NSL SUGARS LIMITED

NOTICE OF EXTRA-ORDINARY GENERAL MEETING

MEETING DATE: Tuesday,
30 April, 2024
TIME: 11.00 AM

VENUE

Registered Office:

60/1, 02nd Cross, Residency Road,
Bangalore, Karnataka-560025

NSL SUGARS LIMITED
Corp. Off: NSL Icon, 8-2-684/2/A
Road No.12, Banjara Hills,
Hyderabad - 500 034, India
Ph:040 - 40514444
www.nslsugars.com
CIN: U15429KA1999PLC026121

NOTICE

NOTICE IS HEREBY GIVEN THAT AN EXTRA-ORDINARY GENERAL MEETING OF THE MEMBERS OF NSL SUGARS LIMITED WILL BE HELD ON TUESDAY THE 30 APRIL, 2024 AT 11.00 A.M. AT THE REGISTERED OFFICE OF THE COMPANY AT 60/1, 2ND CROSS, RESIDENCY ROAD, BANGALORE, KARNATAKA - 560025 TO TRANSACT THE FOLLOWING BUSINESS:

SPECIAL BUSINESS:

1. Appointment of Mr. Y V Krishna Rao (DIN: 10548095) as Whole-time Director of the Company.

   To consider, and if thought fit, to pass, with or without modifications, the following Resolution as a **Special Resolution**:

   "**RESOLVED THAT** pursuant to the provisions of Section 196, 197, 198, 203 and other applicable provisions, if any of the Companies Act, 2013 or any amendment or any re-enactments thereof ('the Act'), read with Schedule V to the Act and Chapter XIII Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, or any other law for the time being in force and the Articles of Association of the Company and in accordance with the recommendations of Nomination and Remuneration Committee, and subject to all other approvals as may be required, approval of the Company be and is hereby accorded to the appointment of Mr. Y V Krishna Rao (DIN: 10548095), as Whole-time Director of the Company for the period of 3 (Three years) with effect from 30th April, 2024 at a remuneration of Rs. 12 Lakhs p.a.

   RESOLVED FURTHER THAT Board of Directors be and is hereby authorized to review and vary / modify the remuneration specified above from time to time in accordance with recommendations of the Nomination and Remuneration Committee, subject to the conditions specified in the applicable provisions of the Act and Rules made thereunder.

   RESOLVED FURTHER THAT Mr. Y V Krishna Rao (DIN: 10548095), shall be subject to retirement by rotation and shall not be paid any fee for attending the meetings of Board or any Committee thereof.

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

BY ORDER OF THE BOARD
For NSL Sugars Limited

NSL SUGARS LIMITED

Rajini Kanth Mulugu
Company Secretary

Date: 5-4-2024
Place: Hyderabad

NOTES:

1. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member. Proxies in order to be effective must be received by the company not later than forty-eight (48) hours before the meeting. Proxies submitted on behalf of limited companies, societies, etc., must be supported by appropriate resolutions/authority, as applicable.
2. A person can act as a proxy on behalf of Members not exceeding fifty in number and holding in the 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 a proxy and such person shall not act as proxy for any other person or shareholder.
3. 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 at the Meeting.
4. Relevant documents referred to in the accompanying Notice and in the Explanatory Statements are open for inspection by the Members at the Company's Registered Office on all working days of the Company, during business hours up to the date of the Meeting.
5. Corporate Members intending to send their authorized representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company, a certified copy of the relevant Board Resolution together with their respective specimen signatures authorizing their representative(s) to attend and vote on their behalf at the Meeting.
6. The Members are requested to update their e-mail id and correspondence address if there are any changes.
7. Map to the venue of the meeting is annexed.

