

KISANKRAFT LIMITED
CIN: U29220KA2005PLC066051

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that, the 15th Annual General Meeting (AGM) of the members of M/s. KisanKraft Limited (“the Company”) will be held on Saturday, 19th September 2020 at 11.30 A.M. IST at the registered office of the Company, Sri Huchhanna Tower Site # 4, #748, 7th A Cross, Maruthi Layout, Dasarahalli, Hebbal, Bangalore, Karnataka, India, 560024 to transact the following business.

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March 2020 including the audited Balance Sheet as at 31st March, 2020 and Statement of Profit and Loss for the year ended 31st March, 2020 and the Reports of Board of Directors (“the Board”) and Auditors thereon;
2. To appoint a director in place of **Mrs. Neha Agrawal** (DIN 07925114), whose office is liable to retire at the ensuing AGM, being eligible, seeks re-appointment. Based on the recommendation of the nomination and remuneration committee, the Board recommends her re-appointment. Therefore, members are requested 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 Section 152(6) and other applicable provisions of the Companies Act, 2013, **Mrs. Neha Agrawal** (DIN 07925114), who retires by rotation, be and is hereby re-appointed as a Non-Executive Director liable to retire by rotation.”

SPECIAL BUSINESS:

3. **RE-APPOINTMENT OF MRS. SARIKA AGRAWAL AS WHOLE TIME DIRECTOR AND FIXING HER REMUNERATION**

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

“**RESOLVED THAT** pursuant to Section 196 and 203 read with Schedule V and 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 re-enactment thereof, for the time being in force) and such other consents and permission as may be required, Mrs. Sarika Agrawal (holding DIN 01229530) who has submitted the Consent letter in Form DIR – 2, Eligibility in Form DIR – 8, Form MBP-1 and who is eligible for re-appointment, as recommended by the Nomination and Remuneration Committee and the Board, be and is hereby re-appointed as the Whole Time Director of the Company for a further period of 3 years with effect from 18th December, 2020 to 17th December, 2023 and her term of office shall not be liable to retire by rotation.

RESOLVED FURTHER THAT pursuant to Section 197 read with Section II of Part II of Schedule V and other applicable provisions, if any, of the Companies Act 2013, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modifications or re-enactment thereof for the time being in force) and such other consents and permission as may be required, the salary, perquisites and performance bonus (hereinafter referred to as "remuneration") payable to Mrs. Sarika Agrawal, as recommended by the Nomination and Remuneration Committee and the Board, be and is hereby approved, for a period of three years, on the terms and conditions as per details give below, as minimum remuneration in case of no profit or inadequacy of profits:

1) Remuneration:

The Company shall, in consideration of her services to the Company, pay to the Whole Time Director the following remuneration:

(A) Salary:

Salary component	In Rs. PA for the FY 2020-21
Basic + DA	25,55,952
HRA	10,22,376
LTA	2,55,600
Special Allowances	20,71,092
Annual Bonus	2,13,000
Total pay	61,18,020

The appointee shall be entitled to increase in remuneration up to 50% Per Annum during her tenure on the total salary component as recommended by the Nomination & Remuneration Committee and decided by the Board.

(B) Performance Bonus

For the current Financial Year 2020-21 the performance bonus shall not exceed 50%, of the Gross Salary depending upon the performance of the Director and the Company.

The Performance Bonus for each of the financial year during her tenure, will be recommended by the Nomination & Remuneration Committee and decided by the Board based on the performance of the Company and the Director.

Performance Bonus will accrue on yearly basis but payable on quarterly basis or any other such frequency as decided by the Nomination and Remuneration Committee and the board.

The total amount payable to Mrs. Sarika Agrawal, during her tenure, including the Remuneration and Performance Bonus shall be subject to the overall Maximum limit of Rs. 1.5 Crore PA.

(C) The remuneration will be subject to deduction on account of employee's contribution to PF, Tax and any other statutory deductions that may apply from time to time.

2) Perquisites and Allowances:

- (A) REIMBURSEMENT OF MEDICAL EXPENSES
As per Rules of the Company.
- (B) PERSONAL ACCIDENT INSURANCE
As per Rules of the Company.
- (C) CONTRIBUTION TO PROVIDENT FUND AND SUPERANNUATION FUND
Contribution to Provident Fund and Superannuation Fund, as per Rules of the Company, subject to the ceilings as per the guidelines for managerial remuneration in force from time to time
- (D) LEAVE AND ENCASHMENT OF LEAVE
As per Rules of the Company.
- (E) GRATUITY AND / OR CONTRIBUTION TO GRATUITY FUND
As per Rules of the Company.
- (F) USE OF CAR AND TELEPHONE
Company maintained car with driver for use on Company's business and cellular phone provided by the Company will not be considered as perquisite.
- (G) REIMBURSEMENT OF EXPENSES
Reimbursement of entertainment, travelling and all other expenses incurred for the business of the Company, as per Rules of the Company.
- (H) OTHER BENEFITS:
Any other benefits, facilities, allowances and expenses may be allowed under Company rules/schemes and available to other employees.

