NOTICE

NOTICE is hereby given that the **THIRTY FIFTH ANNUAL GENERAL MEETING of KAKATIYA CEMENT SUGAR & INDUSTRIES LIMITED** will be held on Monday, the 14th day of July, 2014 at 11.00 A.M at Sri Thyagaraya Gana Sabha, Vivek Nagar, Chikkadapally, Hyderabad - 500 020 to transact the following Business.

ORDINARY BUSINESS:

1. To receive, consider and adopt the Profit and Loss Account for the year ended 31st March 2014, the Balance Sheet as at that date and the Reports of the Directors and the Auditors thereon.

2. To declare Dividend on Equity Shares.

3. To appoint Ms.M.ANANDAM & COMPANY, Chartered Accountants, Regn.No.000125S as Statutory Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting of the Company and to fix their remuneration.

SPECIAL BUSINESS:

4. To consider and if thought fit, to pass with or without modification(s), the following resolution as Ordinary Resolution:

   "RESOLVED that pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. T.R.C. Bose (holding DIN00160630), Director of the Company who retires by rotation at the Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years for a term up to 2019 from the date of this meeting."

5. To consider and if thought fit, to pass with or without modification(s), the following resolution as Ordinary Resolution:

   "RESOLVED that pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. V.B.R.Suryam (holding DIN00409995), Director of the Company in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years for a term up to 2019 from the date of this meeting."

6. To consider and if thought fit, to pass with or without modification(s), the following resolution as Ordinary Resolution:

   "RESOLVED that pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. C.Madhusudhana Rao (holding DIN000410173), Director of the Company who retires by rotation at the Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years for a term up to 2019 from the date of this meeting."

7. To consider and if thought fit, to pass with or without modification(s), the following resolution as Ordinary Resolution:

   "RESOLVED that pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. B.V.Subbaiah (holding DIN01147062), Director of the Company who retires by rotation at the Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years for a term up to 2019 from the date of this meeting."

8. To consider and if thought fit, to pass with or without modification(s), the following resolution as Ordinary Resolution:

   "RESOLVED that pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. A.Chengappa (holding DIN03170722), Director of the Company in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years for a term up to 2019 from the date of this meeting."

9. To consider and if thought fit, to pass with or without modification(s), the following resolution as Ordinary Resolution:

   "RESOLVED that pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. K.Venkat Rao (holding DIN06566627), Director of the Company in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years for a term up to 2019 from the date of this meeting."

By Order of the Board
for **KAKATIYA CEMENT SUGAR & INDUSTRIES LIMITED**

Place : Hyderabad
Date : 26th May 2014

R. Ramakrishna
Company Secretary

NOTES:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on poll only instead of himself/herself. Such proxy need not be a member of the company.
2. The Register of Members and Share Transfer Books will remain closed from 07.07.2014 to 14.07.2014 (both days inclusive).
3. Members are requested to notify immediately any change in their addresses to the Company's Registered Office with their Folio Number(s) with their e-mail address.
4. The Dividend, after declaration, will be paid to those shareholders whose names stand on the Register of Members on 14th July 2014. The Dividend in respect of shares held in the electronic form will be paid to the beneficial owners of shares whose names appear in the list furnished by the Depositories for this purpose as on 14th July 2014. The Dividend will be paid on or before 13th August 2014.
5. The Securities and Exchange Board of India (SEBI) has made it mandatory for all Companies to use the Bank Account details furnished by the Depositories for depositing dividend through Electronic Clearing Service (ECS) to investors wherever ECS and bank details are available. In the absence of ECS facilities, the Company will print the Bank details, if available, on the payment instrument for distribution of dividend.
6. As per provisions of Section 205A of the Companies Act, 1956 the Company has already transferred to the Investors Education and Protection Fund, the amount of all unclaimed dividends declared up to and including the financial year ended 31st March 2006. The amount of unclaimed dividends for the financial year ended 31st March 2007 will be transferred to the Investors Education and Protection Fund by October 15th 2014.
7. As per the provisions of Section 205A, the Company is required to transfer dividend, which remains unpaid or unclaimed for a period of 7 years, to the Investors Education and Protection Fund set up by the Central Government. Shareholders, who have not claimed their dividend for any year from the financial year ended March 31, 2008 onwards, are requested to lodge their claim with the Company.
8. (a) The Company's shares are listed with the The National Stock Exchange of India Limited (NSE) and Bombay Stock Exchange Limited, Mumbai(BSE).