ANNEXURE TO THE NOTICE

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

As required by Section 102 of the Companies Act, 2013 ("Act"), the following explanatory statement sets out all material facts relating to the business mentioned in the accompanying Notice:

ITEM NO.1

Mr. Y V Krishna Rao (DIN: 10548095) was inducted as an Additional Director on the Board of the Company at its meeting held on 27th March 2024. He was further appointed as Whole-time Director and KMP of the Company w.e.f. 30-4-2024 subject to approval Shareholders in General Meeting, and such other statutory approval as may be applicable, in accordance with the applicable provisions of the Companies Act, 2013. The Nomination & Remuneration Committee and the Board have approved the appointment on following terms:

Designation : Whole-time Director & KMP;

Term : 3 years (from 30-4-2024 to 29-4-2027)

Remuneration : Rs.12 lakhs p.a.

As per the provisions of the Section 197 (3) Notwithstanding anything contained in sub-sections (1) and (2), but subject to the provisions of Schedule V, if, in any financial year, a company has no profits or its profits are inadequate, the company shall not pay to its directors, including any managing or whole-time director or manager, by way of remuneration any sum exclusive of any fees payable to directors under sub-section (5) hereunder except in accordance with the provisions of Schedule V and if it is not able to comply with such provisions, with the previous approval of the Central Government.

As per the provisions of para B Section II of Schedule V in case of a managerial person or other director who is functioning in a professional capacity remuneration as per table (A) may be paid, if such managerial person is not having any interest in the capital of the company or its holding company or any of its subsidiaries directly or indirectly or through any other statutory structure.

Limits specified under table / item A category of Schedule V, shall apply, if—

(i) Payment of remuneration is approved by a resolution passed by the Board and, in the case of a company covered under sub-section (1) of section 178 also by the Nomination and Remuneration Committee;

(ii) the company has not made any default in repayment of any of its debts (including public deposits) or debentures or interest payable thereon for a continuous period of thirty days in the preceding financial year before the date of appointment of such managerial person and in case of default, the company obtains prior approval from secured creditors for the proposed remuneration and the fact of such prior approval having been obtained is mentioned in the explanatory statement to the notice convening the general meeting;

(iii) a special resolution has been passed at the general meeting of the company for payment of remuneration for a period not exceeding three years;

The Nomination and Remuneration committee in its meeting held on 27th March, 2024 has recommended to the Board the appointment of Mr. Y V Krishna Rao as Whole-time Director for a period of Three years with effect from 30th April, 2024 on terms and conditions and remuneration as mentioned in the resolution.

The Board recommended the appointment of Mr. Y V Krishna Rao (DIN: 10548095) as Whole-time Director on such terms and conditions as set out in the resolution. As the Company's profits are inadequate during the financial year 2022-23 the payment of proposed remuneration to Mr. Y V Krishna Rao, shall be subject to approval of shareholders by way of special resolution at General Meeting of the Company as required under Schedule V of the Companies Act, 2013.

Details required to be disclosed as per Secretarial Standard -2

1	Age of the Director	:	44 years
2	Qualification of Director	:	B. Com, MCA, MSCP
3	Experience of Director	:	NIL
4	Terms & Conditions of appointment/ reappointment	:	As set out in Resolution
5	Remuneration paid	:	As set out in Resolution and statement
6	Date of first appointment on the board	:	27-3-2024
7	Shareholding in the Company	:	NIL
8	Relationship with other Directors/KMP	:	NIL
9	Number of Board meetings attended during the year	:	NIL
10	Other Directorships	:	NIL
11	Chairman of Committees	:	NIL

Information to members as per Schedule V of the Companies Act, 2013:

I. General Information:

Nature of Industry	:	Manufacturing of Sugar, Co-generation of Power, Industrial Alcohol & Organic Manure
Date or expected date of commencement of commercial production	:	Existing Company, Commercial production commenced in 2004
In case of new Companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	:	Not Applicable

Financial performance based on given indications:

Rs. in lakhs

S. No.	Particulars	FY 2022-23	FY 2021-22	FY 2020-21	FY 2019-20
1	Revenue from Operations	1,26,800.94	1,08,998.94	69,670.07	79,323.03
2	Other Income	1,121.49	286.80	1,078.25	337.50
3	Total Income	1,27,922.43	1,09,285.74	70,748.32	79,660.53
4	EBIDTA (Earnings before Interest, depreciation and tax)	9,670.92	10,450.86	8,529.04	4,946.81
5	Finance Costs	1,737.96	4,067.95	3,063.31	5,545.09
6	Depreciation & Amortization	4,410.79	4,013.80	3,537.58	3,542.30
7	Profit/(Loss) before Tax and Exceptional Items	3,522.17	2,369.11	1,928.15	(4,140.58)
8	Add/Less : Exceptional Items	2,209.18	3,300.40	7,491.21	2,587.30
9	Provision for Impairment Loss on Investments	(25.11)	(13,647.83)	-	-
10	Profit/(Loss) before Taxes	5,706.24	(7,978.32)	9,419.36	(1,553.28)
11	Tax expenses	393.68	-	-	-
12	Profit/(Loss) for the year	5,312.56	(7,978.32)	9,419.36	(1,553.28)

Foreign Investments or collaborators, if any : Nil

II. Information about the Appointee:

1. Background details:

Mr. Y V Krishna Rao (DIN: 10548095), is a Commerce Graduate and also a Post Graduate from Osmania University in Computer Application (MCA). He is also a Micro Soft Certified Professional. He has wide experience and strong foot hold on General Administration, Liasion, Public Relations and related activities and sugar plant operations. Prior to joining NSL, he worked with Tech Mahindra and Picasso Digital.

2. Past remuneration: Rs. 11,00,000/- per annum

3. Recognition or awards:– NIL

4. Job profile and his suitability:

Mr. Y V Krishna Rao had been associated with NSL Sugars Limited, Jay Mahesh Unit since 2021. In the past couple of years, he contributed for holistic development and overall improvement of the business of the organization. His area of operations cover all the activities of the value chain. During the past 3 years he not only resolve long pending issues in JM Unit and also developed robust control and administrative systems, including statutory compliances (in Admin Department) in JM Unit.

In view of past track record of Mr. Y V Krishna Rao in administering & liaising abilities and the feedback of Group Leadership that he can be considered for the position in the subject.

5. **Remuneration proposed**: As mentioned in the resolution

6. **Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case expatriates the relevant details would be w.r.t. the country of his origin):**

   Looking into the complexities and nature of business with diversified activities covering sugar manufacturing, cogeneration of power, ethanol, industrial alcohol and organic manure the proposed remuneration is comparable with the remuneration drawn by the peers.

7. **Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any:**

   Apart from receiving remuneration as stated above he does not receive any emoluments from the Company. No managerial personnel have any relationship with Mr. Y V Krishna Rao.

III. Other Information:

(1) Reasons of loss or inadequate profits:

Inspite of Net Profit after Tax of Rs. 5,312.56 Lakhs, for the financial year ended March 31, 2023, the Net Profits computed under sec. 198 of Companies Act, 2013 is Nil, due to losses of the past years.

(2) Steps taken or proposed to be taken for improvement:

The overall sugar production in Crushing Season: 2023-24 witnessed a downslide than last year because of less rainfall which has led to lesser sugarcane plantations. The Central Government had set an ambitious target of ethanol blending and increased the procurement price of ethanol across all feedstocks.

Sugar being seasonal and cyclical in nature the working results witnessed a phase of upturn & downturn in the past and normally improve after a downturn. The integrated model adopted by the Company in regard to power co-generation and distilleries operations would certainly offset the Losses incurred/to be incurred by the Company to some extent and also makes a source of revenue. The value added by-products like co-generation of power, industrial alcohol and ethanol will also help the Company to maximize its business prospects.

(3) Expected increase in productivity and profits in measurable terms:

Sugar business is a cyclical business. Changes in demand and supply position in the market normally bring lots of volatility in margin and in turn the profitability of the business. As such over the years the company has also focused on the downstream utilization of its by-products such as co-generation of power, industrial alcohol and ethanol, along with sugar manufacturing. The value added by-products like co-generation of power, industrial alcohol and ethanol will also help the Company to maximize its profits.

The Board recommends the resolution set out under Item No. 1 of notice for approval of the shareholders as special resolution.