3) Other terms and conditions:

- (A) An agreement shall be entered into by the Whole Time Director with the Company on the effective date for a period of 3 years
- (B) She shall perform such duties as mentioned in the agreement, duties as may from time to time be entrusted by the Board, subject to the superintendence and control of the Board and in compliance with Section 166 of the Companies Act, 2013;
- (C) She shall be entitled to leaves as per policy of the Company
- (D) If at any time, she ceases to be the Director of the Company, she shall ipso-facto cease to be a Whole time Director of the Company
- (E) The agreement may be amended or terminated by either party at any time within the three year period, by the giving 3 month notice in writing, and stating the reasons thereof.

RESOLVED FURTHER THAT Board on the recommendation of Nomination and Remuneration Committee, be and is hereby authorised to alter and vary the terms and conditions of appointment including remuneration (Fixed Salary and Variable Performance Bonus) and annual incremental thereof, but such remuneration shall not exceed the Maximum limits of Rs. 1.5 Crore PA.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized and empowered in case of adequacy of profits to pay the variable remuneration in addition to aforesaid fixed salary as may be permissible under and by any amendments to Section 197 and / or Schedule V of the Companies Act, 2013 or by way of any Government guidelines or instructions, the intention being that no further approval of the Company will be required so long as remuneration of the Whole Time Director is not in excess of the maximum permissible under relevant laws, rules, regulations, guidelines or instructions as may be promulgated or issued after the date of this meeting.

RESOLVED FURTHER THAT any of the Executive Directors of the Company be and are hereby severally authorized to take such steps as may be necessary for obtaining approvals, statutory or otherwise, in relation to the above appointment and to settle all matters arising out of and incidental thereto and sign and execute the agreement, applications, documents and writings that may be required, on behalf of the Company, filing of forms, returns and generally to do all acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to the aforesaid Resolution.”

4. RE-APPOINTMENT OF MR SUNIL PRASAD AS WHOLE TIME DIRECTOR AND CHIEF OPERATING OFFICER (COO) AND FIXING OF HIS REMUNERATION

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

“RESOLVED THAT pursuant to Section 196, and 203 read with Schedule V and 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 re-enactment thereof, for the time being in force) and such other consents and permission as may be required, Mr. Sunil Prasad (holding DIN 07559715) who has submitted the Consent letter in Form DIR – 2, Eligibility in Form DIR – 8, Form MBP-1 and who is eligible for re-appointment, as recommended by the Nomination and Remuneration Committee and the Board, be and is hereby re-appointed as the Whole Time Director and Chief Operating Officer (COO) of the Company for a further period of 3 years with effect from 18th December, 2020 to 17th December, 2023 and his term of office shall be liable to retire by rotation.

RESOLVED FURTHER THAT pursuant to Section 197 read with Section II of Part II of Schedule V and other applicable provisions, if any, of the Companies Act 2013, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modifications or re-enactment thereof for the time being in force) and such other consents and permission as may be required, the salary, perquisites and performance bonus (hereinafter referred

to as "remuneration") payable to Mr. Sunil Prasad, as recommended by the Nomination and Remuneration Committee and the Board, be and is hereby approved, for a period of three years, on the terms and conditions as per details give below, as minimum remuneration in case of no profit or inadequacy of profits:

1) Remuneration:

The Company shall, in consideration of his services to the Company, pay to the Whole Time Director & COO the following remuneration:

(A) Salary:

Salary component	In Rs. PA for the FY 2020-21
Basic + DA	13,57,800
HRA	5,43,120
LTA	1,35,780
Special Allowances	10,74,240
Annual Bonus	1,13,160
Total pay	32,24,100

The appointee shall be entitled to increase in remuneration up to 50% Per Annum during his tenure on the total salary component as recommended by the Nomination & Remuneration Committee and decided by the Board.

(B) Performance Bonus

For the current Financial Year 2020-21 the performance bonus shall not exceed 50%, of the Gross Salary depending upon the performance of the Director and the Company.

The Performance Bonus for each of the financial year during his tenure, will be recommended by the Nomination & Remuneration Committee and decided by the Board based on the performance of the Company and the Director.

