

L H SUGAR FACTORIES LTD

Reg. Office: Civil Lines, Pilibhit- 262001 (U.P)

Ph. No. 05882 255867/256053, Fax: 05882-255518

CIN NO. U15422UP1933PLC000489

Email- cs@lhsugar.com, www.lhsugar.in

Notice of the Annual General Meeting

NOTICE is hereby given that 85th Annual General Meeting of the Members of L H Sugar Factories Limited, Pilibhit, will be held at the Registered office of the Company at Civil Lines, Pilibhit on Monday, 23rd day of November 2020 at 01.00 PM to transact the following business(es):

ORDINARY BUSINESSES:

1. To receive, consider and adopt the audited Standalone Financial Statements of the company for the financial year ended on 31st March 2020 together with the report of Board of Directors and that of Auditor's thereon.
2. To declare final dividend @ Rs. 2 (Rupees Two) per equity share having paid up value of Rs. 10/- (Ten rupees) on Equity Shares.
3. To appoint a Director in place of Shri Sandeep Chandra (MCA DIN 00889462) who retires by rotation under section 152(6) of the Companies Act 2013, and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Shri Bharat Swaroop (MCA DIN 00999900) who retires by rotation under section 152(6) of the Companies Act 2013, and being eligible, offers himself for re-appointment.
5. To appoint a Director in place of Shri Yugal Kishore Agarwal (MCA DIN 01095793) who retires by rotation under section 152(6) of the Companies Act 2013, and being eligible, offers himself for re-appointment.

SPECIAL BUSINESSES:

6. To ratify the remuneration of Cost Auditors payable to them for the financial year ending on March 31, 2021 and in this regard, 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 read with Rule no. 14 (a) of the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the remuneration of Rs. 100,000/- plus travelling and out of pocket expenses payable to the Cost Auditors M/s M.K. Singhal & Co., Panchvati, Opp. M.M. Degree College, Modinagar, Ghaziabad, as recommended by the Audit Committee, considered and approved by the Board of Directors in their meeting held on 22.09.2020, to conduct the audit of cost records of the Company for the financial year ending March 31, 2021, be and is hereby ratified.

7. To regularize the Additional Director, Shri Rahul Prasad

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 149, 152 and all other applicable provisions of the Companies Act, 2013 and the Rules framed thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), **Shri Rahul Prasad** (DIN: 00875349), who was appointed by the Board of Directors as an Additional Director of the Company with effect from 24th October 2020 and who holds office upto the date of this Annual General Meeting of the Company in terms of Section 161 of the Companies Act, 2013 and in respect of whom the Company has received a Notice in writing from a Member under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director of the Company, be and is hereby appointed as a Director of the Company.”

8. Approval of remuneration by way of Profit related commission to Independent Directors of the Company

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

“**RESOLVED THAT** pursuant to the provisions of sections 149, 197, 198, other applicable provisions, if any, of the Companies Act, 2013, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, (including any statutory modification(s) or reenactment thereof for the time being in force), approval of members of the Company be and is hereby accorded to pay profit related commission of Rs. 5,00,000/- (five lakh only) each to Shri B.K. Goswami and Shri Dinesh Rai being independent Directors of the Company.

RESOLVED FURTHER THAT approval of the Company be accorded to the Board of Directors of the Company (including any Committee thereof) to do all such acts, deeds, matters and to take all such steps as may be required in this connection including seeking all necessary approvals to give effect to this resolution and to settle any questions, difficulties or doubts that may arise in this regard.”

Place: PILIBHIT

Date: 02.11.2020

NOTES:

- 1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIM AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.** Proxies, in order to be effective, must be received at the Company's Registered Office not less than 48 hours before the Meeting. Proxies submitted on behalf of companies, societies, partnership firms, etc. must be supported by appropriate resolution/ authority, as applicable, issued on behalf of the nominating organization.

Members are requested to note that a person can act as a proxy on behalf of members not exceeding 50 and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. If a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.

- 2. 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 in their behalf at the Meeting.**
- 3. In case of joint holder attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.**
- 4. Members are requested to notify immediately any change in their addresses to the Company.**
- 5. Members desiring any information as regards the Accounts are requested to write to the company at an early date so as to enable the Management to keep the information ready at the Meeting.**
- 6. As an austerity measure, copies of the Annual Report will not be distributed at the Annual General Meeting. Members are requested to bring their attendance slip along with a copy of Annual Report to the Meeting.**
- 7. Relevant documents referred to in the Notice are open for inspection by the members at the Registered Office of the Company on all working days (i.e., except Saturdays, Sundays and Public Holidays) during business hours up to the date of the Meeting. The aforesaid documents will also be available for inspection by members at the Meeting.**
- 8. A Statement pursuant to Section 102(1) of the Companies Act, 2013 ("the Act"), relating to the Special Business to be transacted at the Meeting is annexed hereto.**

9. Members / Proxies / Authorised Representatives are requested to bring to the Meeting necessary details of their shareholding, attendance slip(s) and copy(ies) of their Annual Report.

