

**NOTICE**

NOTICE IS HEREBY GIVEN THAT THE 49th ANNUAL GENERAL MEETING OF THE MEMBERS OF DAVANGERE SUGAR COMPANY LIMITED WILL BE HELD ON WEDNESDAY , 30TH DAY OF SEPTEMBER, 2020, AT THOGATAVEERA SAMUDHAYA BHAVANA, M.C.C. 'A' BLOCK, DAVANGERE – 577 004 AT 11.00 AM.

TO TRANSACT THE FOLLOWING BUSINESS:-

ORDINARY BUSINESS

01. To receive, consider and adopt the Audited Financial Statements of the company including the Balance Sheet of the Company as at 31st March, 2020 and the Statement of Profit and Loss of the Company and the Cash Flow Statement and other Annexures thereof for the financial year ended 31st March, 2020 and the Reports of the Board of Directors and Auditors thereon.
02. To appoint Director in place of Mrs. Rekha Ganesh (DIN: 02764230), who retires by rotation in terms of section 152(6) of the Companies Act, 2013 and being eligible, offers herself for re-appointment.
03. To appoint Statutory Auditor of the Company:

“RESOLVED THAT pursuant to provisions of Section 139, 142 and other applicable provisions of the Companies Act, 2013, if any, read with the Companies (Audit & Auditors) Rules, 2014, including any statutory enactment or modification thereof, M/s. B Gangadhara and Co, Chartered Accountant, (Firm Registration No. 024094.) be and is hereby appointed as the Statutory Auditors of the Company, in place of M/s. Lingaraju & Co, Chartered Accountant, whose office got vacated due to sad his demise, to hold the office from the conclusion of this 49th Annual General Meeting till the conclusion of 50th Annual General Meeting of the Company, at a remuneration to be decided by the Board of Directors in consultation with the Auditors plus applicable service tax and reimbursement of travelling and out of pocket expenses incurred by them for the purpose of audit.

“RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized for and on behalf of the Company to take all necessary steps and to do all such acts, deeds, matters and things which may deem necessary in this behalf.”

II. SPECIAL BUSINESS**3. Appointment of Cost Auditor**

To consider and if thought fit, to pass with or without modification the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of sub-section (3) of Section 148 of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to Mr. M. R. Krishna Murthy, Cost Accountant, (having Reg No. FCMA7658) appointed by the Board of Director of the Company as Cost Auditor to conduct the audit of cost records maintained by the Company for the financial year 2019-20 at a remuneration of Rs. 50,000/- (Rupees Fifty Thousand only) plus GST as applicable and reimbursement of out of pocket expenses incurred be and is hereby ratified.”

04. Alteration of the object clause of the Memorandum of Association of the Company

To consider the matter, and if thought fit, to pass the following as **Special Resolution:**

“RESOLVED THAT pursuant to provisions of Section 13, Section 4 and other applicable provisions, if any, of the Companies Act, 2013, (“Act”) including any statutory modifications or re-enactment thereof for the time being in force and rules made thereunder and subject to such other requisite approvals,



if any, in this regard from appropriate authorities and terms(s), condition(s), amendment(s), modification(s), as may be required or suggested by any such appropriate authorities, and agreed to by the Board of Directors of the Company (hereinafter referred to as "Board" which term shall include any Committee or one or more Directors), the consent of the members of the Company be and is hereby accorded for alteration of the Objects Clause of the Memorandum of Association ("MOA") of the Company such that the addition of new Clause III 7, to the Object Clause forming part of the Memorandum of Association of the Company.

Clause III (7) the objects to be pursued by the Company:

To manufacture, produce, refine, purchase, sell, prepare, import, export and generally to deal in all kind of alcohol, spirits and liquor whether for human consumption or use in any manner or for industrial use or as fuel or otherwise including ethanol, rectified spirit, citric acid, vinegar, acetic acid, ethyl acetate, acetaldehyde, carbonic acid, sanitizer, disinfectants, yeast sludge, gas, dry ice and to acquire, erect, construct, establish operate and maintain distilleries and other works.

