



K.M. Sugar Mills Ltd.


Factory & Works : P.O. Motinagar-224201, Dist. Ayodhya (U. P.)
Phone : 7571000692, Email : director@kmsugar.com
CIN No.:L15421UP1971PLC003492 GSTIN No.:09AAACK5545P1ZZ

COMPLIANCE REPORT

It is hereby certified that the draft Scheme of Arrangement for Demerger between K M Sugar Mills Limited ('Demerged Company') and K M Spirits and Allied Industries Limited ('Resulting Company') does not, in any way violate, override or limit the provisions of securities laws or requirements of the Stock Exchange(s) and the same is in compliance with the applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the SEBI Master Circular no. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023, including the following:

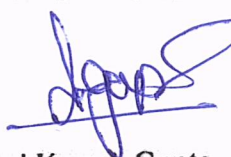
SN	Reference	Particulars	Remarks
1	Regulations 17 to 27 of LODR Regulations	Corporate governance requirements	Complied
2	Regulation 11 of LODR Regulations	Compliance with securities laws	Complied
Requirements of this circular			
(a)	Para (I)(A)(2)	Submission of documents to Stock Exchanges	Complied
(b)	Para (I)(A)(3)	Conditions for schemes of arrangement involving unlisted entities	Complied
(c)	Para (I)(A)(4) (a)	Submission of Valuation Report	The present application pertains to a Scheme of Arrangement involving the demerger of an undertaking from Holding Company (Demerged Company) into its wholly owned subsidiary (Resulting Company). In consideration, the Resulting Company shall issue shares to the shareholders of Demerged Company in the same proportion of their respective shareholding in the Demerged Company. Consequently, a mirror replica shareholding pattern is

			<p>proposed to be created in the Resulting Company.</p> <p>Accordingly, a Share Entitlement Report has been issued for the present draft Scheme.</p>
(d)	Para (I)(A)(5)	Auditors certificate regarding compliance with Accounting Standards	Complied
(e)	Para (I)(A)(10)	Provision of approval of public shareholders through e-voting	<p>Complied</p> <p>Clause 3.4.3 of the Scheme of Arrangement provides for the provision of approval of public shareholders through e-voting.</p> <p><i>Further, the requirement of obtaining approval from majority of public shareholders, as stated in Para (A) (10) (b) of Part I of the SEBI Master Circular is not applicable to the proposed Scheme. An undertaking along with the Auditor's Certificate to this effect have been attached to this application as Annexure 10A and 10B.</i></p>



 Ritika Tandon
 Company Secretary


 Aditya Jhunjhunwala
 Managing Director

Certified that the transactions / accounting treatment provided in the draft Scheme of Arrangement for Demerger between K M Sugar Mills Limited ('Demerged Company') and K M Spirits Allied Limited ('Resulting Company') are in compliance with all the Accounting Standards applicable to a listed entity.


 Arvind Kumar Gupta
 Chief Financial Officer




 Aditya Jhunjhunwala
 Managing Director

Date: August 21, 2025