Performance Bonus will accrue on yearly basis but payable on quarterly basis or any other such frequency as decided by the Nomination and Remuneration Committee and the board.

The total amount payable to Mr. Sunil Prasad, during his tenure, including the Remuneration and Performance Bonus shall be subject to the overall Maximum limit of Rs. 1 Crore PA.

(C) The remuneration will be subject to deduction on account of employee's contribution to PF, Tax and any other statutory deductions that may apply form time to time.

2) Perquisites and Allowances:

- (A) REIMBURSEMENT OF MEDICAL EXPENSES
As per Rules of the Company.
- (B) PERSONAL ACCIDENT INSURANCE
As per Rules of the Company.
- (C) CONTRIBUTION TO PROVIDENT FUND AND SUPERANNUATION FUND
Contribution to Provident Fund and Superannuation Fund, as per Rules of the Company, subject to the ceilings as per the guidelines for managerial remuneration in force from time to time
- (D) LEAVE AND ENCASHMENT OF LEAVE
As per Rules of the Company.
- (E) GRATUITY AND / OR CONTRIBUTION TO GRATUITY FUND
As per Rules of the Company.
- (F) USE OF CAR AND TELEPHONE
Company maintained car with driver for use on Company's business and cellular phone provided by the Company will not be considered as perquisite.
- (G) REIMBURSEMENT OF EXPENSES
Reimbursement of entertainment, travelling and all other expenses incurred for the business of the Company, as per Rules of the Company.
- (H) OTHER BENEFITS:
Any other benefits, facilities, allowances and expenses may be allowed under Company rules/schemes and available to other employees.

3) Other terms and conditions:

- (A) An agreement shall be entered into by the Whole Time Director with the Company on the effective date for a period of 3 years
- (B) He shall perform such duties as may from time to time be entrusted by the Board, subject to the superintendence and control of the Board and in compliance with Section 166 of the Companies Act, 2013;
- (C) He shall be entitled to leaves as per policy of the Company
- (D) If at any time, he ceases to be the Director of the Company, he shall ipso-facto cease to be a Whole Director of the Company
- (E) The agreement may be amended or terminated by either party at any time within the three-year period, by the giving 3 month notice in writing, and stating the reasons thereof.

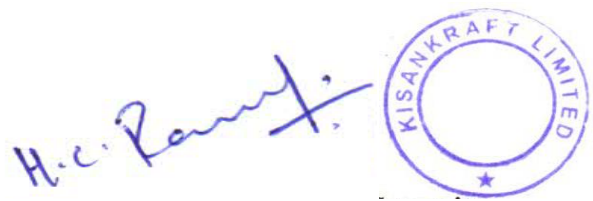
RESOLVED FURTHER THAT Board on the recommendation of Nomination and Remuneration Committee, be and is hereby authorised to alter and vary the terms and conditions of appointment including remuneration (Fixed Salary and Variable Performance Bonus) and annual incremental thereof, but such remuneration shall not exceed Maximum limits of Rs. 1 Crore PA.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized and empowered in case of adequacy of profits to pay the variable remuneration in addition to aforesaid fixed salary as may be permissible under and by any amendments to Section 197 and / or Schedule V of the Companies Act, 2013 or by way of any Government guidelines or instructions, the intention being that no further approval of the Company will be required so long as remuneration of the Whole Time Director is not in excess of the maximum permissible under relevant laws, rules, regulations, guidelines or instructions as may be promulgated or issued after the date of this meeting.

RESOLVED FURTHER THAT any of the Executive Directors of the Company be and are hereby severally authorized to take such steps as may be necessary for obtaining approvals, statutory or otherwise, in relation to the above appointment and to settle all matters arising out of and incidental thereto and sign and execute the agreements, applications, documents and writings that may be required, on behalf of the Company, filing of forms, returns and generally to do all acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to the aforesaid Resolution.”

BY ORDER OF THE BOARD OF DIRECTORS

For M/s KisanKraft Limited

The image shows a handwritten signature in blue ink that reads "H.C. Ramya". To the right of the signature is a circular purple stamp. The text "KISANKRAFT LIMITED" is written around the top inner edge of the circle, and a small star is at the bottom center.