"RESOLVED FURTHER THAT Board be and is hereby authorized to undertake all such acts, deeds, matters, and things and to execute all such deeds, documents, and writing as may be deemed necessary, proper, desirable and expedient in its absolute discretion, for the purpose of giving effect to this resolution and to settle any question, difficulty, or doubt that may arise in this regard.

5. Re-appointment of Mr. Shamanur Shivashankarappa Ganesh (DIN:-00451383) as the Managing Director

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 Sections 196, 197, 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modifications, amendments or re-enactments thereto for the time being in force) (hereinafter referred to as "the Act"), read with Schedule V of the said act and the relevant provision of the Articles of Association of the Company, consent and approval of the members be and is hereby accorded for re-appointment of Mr. Shamanur Shivashankarappa Ganesh (DIN:-00451383) as Managing Director of the Company for another period of five years with effect from 24th September, 2019 on the remuneration and terms and conditions as set out in the Explanatory Statement annexed to this Notice and whose period of office shall not be liable to determination by retirement of directors by rotation".

"RESOLVED FURTHER THAT in the absence of inadequacy of profits in any financial year during the term of office of Mr. Shamanur Shivashankarappa Ganesh as Managing Director, he shall be paid the remuneration, allowances and perquisites except the commission/performance bonus as set out in the explanatory statement forming part of this Notice or the revised remuneration as approved by the Board of Directors from time to time, as the Minimum Remuneration in accordance with Schedule V and other applicable provisions of the Act".

"RESOLVED FURTHER THAT as a Managing Director of the Company, Mr. Shamanur Shivashankarappa Ganesh shall, subject to the supervision, control and directions of the Board of Directors of the Company, continue to exercise substantial powers of management and shall manage the business and affairs of the Company".

"RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to take all actions and steps expedient or desirable to give effect to this resolution in conformity with the



provisions of the Act and also to settle any question, difficulty or doubt that may arise in this regard without requiring to secure any further consent or approval of the shareholders of the Company.

6. Appointment of Mr. Tumbegere Rudrappa (DIN: 08717189) as Independent Director of the Company

To approve the appointment of Mr. Tumbegere Rudrappa (DIN: 08717189) who was appointed as an Additional Director on the Board of the Company, under Section 161, read with the Rules made thereunde, in that behalf to consider and if thought fit to pass with or without modification the following resolution, which will be proposed as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 149 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 (“the Act”) and the Rules made thereunder (including any modification(s) or re-enactment thereof), the appointment of Mr. Tumbegere Rudrappa(DIN: 08717189), as an Independent Director of the Company, to hold office for a term of 5 (five) consecutive years, from 04-10-2019 to 04-10-2024 be & is hereby approved”.

7. Appointment of Mr. Thappagondanahally Rajashekarappa (DIN:-08794960) as Independent Director of the Company

To approve the appointment of Mr. Thappagondanahally Rajashekarappa (DIN:-08794960) who was appointed as Additional Director on the Board of the Company, under Section 161, read with the Rules made there under, in that behalf to consider and if thought fit to pass with or without modification the following resolution, which will be proposed as an Ordinary Resolution:

“RESOLVED THAT” pursuant to the provisions of Section 149 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 (“the Act”) and the Rules made thereunder (including any modification(s) or re-enactment thereof), the appointment of Mr. Thappagondanahally Rajashekarappa (DIN:-08794960) , as an Independent Director of the Company, to hold office for a term of 5 (five) consecutive years, from 16-07-2020 to 16-07-2025 be & is hereby approved”.

Date: September 04, 2020

Place: Davangere

Registered Office
73/1, Post Box No.312,
Shamanur Road,
Davangere.
KA:- 577004.

By Order of the Board
For Davangere Sugar Company Limited

Sd/-
Shamanur S. Ganesh
Managing Director
DIN: 00451383



Notes:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. A PROXY FORM IS ENCLOSED. THE INSTRUMENT APPOINTING A PROXY SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

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 per cent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act proxy for any other person or member.

