial functions etc.

(v) Remuneration Proposed:

The proposed remuneration of Mr. Dharam Pal Sharma as Whole Time Director of the Company is detailed in Item No. 6 above.

(vi) Comparative remuneration Profile with respect to, Industry size of the Company, profile of the position and person:

The remuneration paid was much below the prevailing remuneration in the industry of similar size for similarly placed persons.

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(vii) Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any.

Besides the remuneration paid to Mr. Dharam Pal Sharma as Whole Time Director, does not have any other pecuniary relationship with the Company.

III. OTHER INFORMATION:

(i) Reasons of loss or inadequate profits

Sugar, which is the main business of the Company is cyclical in nature and is largely dependent on climatic factors, supply demand position and government policies, including sugarcane pricing. High sugar production in the country results in softening of sugar prices, which in turn adversely affects the profitability of the sugar mills. Conversely lower production generally results in strong sugar profitability due to higher sugar prices.

The sugarcane price, is fixed by the Government of Uttar Pradesh (GoUP) in an arbitrary manner (State Advised Price - SAP) without any linkage to the prevailing sugar price. The GoUP is yet to carry out reforms as advocated by Dr. Rangarajan Committee Report and thus there is a complete mismatch between the output and input prices. The Sugarcane prices have been rising much faster than sugar sales price. This has resulted in huge losses to the sugar factories over a last many years.

Under the U.P. Sugar Industry Promotion Policy, the Company has invested Rs.700 Crores and all the incentives and subsidies due on the investments are held up since the GoUP has withdrawn the incentive Scheme. Since these investments were funded mainly by raising debts, the interest cost has gone up due to non- receipt of incentives from GoUP.

(ii) Steps taken or proposed for improvement

The Company has been taking all measures within its control to maximize efficiencies and optimize costs to lower the cost of production of sugar, realizing that it has little control over Government policies. With a view to make its sugar operations more viable, the Company has chalked out a road map with ambitious cane development targets which will further increase the recovery of sugar and increase the profitability of sugar integrated businesses, such as cogeneration and distillery operations. The Company hopes to increase

the production volumes, curtailing running cost, reduced manpower and reduced operational losses.

(iii) Expected increase in productivity and profit in measurable terms.

In the sugar season 2019-20, it is expected that the production of sugarcane and recovery will be better than the previous sugar season. The much awaited reforms by the Government in the sugar sector and resumption of normal economic growth in the country may accelerate the turnaround of the Company. The fundamentals of the Company are sound and it has well balanced and diversified business and has the potential of not being just profitable but achieving significant growth.

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.

IV. DISCLOSURES:

The requisite disclosures of remuneration package etc. have been mentioned in the statement appended in this Notice. At present, there is no stock option scheme available in the Company. The Disclosures are regularly provided in the Annual Report.

By Order of the Board of Directors
For **Mawana Sugars Limited**

Sd/-
(Ashok Kumar Shukla)
Company Secretary
ACS-29673

Place : New Delhi
Dated : 26.06.2020

NOTICE (Contd.)**ANNEXURE -A****DETAILS OF THE DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT/ CONTINUATION IN TERMS OF REGULATION 36 OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

Name of the Director	Mr. Piar Chand Jaswal	Mr. Dharam Pal Sharma
DIN	07100098	07259344
Date of Birth	01.04.1961	6.1.1953
Date of appointment	18.02.2015	13.8.2015
Expertise in specific functional area	Mr. Piar Chand Jaswal is a retired Junior Commission Officer from Indian Army.	Mr. Dharam Pal Sharma having a sound knowledge of Sugar Industry. Over the years, he has developed various other management skills. His experience of more than 38 years with various sugars Company like Punjab Sugar Federation, Triveni Engineering, Piccadilly Agro Industrial Limited, RBNS Sugar Mills and from last 20 years he is associated with the Company.
Qualification	Matriculate	B.Sc (Ag) (Hons)
Shareholding in the Company (including HUF)	Nil	Nil
No. of Meetings of Board attended during the year	For details please refer to the Corporate Governance Report, forming part of this Annual Report)	For details please refer to the Corporate Governance Report, forming part of this Annual Report)
Directorship held in other public companies (excluding foreign companies)	Nil	Nil
Membership/ Chairman ship of Committees of other public companies (including only Audit Committee and Stakeholders Relationship Committee)	Nil	Nil
Disclosure of Relationship between Director inter-se	Nil	Nil