**Hullahalli Chandrashekar Ramya
Company Secretary**

Date: 21st August, 2020
Place: Bangalore

NOTES:

1. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect to the business stated above is annexed hereto
2. A member entitled to attend and vote at the General Meeting (the “Meeting”) is entitled to appoint a proxy to attend and vote on a poll instead of himself / herself and the proxy need not be a member of the Company. The instrument appointing the proxy in Form MGT-11 annexed hereto, in order to be effective, should reach the registered office of the Company duly filled, stamped and signed at least 48 hours before the time of the meeting.
3. Corporate members intending to send their authorized representative(s) to attend the Meeting are requested to send to the Registered Office of the Company, a certified copy of the Board resolution authorizing their representative to attend and vote on their behalf at the Meeting
4. Members are requested to fill-in and sign the attendance slip and hand it over at the entrance to the venue
5. Members are requested to notify any change in their address or Email Id to the Company at its Registered Office and respective Depository Participants
6. The statutory registers or other documents referred to in the accompanying Notice and Explanatory Statement are open for inspection at the Company’s Office at Sri Huchhanna Tower Site # 4, #748, 7th A Cross, Maruthi Layout, Dasarahalli, Hebbal, Bangalore, Karnataka, India, 560024 on all working days between 11.00 a.m. and 1.00 p.m. upto the date of the Annual General Meeting.
7. In accordance with section 20 of the Companies Act, 2013, service of documents on members by a company is allowed through electronic mode. Accordingly, as a part of Green Initiative, soft copy of the Notice has been sent to members having E-mail Id registered with the Company unless any member has requested for a hard copy of the same.
8. Members are requested to bring to the meeting the attendance slip.
9. Route-map to the venue of the meeting is provided at the end of the notice.

EXPLANATORY STATEMENT

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

Item No.1

Mrs. Sarika Agrawal was appointed as Whole Time Director from 18th December 2017 to hold office for 3 years i.e. till 17th December 2020.

Since the period of appointment will be expiring on 17th December 2020, acting on the recommendation of Nomination and Remuneration Committee, the Board of Directors, in its meeting held on 21st August 2020, have approved the re-appointment of Mrs. Sarika Agrawal as Whole Time Director of the Company to hold office for 3 years i.e. from 18th December 2020 till 17th December 2023 and to fix the remuneration payable to Mrs. Sarika Agrawal, Whole Time Director of the Company and recommend the same to the members for their approval.

The Nomination and Remuneration Committee has considered various factors inter alia the experience of director, profitability of the Company, future business prospects and her contribution in the effective management of the affairs of the company, before making recommendation to the Board with respect to her reappointment and the remuneration payable.

As per Section 197 (3) read with Schedule V of the Companies Act, 2013, where in any financial year, the Company has no profits or its profits are inadequate, the salary to Managerial Persons can be paid in accordance with the provisions of Schedule V.

In the current year the company has inadequate profit, hence the company has to comply with the provisions of Section II of Part II of the Schedule V.

As per the proviso of Section II of Part II of the said Schedule V, the remuneration in excess of the specified limit may be paid, if the resolution passed by the shareholders is a special resolution.

The Board on the recommendation of Nomination and Remuneration Committee may alter and vary the terms and conditions of appointment including remuneration and annual incremental thereof, but such remuneration shall not exceed the Maximum limits of Rs. 1.5 Crore P A.

Mrs. Sarika Agrawal and her spouse Mr. Ravindra Kumar Agrawal are interested in the resolution in the capacity of appointee and his relative. None of the other Directors, Key Managerial Personnel or their relatives are interested in the resolution.

The Board hereby recommends the resolution as set out in Resolution No. 3 for the approval of Shareholders as a special resolution

Information regarding Whole Time Director seeking re-appointment

Mrs. Sarika Agrawal

Age	52 Years
Qualifications	Mrs. Sarika Agrawal holds bachelor degree in English, from Ravishankar University, India
Experience	32 Years
Terms and conditions of appointment or re- appointment	<p>(i) Tenure of this appointment shall be three years with effect from 18th December 2020.</p> <p>(ii) The Whole Time Director of the Company shall not be liable to retire by rotation. The Whole Time Director would be employed on a whole-time basis and will not be permitted to undertake any other business, work or public office, honorary or remunerative, except with the written permission of the Competent Authority in each case</p> <p>(iii) The Whole Time Director shall be entitled to such other privileges, allowance, facilities and amenities in accordance with rules and regulations as may be applicable to other employees of the Company and as may be decided by the Board, within the overall limits prescribed under the Act</p> <p>(iv) Whole Time Director will cease to be Director on cessation of his employment with the Company</p> <p>(v) The appointment shall be governed by Section 196, 197, 203 read with Schedule V of the Companies Act, 2013 and rules made thereunder</p> <p>(vi) The separation from this engagement could be affected by either side giving three months' notice</p>
Last drawn remuneration	Rs. 5.39 Lakhs PM
Date of first appointment on the Board	Since inception, promoter director
No. of share held	1,66,284 Equity Shares
Relationship with Directors, Managers & KMP	Mr. Ravindra Kumar Agrawal husband of Mrs. Sarika Agrawal is a Managing Director of the Company
Number of Board Meeting attended during FY 2019-20	5 Board Meeting out of 7
Other Directorship (Governor)	M/s Washington Agrotech Limited
Chairman/ Member of the Committees of Boards of other companies	NIL