2. Special business is proposed to be transacted at the Annual General Meeting and thus the Explanatory Statement pursuant to provisions of Section 102 of the Companies Act, 2013, is provided thereto.
3. Corporate Members intending to send their authorized representative to attend the Meeting are requested to send at the Registered Office of the Company, a duly certified copy of the Board Resolution, authorizing their representative to attend and vote on their behalf at this General Meeting.
5. The Register of Members and Share Transfer Books of the Company will remain closed from Thursday, 24th September, 2020 to Wednesday, 30th September, 2020 (both days inclusive) for the purpose of the AGM.
6. Members / Proxies should fill-in the attendance slip for attending the Meeting and bring their attendance slip along with their copy of the Annual Report to the Meeting.
7. In case of joint holders attending the meeting, only such joint holder who is higher in the order of name will be entitled to vote.
8. Members who are holding Company's shares in dematerialized form are required to bring details of their Depository Account Number for identification.
9. The members are requested to intimate changes, if any, in their registered address to the Registrar & Share Transfer Agents for shares held in physical form & to their respective Depository participants for shares held in electronic form.
10. All documents referred to in the accompanying Notice are opened for inspection at the Registered Office of the Company on all working days, except Sunday between 2 P.M. to 4 P.M. upto the date of the Annual General Meeting.
1. Members are requested :
 - i) To quote their folio Nos. in all correspondence.
 - ii) To note that no gifts will be distributed at the meeting.
 - iii) In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
2. Members holding shares in physical form, are requested to intimate their change in Bank Mandate/ National Electronic Clearing Service (NECS) details (form can be downloaded from our website of the Company i.e. www.davangeresugar.com, and /or, update their PAN and Bank Account details through a request letter along with self attested copy of PAN, original cancelled cheque with preprinted name of the Shareholder (old and new both bank details) and bank attested copy of passbook/ statement showing name of the account holder to M/s. Integrated Registry Management Services Pvt. Ltd, Share Transfer Agent at their address at Ramana Residency, Sampige Road, Malleswaram, Bengaluru. Beneficial owners holding shares in electronic form are requested to intimate their change in Bank Mandate/NECS details, if any, to their respective Depository Participants (DPs) in order to get the same registered.



3. Members, who are holding shares in physical/electronic form and their e-mail addresses are not registered with the Company/their respective Depository Participants, are requested to register their e-mail addresses at the earliest by sending scanned copy of a duly signed letter by the Member(s) mentioning their name, complete address, folio number, number of shares held with the Company along with self-attested scanned copy of the PAN Card and self-attested scanned copy of any one of the following documents viz., Aadhar Card, Driving Licence, Election Card, Passport, utility bill or any other Govt. document in support of the address proof of the Member as registered with the Company for receiving the Annual Report 2019-20 along with AGM Notice by email to or Members holding shares in demat form can update their email address with their.
4. In terms of Section 72 of the Companies Act, 2013, a Member of the Company may nominate a person on 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 Company/RTA in case shares are held in Physical form, and to their respective depository participant, if held in electronic form.
5. Pursuant to Section 108 of the Companies Act, 2013, read with the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide the e-voting facility to the members to exercise their right to vote by electronic means. The Company has fixed September 23, 2020 as a cut – off date to record the entitlement of the shareholders to cast their vote electronically at the 49th Annual General Meeting (AGM) by electronic means under the Companies Act, 2013 and rules made thereunder. Consequently, the same cut-off date, i.e., September 23, 2020 would record entitlement of the shareholders, who do not cast their vote electronically, to cast their vote at the 49th AGM on 30th September, 2020.

The e-voting period will commence at 09.00 A.M. on September 27, 2020 and will end at 05.00 P.M. on September 29, 2020. The Company has appointed M/s. Amit R. Dadheech & Associates, Company Secretary in Practice to act as Scrutinizer, for conducting the scrutiny of the votes cast. The Members desiring to vote through electronic mode may refer to the detailed procedure on e-voting given as Annexure to the Notice.

The Company has engaged the services of M/s. Integrated Registry Management Services Pvt. Ltd and NSDL as the Authorized Agencies to provide e-voting facilities.

6. VOTING THROUGH ELECTRONIC MEANS

Pursuant to provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by National Securities Depository Limited (NSDL).

The Company has approached NSDL for providing e-voting services through our e-voting platform. In this regard, your Demat Account/Folio Number has been enrolled by the Company for your participation in e-voting on resolution placed by the Company on e-Voting system.