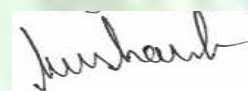
10. Updating of Members' Details :

The format of the Register of Members prescribed by the Ministry of Corporate Affairs under the Act requires the Company to record additional details of Members, including their PAN details, email address, bank details for payment of dividend, etc. Members holding shares are requested to submit their necessary details to the Company.

Place: Pilibhit

Dated: 02.11.2020

by Order of the Board of directors



Sushank Agarwal
(Company Secretary)

Registered Office:

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**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 Nos.7 to 9 of the accompanying Notice dated 16th July, 2018.

ITEM No. 6:

Pursuant to Section 148 of the Act, read with The Companies (Cost Records and Audit) Rules, 2014 ('the Rules'), as amended from time to time, the Company is required to have the audit of its cost records conducted by a cost accountant in practice. The Board of your Company has, on the recommendation of the Audit Committee, approved the appointment of M/s M.K. Singhal & Co., Panchvati, Opp. M.M. Degree College, Modinagar, Ghaziabad as the Cost Auditors of the Company to conduct Cost Audits of the sugar and co-generation unit for the year ending 31st March, 2021, at a remuneration of Rs. 100,000/- plus applicable taxes and out-of-pocket expenses.

M/s M.K. Singhal & Co., Panchvati, Opp. M.M. Degree College, Modinagar, Ghaziabad have the necessary experience in the field of cost audit, and have submitted a certificate regarding their eligibility for appointment as Cost Auditors of the Company.

In accordance with the provisions of Section 148 of the Act read with the Rules, the remuneration payable to the Cost Auditors has to be ratified by the Shareholders of the Company. The Board recommends the remuneration as aforesaid and the approval of the Shareholders is sought for the same by an Ordinary Resolution.

Item No. 7

Shri.Rahul Prasad was appointed as Additional Director by board of directors in the meeting held on 24.10.2020 pursuant to the provision of Section 161(1) of the Companies Act, 2013. He was appointed till the date of AGM to be held.

Now, according to provisions of the Companies Act, 2013, approval of Members is required for the purpose of regularizing his appointment as Director of the Company. Therefore, the Directors recommend the Resolution for acceptance by the Members.

None of the Directors of the Company are interested in the resolution

Item No. 8

The Non Executive Directors bring relevant knowledge and expertise and provide required diversity in Board's decision making process. The role played by the Directors in Company's governance and performance is very important for sustainable growth of the Company.

Pursuant to Section 149(9), an independent director is entitled to receive (a) sitting fee for Board/Committee meetings as may be prescribed under second proviso in Section 197(5); (b) reimbursement of expenses for attending the Board/Committee meetings; (c) profit related commission as may be approved by the members. Hence the Company may pay profit related commission to the Independent Directors with prior approval of the members.

At present, except for the sitting fees paid to the Independent Directors for attending the meetings of the Board and Committees thereof, the Company does not pay any remuneration to the Independent Directors. The Board of Directors, on the recommendation of the Nomination and Remuneration Committee and subject to approval of the members, approved to pay profit related commission to the Independent Directors of the Company.

In view of the above, the resolution at Item No. 8 of the notice is placed before the members for their approval as a Special Resolution.

Except the Independent Directors of the Company none of the Directors, Key Managerial Personnel or their relatives are interested or concerned, financially or otherwise, in the resolution set out at Item No. 8. The Board recommends the Special resolution set out at Item No. 8 of the Notice for approval of the Members.

Dated: 02.11.2020

by Order of the Board of Directors



Sushank Agarwal
(Company Secretary)

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**FORM NO MGT-11
PROXY FORM**

(Pursuant to Section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014)

Name of the Member(s)	
Registered Address :	
E mail Id :	
Folio No / Client ID:	
DP ID :	

I / We, being the member(s) of shares of the above named company, hereby appoint:

(1) Name
Address.....

....

Email ID
Signature..... or failing him/her

(2) Name
Address.....

Email ID
Signature..... or failing him/her

(3) Name
Address.....

Email ID.....

Signature..

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 85th Annual General Meeting of the Company, to be held on Monday, 23rd November, 2020 at 1.00 P.M. at the Registered office of the Company at Civil Lines, Pilibhit-262001 and at any adjournment thereof in respect of such resolutions as are indicated below:

ORDINARY BUSINESSES:

- Adoption of Directors' Report, Audited Financial Statements for the year ended 31st March, 2020 and Auditors' Report
- Declaration of Dividend
- Re-appointment of Directors who retires by rotation

SPECIAL BUSINESSES:

1. To ratify the remuneration of Cost Auditors payable to them for the financial year ending on March 31, 2021
2. To Regularize the Additional Director
3. Approval of remuneration by way of Profit related commission to Independent Directors of the Company

Signed this__day of_____, 2020

Signature of the Shareholder

Signature of Proxy holder(s)



Note: This form of Proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the meeting.