The following detailed information as per Section – II of Part II of Schedule V of the Companies Act, 2013 is as follows:

I. General Information:		
(a) Nature of industry	-Wholesale of agricultural machinery, equipment and supplies -Manufacture of agricultural and forestry machinery -Development and Production of seeds and planting materials	
(b) Date or expected date of commencement of commercial production.	Company started Business of wholesale trading in 2005 and started manufacturing in 2014 and Development & Production of seeds in 2018	
(c) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus.	Not applicable	
(d) Financial performance based on given indicators.	Financial year 2019-20 Gross Revenue : Rs. 16,522.69 Lakhs ,Profit after Tax: Rs. 1,426.49 Lakhs Rate of Dividend : 0 Earnings per Share: Rs. 13.71	
(e) Foreign investments or collaborators, if any	The Company has not made any foreign investments and neither entered into any foreign collaborations	
II. Information about the appointee:		
(a) Background details	<input type="checkbox"/> B.A (English), Ravishankar University, India,1988 <input type="checkbox"/> Oversees Accounting Functions, purchases and Human Resources <input type="checkbox"/> Visits OEM factories for audit, undertakes vendor development and works on new product identification	
(b) Past remuneration	The remuneration drawn by Mrs. Sarika Agrawal during the past two years is as follows:	
	Year	Rs. in Lakhs PA
	2018-19	52.20
	2019-20	60.93
(c) Recognition or awards		

(d) Job profile and his suitability	She is the Whole Time Director of the Company and devotes whole time attention for the supervision of finance and accounts, employee relation and vendor relation. Taking this into consideration, the Board has bestowed the leadership of the Organization.
(e) Remuneration proposed	It is proposed to pay consolidated remuneration to Mrs. Sarika Agrawal up to Rs. 61,18,020 per annum (Rupees Sixty One Lakhs Eighteen Thousand and Twenty) by way of salary and performance bonus of not exceed 50% of the Gross Salary excluding bonus for FY 2020-21. For other FY till the term of appointment as recommended by Nomination and Remuneration Committee and approved by the Board of Directors subject to such remuneration shall not exceed Rs. 1.5 Crore in any Financial Year.
(f) Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person	Considering the responsibility shouldered by her of the enhanced business activities of the Company, proposed remuneration is Commensurate with Industry standards and Board level positions held in similar sized and similarly positioned businesses
(g) Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any	Besides the remuneration and receipt of rent for leasing the office premises, Mrs. Sarika Agrawal does not have any other pecuniary relationship with the Company. Further, she is one of the promoters and Whole Time Director of the Company. She is one of the Director (Governor) of Holding Company M/s Washington Agrotech Limited. Her husband Mr. Ravindra Kumar Agrawal is also one of the promoters and Managing Director of KisanKraft Limited.
III. Other information:	

(a) Reasons of inadequate profits	<p>Revenue is inadequate primarily due to the following reasons:</p> <ul style="list-style-type: none"> * Company is operating with focus on growth in sales and increasing presence, which means a lot of expenditure in business promotion, farmer awareness and field demonstration programs. * Our target market of small & marginal farmers with lower paying capacity, coupled with intense competition with local importers puts a lot of price pressure reducing gross margins. * Agriculture in India is primarily rain-fed and is dependent on monsoon. Insufficient or erratic monsoon has a huge impact on sales. * Carrying costs of some of the aged inventory from previous years also drags profitability. * Strikes by transporters, banks, ports and sometimes delays in production or shipment causes us to lose sales
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<p>b) Steps taken or proposed to be taken for improvement</p>	<p>Following steps taken by the Company for improvement:</p> <ul style="list-style-type: none"> * Company has been significantly improving its inventory costs and inventory holding year-on-year basis. It has already improved profitability in the last years * Growth in company's sales helps increase our scale of purchase and then Minimum Order Quantity is no longer a burden and reduces our inventory carrying costs * Company has developed mobile application to track tour and dealer visits of sales employee increasing in per employee sales productivity and improving performance. * Company is continuously trying to upgrade product portfolio by improvements and additions as needed * Company comes up with schemes to increase same store sales by way of quantity discounts, joint promotion activity, service camps etc. * Company has started manufacturing engines, water-pumps, inter-cultivators with BIS:ISI certifications to increase brand value and market share * Company is investing in better financial and performance analytics for timely interventions as needed to improve performance * Company is consciously clearing aged inventory at aggressive discounts * Company is focusing on strengthening its core competency in affordable machinery for small farms, optimising dealer networks, improving dealer productivity, upgrading high margin products, and rationalising the operations. * Further, by highly competitive pricing backed with service and parts, the Company maintains its leadership, improve market share and financial performance.
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(c) Expected increase in productivity and profits in measurable terms	<p>Company is very conscious about improvement in productivity and undertakes constant measures to improve it.</p> <p>* Successive governments have been focused on improving mechanisation among small farmers with various incentives and schemes. Therefore, we think that our business segment will continue to have healthy growth.</p> <p>* Continued migration of rural labor to urban areas in reducing availability of farm labours, increasing demand for our products across India.</p> <p>* Company has been experiencing better Year-on-Year profitability already due to various steps taken.</p> <p>* Profitability is expected to improve even further, but it is difficult to put an accurate number on it due to many variables.</p>
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The remuneration payable to Mrs. Sarika Agrawal is appropriate and in the best interest of the Company. Thus, the Board of Directors recommends the Special resolution as set out at Item no.3 of the notice for the approval of the members.