The e-voting period commences on September 27, 2020(09:00 A.M.) and ends on September 29, 2020 (5:00 P.M.)

During this period shareholders of the Company, may cast their vote electronically. The e-voting module shall also be disabled for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.

The voting rights of Shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on, Wednesday, September 23, 2020.



Instructions for e-Voting-

1. The Notice of the 49th Annual General Meeting (AGM) of the Company inter-alia indicating the process and manner of e-Voting is being sent to all the Members.
2. NSDL shall be sending the User ID and Password to those Members whose shareholding is in the dematerialized format and whose e-Mail addresses are registered with the Company/Depository Participants. For Members who have not registered their e-Mail address, can use the details as provided in this document.
3. M/s. Amit R Dadheech & Associates, Practicing Company Secretaries (Membership No. 22889; Certificate of Practice No. 8952), has been appointed as Scrutinizer to scrutinize the process of e-voting during the AGM and remote e-voting held before the AGM in a fair and transparent manner.
4. The manner and process of remote e-Voting are as under: The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Log-in to NSDL e-Voting system at

Step 2: Cast your vote electronically on NSDL e-Voting system.

Details on Step 1 is mentioned below:

How to Log-in to NSDL e-Voting website?

- a. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: either on a Personal Computer or on a mobile.
- b. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
- c. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen. Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
- d. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical

- a) **For Members who hold shares in demat account with NSDL.**

Your User ID is:

8 Character DP ID followed by 8 Digit Client ID

For example if your DP ID is IN300*** and Client IDs 12***** then your USERID is IN3000***12*****

- b) **For Members who hold shares in demat account with CDSL.**

16 Digit Beneficiary ID

For example if your Beneficiary ID is12***** then your user ID is12*****

- c) **For Members holding shares in Physical Form.**

EVEN Number followedby Folio Numberregistered with the Company

For example if folio number is 001*** and EVEN is101456 then user ID is 101456001***

5. **Your password details are given below:**

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.



- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password'. Once you retrieve your 'initial password you need to enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'?
- If your email ID is registered in your demat account or with the Company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. pdf file. Open the pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
6. If **you** are unable to retrieve or have not received the "Initial password" or have forgotten your password:
- Click on "Forgot User Details/Password?"(If you are holding shares in your demat account with NSDL or CDSL) option available on
 - Physical User Reset Password? (If you are holding shares in physical mode) option available on.
 - If you are still unable to get the password by aforesaid two options, you can send a request at mentioning your demat account number/folio number, your PAN, your name and your registered address.
 - Members can also use the one-time password (OTP) based login for casting the e-votes on the e-Voting system of NSDL
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.
- Details on Step 2 is given below:**
- How to cast your vote electronically on NSDL e-Voting system?**
- After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
 - After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
 - Select "EVEN" of Davangere Sugar Limited
 - Now you are ready for e-Voting as the Voting page opens.
 - Cast your e-vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your-vote and click on "Submit" and also "Confirm" when prompted.
 - Upon confirmation, the message "Vote cast successfully" will be displayed.
 - You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
 - Once you confirm your vote on the resolution, you will not be allowed to modify your e-vote.
10. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
11. The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of September 23, 2020.
12. Any person, who acquires shares of the Company and becomes Member of the Company after dispatch of the Notice and holding shares as on the cut-off date i.e. September 23, 2020, may obtain the login ID and password by sending a request at or Registrar and Transfer Agent (RTA) of the Company.