Save and except Mr. Y V Krishna Rao, Director 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 set out at Item No. 1 of the Notice.

BY ORDER OF THE BOARD
For NSL Sugars Limited

NSL SUGARS LIMITED

Rajini Kanth Mulugu
Company Secretary

Date: 5-4-2024
Place: Hyderabad

Form No. MGT-11

FORM OF PROXY

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

CIN: U15429KA1999LCO26121

Name of Company: NSL Sugars Limited
Regd. Office: 60/1, 2nd Cross, Residency Road, Bangalore, Karnataka-560025
Extra ordinary General Meeting

Name of the Member(s) Name of the Member(s)	
Registered Address	
Email ID	
Folio No	
Client ID*	
DP ID*	
Nos. of shares held	

*Applicable for Member(s) holding shares in dematerialized form.

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

1. Name :____________________
Address: ____________________
E-mail Id: ____________________
Signature: ____________________, or failing him/her

2. Name :____________________
Address:____________________
E-mail Id: ____________________
Signature: ____________________, or failing him/her

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the Extra-ordinary General Meeting of the Company, to be held on Tuesday, 30 April, 2024 at 11.00 A.M.at the registered office of the Company situated at 60/1, 02nd Cross, Residency Road, Bangalore, Karnataka-560025, India and at any adjournment thereof in respect of such Resolutions as are indicated below:

Resolution No.	**Resolution**	**Vote**	
		For	**Against**
Special Business			
1.	Appointment of Mr. Y V Krishna Rao (DIN: 10548095) as Whole-time Director of the Company.		

Signed this __________ day of ___________ 2024
Signature of Shareholder(s) ______________
of Proxy holder(s)______________

Affix One Rupee Revenue Stamp

Notes:

The Proxy to be effective should be deposited at the Registered office of the Company not less than **FORTY EIGHT HOURS** before the commencement of the Meeting.

1. A Proxy need not be a member of the Company.
2. In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the vote of the other joint holders. Seniority shall be determined by the order in which the names stand in the Register of Members.
3. The submission by a member of this form of proxy will not preclude such member from attending in person and voting at the meeting.
4. The Proxy-holder shall prove his/her identity at the time of attending the Extra ordinary General Meeting.
5. Please put a "X" in the appropriate column against the Resolutions indicated in the Box. If you leave the "For" or "Against" column blank against any or all Resolutions, your Proxy will be entitled to vote in the manner as he / she may deem appropriate.

CIN: U15429KA1999LCO26121

Name of Company: NSL Sugars Limited
Regd. Office: 60/1, 02nd Cross, Residency Road, Bangalore, Karnataka-560025

ATTENDANCE SLIP

Venue of the Meeting: 60/1, 02nd Cross, Residency Road, Bangalore, Karnataka-560025
Date and Time of Meeting: Tuesday, 30 April, 2024 at 11.00 A.M.

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING VENUE

Name of the Member(s) Name of the Member(s)	
Registered Address	
Email ID	
Folio No	
Client ID*	
DP ID*	
Nos. of shares held	

*Applicable for investors holding shares in Electronic form.

I certify that I am the registered shareholders/proxy for the registered shareholder(s) of the Company.

I hereby record my presence at Extra ordinary General Meeting of Members of NSL Sugars Limited held on Tuesday, 30 April, 2024 at 11.00 A.M.at the registered office of the Company situated at 60/1, 02nd Cross, Residency Road, Bangalore, Karnataka-560025, India.

Signature of Member / Proxy
Notes:

1. Notice of the Extra-ordinary General Meeting along with Attendance Slip and Proxy Form is being sent to all the members whose E-mail address is registered with the Company/Depositary Participant unless any member has requested for a hard copy of the same. Shareholders receiving electronic copy and attending the Extra-ordinary General Meeting can print copy of this Attendance Slip.

2. Physical copy Notice of Extra ordinary General Meeting along with Attendance Slip and Proxy Form is sent in the permitted mode(s) to all members whose E-mail id is not registered or have requested for a hard copy.

ROUTE MAP TO THE VENUE OF EGM