Item No.2

Mr. Sunil Prasad was appointed as Whole Time Director from 4th July 2016 to 4th July 2021 for a period of 5 years or for a period of 3 years from 18th December 2017 (i.e. till 17th December, 2020) whichever is earlier.

Since the period of appointment will be expiring on 17th December 2020, acting on the recommendation of Nomination and Remuneration Committee, the Board of Directors, in its meeting held on 21st August 2020, have approved the re-appointment of Mr. Sunil Prasad as Whole Time Director and Chief Operating Officer (COO) of the Company to hold office for 3 years i.e. from 18th December 2020 till 17th December 2023 and to fix the remuneration payable to Mr. Sunil Prasad, Whole Time Director and COO of the Company and recommend the same to the members for their approval.

The Nomination and Remuneration Committee has considered various factors inter alia the experience of director, profitability of the Company, future business prospects and his contribution in the effective management of the affairs of the company, before making recommendation to the Board with respect to his reappointment and the remuneration payable.

As per Section 197 (3) read with Schedule V of the Companies Act, 2013, where in any financial year, the Company has no profits or its profits are inadequate, the salary to Managerial Persons can be paid in accordance with the provisions of Schedule V.

In the current year the company has inadequate profit, hence the company has to comply with the provisions of Section II of Part II of the Schedule V.

As per the proviso of Section II of Part II of the said Schedule V, the remuneration in excess of the specified limit may be paid, if the resolution passed by the shareholders is a special resolution.

The Board on the recommendation of Nomination and Remuneration Committee may alter and vary the terms and conditions of appointment including remuneration and annual incremental thereof, but such remuneration shall not exceed the Maximum limits of Rs. 1 Crore P.A.

Except, Mr. Sunil Prasad, none of the Directors, Key Managerial Personnel or their relatives are interested or concerned in the resolution.

The Board hereby recommends the resolution as set out in Resolution No. 4 for the approval of Shareholders as a special resolution

Information regarding Whole Time Director seeking re-appointment

Mr. Sunil Prasad

Age	34 Years
Qualifications	II PUC
Experience	12 Years

Terms and conditions of appointment or re- appointment	<p>(i) Tenure of this appointment shall be three years with effect from 18th December 2020.</p> <p>(ii) The Whole Time Director of the Company shall be liable to retire by rotation. The Whole Time Director would be employed on a whole-time basis and will not be permitted to undertake any other business, work or public office, honorary or remunerative, except with the written permission of the Competent Authority in each case</p> <p>(iii) The Whole Time Director shall be entitled to such other privileges, allowance, facilities and amenities in accordance with rules and regulations as may be applicable to other employees of the Company and as may be decided by the Board, within the overall limits prescribed under the Act</p> <p>(iv) Whole Time Director will cease to be Director on cessation of his employment with the Company</p> <p>(v) The appointment shall be governed by Section 196, 197, 203 read with Schedule V of the Companies Act, 2013 and rules made thereunder</p> <p>(vi) The separation from this engagement could be affected by either side giving three months' notice</p>
Last drawn remuneration	Rs. 4.69 lakhs PM
Date of first appointment on the Board	04-07-2016
No. of share held	12,000
Relationship with Directors, Managers & KMP	-
Number of Board Meeting attended during FY 2019-20	4 Board Meeting out of 7
Other Directorship	NIL
Chairman/ Member of the Committees of Boards of other companies	NIL