**General Instructions:**

1. In case of any queries, you may refer the Frequently Asked Question (FAQs) for Shareholders and e-voting user manual for Shareholders available to the Downloads section of <https://www.evoting.nsdl.com>
2. You can also update your mobile number and e-mail id in the profile details of the folio which may be used for sending future communication(s).
3. The e-voting period commences on September 27, 2020(09:00 A.M. IST) and ends on September 29, 2020 (5:00 P.M.). During this period, the Shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut off date (record date) of September 23,2020 may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
4. 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 (record date) of September 23, 2020.
5. Since the Company is required to provide members facility to exercise their right to vote by electronic means, shareholders of the Company, holding either in physical form or in dematerialized form, as on the cut-off date of September 23, 2020 and not casting their vote electronically, may only cast their vote at the 49th Annual General Meeting.
6. M/s. Amit R. Dadheech & Associates, Practicing Company Secretary has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
7. The Scrutinizer shall immediately after the conclusion of voting at the AGM, first count the voting cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two (2) witnesses not in the employment of the Company and make a Consolidated Scrutinizer's Report of the votes cast in favour or against, if any, and to submit the same to the Chairman of the AGM not later than three working days from the conclusion of the AGM.
8. The Results shall be declared forthwith after the submission of Consolidated Scrutinizer's Report either by Chairman of the Company or by any person authorized by him in writing and the resolutions shall be deemed to be passed on the AGM date subject to receipt of the requisite number of votes in favour of the Resolutions.

The Results declared along with the Scrutinizer's Report(s) will be available on the website of the Company www.davanageresugar.com

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

Pursuant to Section 102 of the Companies Act, 2013 ('the Act'), the following Explanatory Statement sets out all material facts relating to the business mentioned under Item No. 3 of the accompanying Notice dated September 4, 2020.

Item No. 3:

The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of Mr. M. R. Krishna Murthy, Cost Accountant, (having Reg No. FCMA7658), as the cost auditors of the Company to conduct the audit of the cost records of the Company for the financial year 2019-20, at a fee of Rs.50,000/- (Rupees Fifty Thousand) plus GST as applicable and reimbursement of out of pocket expenses as remuneration for cost audit services for the FY 2019-20.

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 for ratification of the remuneration payable to the Cost Auditors for the financial year ending 2019-20. The Board recommends the Ordinary Resolution 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.

Item No. 4:

The Company proposes to realign its object Clause in line with its present business activities and possible future businesses which can be conveniently carried out along with its existing business. Hence, to enable the Company to capitalize on the business opportunities and to explore the possible revenue streams, the Board of Directors of the Company in its meeting held on September 4, 2020 has approved, subject to the consent of the shareholders, amendment in the Object Clause of the Memorandum of Association (MOA) of the Company in the manner as set out in the Special Resolution of this Notice.

The alteration in the Object Clause of the MOA, as set out in the resolution, is to facilitate Company's entry into new business areas as defined therein. Most of the proposed activities can be carried out, under the existing circumstances, conveniently and advantageously along with the existing activities of the Company. These will enable the Company to carry on its business economically and efficiently. Pursuant to the provisions of Sections 4 and 13 and all other applicable provisions, if any, of the Companies Act, 2013, read with applicable Rules and Regulations made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), alteration of the Object Clause of the MOA of the Company requires the approval of the members by means of a Special Resolution.

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 Section 102 of the Companies Act, 2013 ('the Act'), the following Explanatory Statement sets out all material facts relating to the business mentioned under Item No. 5 of the accompanying Notice dated September 4, 2020.

The present tenure of Mr. Shamanur Shivashankarappa Ganesh (00451383) has expired on September 23, 2019. Keeping in view his vast experience, role and responsibilities, leadership capabilities, entrepreneurship skills, and contribution in the performance of the Company, the Board of Directors of the Company at their meeting held on 12th September 2019, have, on the recommendation of the Nomination and Remuneration Committee, and subject to the approval of the shareholders by way of a special resolution and such other approvals as may be required, re-appointed Mr. Shamanur Shivashankarappa Ganesh as as Managing Director of the Company for a further period of five years with effect from 24th September 2019 to 23rd September, 2024. The terms and conditions including the remuneration to be paid in the event of loss or inadequacy of profit in any financial year during the tenure of his appointment is mentioned in the draft letter of appointment placed before the meeting approved by the Board of Directors at their meeting held on August 01, 2018.

1. BASIC SALARY

The Managing Director shall be entitled to per annum Salary of Rs. 36,00,000/- to Rs. 42,00,000/- with an authority to the Board to increase the same from time to time. The annual or other increments will be merit based and will take into account the Company's performance.