The following detailed information as per Section – II of Part II of Schedule V of the Companies Act, 2013 is as follows:

I. General Information:		
(a) Nature of industry	-Wholesale of agricultural machinery, equipment and supplies -Manufacture of agricultural and forestry machinery -Development and Production of seeds and planting materials	
(b) Date or expected date of commencement of commercial production.	Company started Business of wholesale trading in 2005 and started manufacturing in 2014 and Development & Production of seeds in 2018	
(c) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus.	Not applicable	
(d) Financial performance based on given indicators.	Financial year 2019-20 Gross Revenue :Rs. 16,522.69 Lakhs Profit after Tax: Rs. 1,426.49 Lakhs Rate of Dividend : 0 Earnings per Share: Rs. 13.71	
(e) Foreign investments or collaborators, if any	The Company has not made any foreign investments and neither entered into any foreign collaborations	
II. Information about the appointee:		
(a) Background details	He has an experience of 2.6 years in Reliance communication as a Business Development officer.	
(b) Past remuneration	The remuneration drawn by Mr. Sunil Prasad during the past two years is as follows:	
	Year	Rs. in Lakhs
	2018-19	30.57
	2019-20	36.14
(c) Recognition or awards		
(d) Job profile and his suitability	He has appointed as Director of the Company on 4 th July, 2016. He is the Whole Time Director and COO of the Company and devotes whole time in Handling all the operations, Sales, Marketing. Taking this into consideration, the Board has bestowed the leadership of the Organization	

(e) Remuneration proposed	It is proposed to pay consolidated remuneration to Mr. Sunil Prasad up to Rs. 32,24,100 per annum (Rupees Thirty Two Lakhs Twenty Four Thousand and One Hundred) by way of salary and performance bonus of not exceed 50% of the Gross Salary excluding bonus for FY 2020-21. For other FY till the term of appointment as recommended by Nomination and Remuneration Committee and approved by the Board of Directors subject to such remuneration shall not exceed Rs. 1 Crore in any Financial Year.
(f) Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person	Considering the responsibility shouldered by him of the enhanced business activities of the Company, proposed remuneration is Commensurate with Industry standards and Board level positions held in similar sized and similarly positioned businesses
(g) Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any	Besides the remuneration, Mr. Sunil Prasad does not have any other pecuniary relationship with the Company.
III. Other information:	
(a) Reasons of loss or inadequate profits	<p>Revenue is inadequate primarily due to the following reasons:</p> <ul style="list-style-type: none"> * Company is operating with focus on growth in sales and increasing presence, which means a lot of expenditure in business promotion, farmer awareness and field demonstration programs. * Our target market of small & marginal farmers with lower paying capacity, coupled with intense competition with local importers puts a lot of price pressure reducing gross margins. * Agriculture in India is primarily rain-fed and is dependent on monsoon. Insufficient or erratic monsoon has a huge impact on sales. * Carrying costs of some of the aged inventory from previous years also drags profitability. * Strikes by transporters, banks, ports and sometimes delays in production or shipment causes us to lose sales

<p>(b) Steps taken or proposed to be taken for improvement</p>	<p>Following steps taken by the Company for improvement:</p> <ul style="list-style-type: none"> * Company has been significantly improving its inventory costs and inventory holding year-on-year basis. It has already improved profitability in the last years * Growth in company's sales helps increase our scale of purchase and then Minimum Order Quantity is no longer a burden and reduces our inventory carrying costs * Company has developed mobile application to track tour and dealer visits of sales employee increasing in per employee sales productivity and improving performance. * Company is continuously trying to upgrade product portfolio by improvements and additions as needed * Company comes up with schemes to increase same store sales by way of quantity discounts, joint promotion activity, service camps etc. * Company has started manufacturing engines, water-pumps, inter-cultivators with BIS:ISI certifications to increase brand value and market share * Company is investing in better financial and performance analytics for timely interventions as needed to improve performance * Company is consciously clearing aged inventory at aggressive discounts * Company is focusing on strengthening its core competency in affordable machinery for small farms, optimising dealer networks, improving dealer productivity, upgrading high margin products, and rationalising the operations. * Further, by highly competitive pricing backed with service and parts, the Company maintains its leadership, improve market share and financial performance.
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(c) Expected increase in productivity and profits in measurable terms	<p>Company is very conscious about improvement in productivity and undertakes constant measures to improve it.</p> <p>* Successive governments have been focused on improving mechanisation among small farmers with various incentives and schemes. Therefore, we think that our business segment will continue to have healthy growth.</p> <p>* Continued migration of rural labour to urban areas in reducing availability of farm labours, increasing demand for our products across India.</p> <p>* Company has been experiencing better Year-on-Year profitability already due to various steps taken.</p> <p>* Profitability is expected to improve even further, but it is difficult to put an accurate number on it due to many variables.</p>
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The remuneration payable to Mr. Sunil Prasad is appropriate and in the best interest of the Company. Thus, the Board of Directors recommends the Special resolution as set out at Item no. 4 of the notice for the approval of the members.