2. GENERAL

- a) The Managing Director shall perform his duties as such with regard to all the work of the Company and shall manage and attend to such business and carry out the orders and directions given by the Board from time to time in all respects.
- b) The Managing Director shall act in accordance with the Articles of Association of the Company and shall abide by the provisions contained in Section 166 of the Act with regard to duties of Directors.



- c) The Managing Director shall adhere to the Company's Code of Ethics & Conduct the Remuneration Committee/Board of Directors will determine the amount of increments payable every year depending on the performance of the Managing Director, profitability of the Company and other relevant factors Mr. Ganesh Shivashankarappa Shamanur satisfy all the conditions set out in Part-I of Schedule V to the Act as also conditions set out under subsection (3) of Section 196 of the Act for being eligible for his re-appointment. He is not disqualified from being appointed as Director in terms of Section 164 of the Act. Brief resume of Mr. Ganesh Shivashankarappa Shamanur, nature of his expertise in specific functional areas, names of companies in which he holds Directorships and Memberships / Chairmanships of Board Committees, his shareholding etc., are separately annexed hereto. Notwithstanding anything to the contrary herein contained where in any financial year during the currency of tenure of aforesaid Director, the Company has no profits or inadequate profits, the Company will pay remuneration by way of salary, perquisites and allowances to the said Director subject to compliance with the applicable provisions of Schedule V of the Companies Act, 2013 and if necessary, with the approval of Central Government. The above remuneration payable Mr. Ganesh Shivashankarappa Shamanur is subject to the condition that the total remuneration including perquisites shall not exceed 5% of the net profits individually and 10% of the net profits collectively payable to all the managerial personnel as calculated in accordance with Section 197 and 198 of the Companies Act, 2013 or any amendment thereto or any other provision as may be applicable.

Mr. Shamanur Shivashankarappa Ganesh is also the Promoter of the Company.

The copy of resolution passed by the Board of Directors of the Company in its meeting held on 12th September, 2019 approving the aforesaid proposal along with other documents is available for inspection by the members at the registered office between 11:00 AM to 1:00 PM on all working days till the date of the Annual General Meeting.

Mr. Shamanur Shivashankarappa Ganesh is interested in this resolution which pertains to his re-appointment and remuneration payable to him. Save and except the above, none of the other Directors or Key Managerial Personnel of the Company (including relatives of Directors and Key Managerial Personnel) are, in any way, concerned or interested, financially or otherwise, in this resolution.

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

Item No. 6

Pursuant to Section 102 of the Companies Act, 2013 ('the Act'), the following Explanatory Statement sets out all material facts relating to the business mentioned under Item No. 6 of the accompanying Notice dated September 4, 2020.

Mr. Tumbegere Rudrappa (DIN: 08717189) was appointed as an Additional Director of the Company with effect from October 04, 2019 by the Board of Directors under Section 161 of the Act. In terms of Section 161(1) of the Act, Mr. Tumbegere Rudrappa holds office only upto the date of the forthcoming Annual General Meeting but he is eligible for appointment as a Director. In terms of Section 149 and other applicable provisions of the Act, Mr. Tumbegere Rudrappa is eligible to be appointed as an Independent Director of the Company and has given a declaration to the Board that he meets the criteria of independence as provided under Section 149 (6) of the Act. As per the provisions of Section 149 of the Act, an Independent Director shall hold office for a term up to five consecutive years on the Board of a company and is not liable to retire by rotation.

The matter regarding appointment of Mr. Tumbegere Rudrappa as Independent Director was placed before the Nomination & Remuneration Committee, which commends his appointment as Independent Director for a term of 5 years from 04-10-2019 to 04-10-2024., Mr. Tumbegere Rudrappa fulfills the conditions specified in the Act and the Rules made there under for appointment as Independent Director and he is independent of the management.



In compliance with the provisions of Section 149 read with Schedule IV of the Act, the appointment of Mr. Tumbegere Rudrappaas Independent Director is now being placed before the Members in general meeting for their approval. The terms and conditions of appointment of Mr. Tumbegere Rudrappa shall be open for inspection at the Registered Office of the Company during normal business hours on any working day of the Company.

None of the Directors other than Mr. Tumbegere Rudrappa, Key Managerial Personnel or their relatives is concerned or interested in the Resolution at Item No.7 of the Notice.