BY ORDER OF THE BOARD OF DIRECTORS

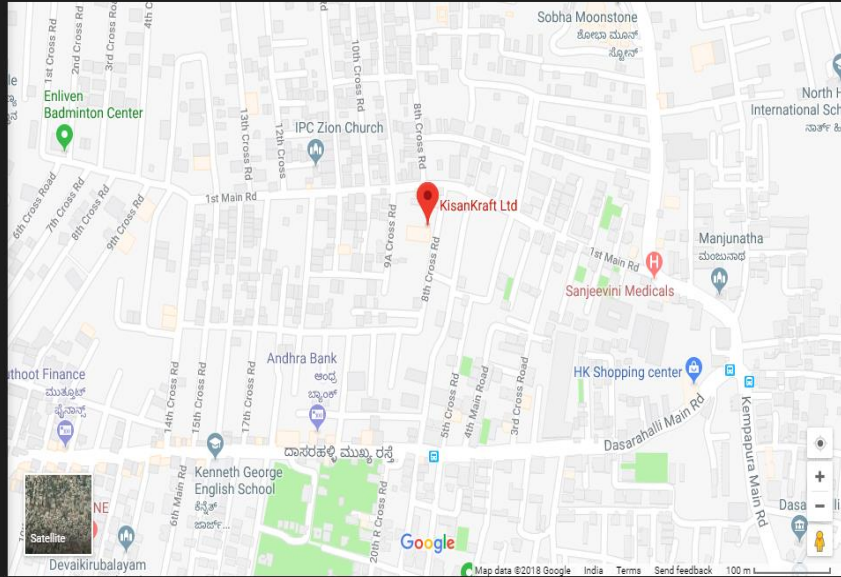
For M/s KisanKraft Limited

Hullahalli Chandrashekar Ramya
Company Secretary

Date: 21st August, 2020
Place: Bangalore

REGISTERED OFFICE ROUTE MAP



KISANKRAFT LIMITED

ATTENDANCE SHEET

15th Annual General Meeting

Venue of the meeting: Registered Office

Day and Date of the meeting: Saturday, 19th September 2020

Time: 11:30 AM

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

Name of Director/Member	
Address	
DIN	
Folio No	
No of shares Held	

I hereby record my presence at the Annual General Meeting of the Company held on Saturday, 19th September 2020 at 11:30 AM at the Registered Office of the Company at Sri Huchhanna Tower, Site # 4, #748, 7th A Cross, Maruthi Layout, Dasarahalli, Hebbal, Bangalore, Karnataka, India, 560024

PROXY FORM

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

CIN: U29220KA2005PLC066051

Name of the Company: KisanKraft Limited

Registered Office: Sri Huchhanna Tower Site # 4, #748, 7th A Cross, Maruthi Layout, Dasarahalli, Hebbal, Bangalore, Karnataka, India, 560024

Phone No.: 080 22178200, **Email:** info@kisankraft.com,

Website: www.kisankraft.com

Name of the member(s)	
Registered Address	
E-Mail ID	
Folio No/ Client Id	

I/we, being the member (s) and holding of Shares of the above named company, hereby appoint

1. Name:.....

Address:.....

E-mail Id:

Signature:....., or failing him

2. Name:.....

Address:.....

E-mail Id:

Signature:....., or failing him

3. Name:.....

Address:.....

E-mail Id:

Signature:.....,

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Annual General Meeting of the Company, to be held on Saturday, 19th September 2020 at 11:30 AM at Sri Huchhanna Tower Site # 4, #748, 7th A Cross, Maruthi Layout, Dasarahalli, Hebbal, Bangalore, Karnataka, India, 560024 and at any adjournment thereof in respect of resolutions as indicated below:

Resolution No.	Resolution	Number of shares held	For	Against
Ordinary Business				
1.				
2.				
Special Business				
1.				
2.				

Signed this..... Day of 2020

Affix Revenue Stamp

Signatures of shareholder

Signatures of Proxy holder(s).....

Note:

1. 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
2. A Proxy need not be a member of the Company
3. 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
4. The form of Proxy confers authority to demand or join in demanding a poll
5. The submission by a member of this form of proxy will not preclude such member from attending in person and voting at the meeting