Item No. 7

Pursuant to Section 102 of the Companies Act, 2013 ('the Act'), the following Explanatory Statement sets out all material facts relating to the business mentioned under Item No. 7 of the accompanying Notice dated September 4, 2020.

Mr. Thappagondanahally Rajashekarappa(DIN: 08794960) was appointed as an Additional Director of the Company with effect from July 16, 2020 by the Board of Directors under Section 161 of the Act. In terms of Section 161(1) of the Act, Mr. Thappagondanahally Rajashekarappa holds office only upto the date of the forthcoming Annual General Meeting but he is eligible for appointment as a Director. In terms of Section 149 and other applicable provisions of the Act, Mr. Thappagondanahally Rajashekarappa is eligible to be appointed as an Independent Director of the Company and has given a declaration to the Board that he meets the criteria of independence as provided under Section 149 (6) of the Act. As per the provisions of Section 149 of the Act, an Independent Director shall hold office for a term up to five consecutive years on the Board of a company and is not liable to retire by rotation.

The matter regarding appointment of Mr. Thappagondanahally Rajashekarappa as Independent Director was placed before the Nomination & Remuneration Committee, which commends his appointment as Independent Director for a term of 5 years from 16-07-2020 to 16-07-2025, Mr. Thappagondanahally Rajashekarappa fulfills the conditions specified in the Act and the Rules made there under for appointment as Independent Director and he is independent of the management.

In compliance with the provisions of Section 149 read with Schedule IV of the Act, the appointment of Thappagondanahally Rajashekarappaas Independent Director is now being placed before the Members in general meeting for their approval. The terms and conditions of appointment of Mr. Thappagondanahally Rajashekarappa shall be open for inspection at the Registered Office of the Company during normal business hours on any working day of the Company.

None of the Directors other than Mr. Thappagondanahally Rajashekarappa, Key Managerial Personnel or their relatives is concerned or interested in the Resolution at Item No.7 of the Notice.

Brief Resume of Mr. ShamanurShivashankrappa Ganesh seeking for re-appointment as Managing Director at this Annual General Meeting:-

Name of the Director	Mr. Shamanur Shivashankrappa Ganesh
Date of Birth	13-09-1961
Date of Appointment	31-10-2000
Qualification	Under Graduate
Expertise in specific functional area	Industrial Management and Administration
List of Public Companies in which outside Directorship held (including Foreign Companies)	6
Chairman/Member of the Committee of Board of Directors of Public Companies	Nil
Shareholding in the Company	15522478

**Brief Resume of Directors/persons seeking appointment/re-appointment at this Annual General Meeting:-**

Name of the Director	Mrs. Rekha Ganesh
Date of Birth	18.09.1967
Date of Appointment	29/07/2009
Qualification	Graduate
Expertise in specific functional area	Business Administration
List of Public Companies in which outside Directorship held (including Foreign Companies)	NIL
Chairman/Member of the Committee of Board of Directors of Public Companies	NIL
Shareholding in the Company	6086200

Brief Resume of Mr. Tumbegere Rudrappa seeking for appointment as Independent Director at this Annual General Meeting:-

Name of the Director	Mr. Tumbegere Rudrappa
Date of Birth	20/06/1953
Date of Appointment	04/10/2019
Qualification	Industrial Training Institute.
Expertise in specific functional area	Industrial Engineering
List of Public Companies in which outside Directorship held (including Foreign Companies)	Nil
Chairman/Member of the Committee of Board of Directors of Public Companies	Nil
Shareholding in the Company	Nil

Brief Resume of Mr.ThappagondanahallyRajashekarappa seeking for appointment as Independent Director at this Annual General Meeting:-

Name of the Director	Mr. Thappagondanahally Rajashekarappa
Date of Birth	06/07/1968
Date of Appointment	04/10/2019
Qualification	Bachelor of Commerce
Expertise in specific functional area	Finance
List of Public Companies in which outside Directorship held (including Foreign Companies)	Nil
Chairman/Member of the Committee of Board of Directors of Public Companies	Nil
Shareholding in the Company	Nil