   (b) The Annual Listing Fee for the year 2014-2015 has been paid to these two Stock Exchanges.
9. All the shareholders are requested to intimate their e-mail address to the Company at kcsilcs@gmail.com or for sending by e-mail the Notice and Annual Report.
10. As per SEBI circular No.CIR/MRD/DP/10/2013 dated March 21, 2013, dividend payments to investors are made electronically through ECS. Shareholders are requested to update bank details with the depositories to ensure that dividend is credited promptly. Those shareholders who hold shares in physical form are requested to communicate their bank account number, Name of the Bank and address to: kcsilcs@gmail.com.
11. Electronic copy of the Notice of the 35th Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice of the 35th Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode. They can also visit the company's website www.kakatiyacements.com where the notice is uploaded.
12. Members may also note that the Notice of the 35th Annual General Meeting and the Annual Report for 2013-14 will also be available on the Company's website www.kakatiyacements.com in for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office in Hyderabad for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's investor email id: shares@kakatiyacements.com

13. *The e-voting period commences on 9th July, 2014 (11:00 AM) and ends on 11th July, 2014 (11:00 AM). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 7th July, 2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.*

14. *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 7th July, 2014.*

15. Mr. G. Narender, Practicing Company Secretary (COP No. 5024) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner. The Scrutinizer shall within a period not exceeding three(3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two(2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.

ANNEXURE TO NOTICE:

EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

ITEM NO. 4

Mr. TRC Bose is a Non-Executive Independent Director of the Company. He joined the Board of Directors of the Company in 2001. Mr. TRC Bose is a member of the Stakeholders Relationship Committee, Nomination and Remuneration Committee and the Audit Committee of the Board of Directors of the Company.

Mr.TRC Bose, has rich technical and managerial experience. He was Director (Projects) of APTRANSCO. He is a Director of Athena Chattisgarh Power Ltd, IVRCL Infrastructure & Projects Ltd and Konaseema Gas Power Ltd.

He does not hold by himself or for any other person on a beneficial basis, any shares in the Company.

Mr. TRC Bose retires by rotation at the ensuing Annual General Meeting under the erstwhile applicable provisions of Companies Act, 1956. In terms of Section 149 and any other applicable provisions of the Companies Act, 2013, Mr.TRC Bose being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director for five consecutive years from the date of this meeting. A notice has been received from a member proposing Mr.TRC Bose as a candidate for the office of Director of the Company.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail his services as an Independent Director. Accordingly, the Board recommends the resolution in relation to his appointment as an Independent Director, for the approval by the shareholders of the Company.

Except Mr. TRC Bose, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 4. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchange.

ITEM NO. 5

Mr. VBR Suryam is a Non-Executive Independent Director of the Company. He joined the Board of Directors of the Company in 1991.

Mr.VBR Suryam is a Cement Technologist. He was associated with many cement companies including ACC, Rasi, and has wide experience.

He does not hold by himself or for any other person on a beneficial basis, any shares in the Company.

Mr. VBR Suryam is proposed to be appointed as an Independent Director for five consecutive years from the date of this meeting. A notice has been received from a member proposing Mr.VBR Suryam as a candidate for the office of Director of the Company.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail his services as an Independent Director. Accordingly, the Board recommends the resolution in relation to his appointment as an Independent Director, for the approval by the shareholders of the Company.

Except Mr.VBR Suryam, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 5. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchange.

ITEM NO. 6

Mr. C.Madhusudhana Rao is a Non-Executive Independent Director of the Company. He joined the Board of Directors of the Company in 1991. Mr. C.Madhusudhana Rao is Chairman of the Stakeholders Relationship Committee, Member of Nomination and Remuneration Committee and Chairman the Audit Committee of the Board of Directors of the Company.

Mr.C.Madhusudhana Rao is a Chartered Accountant by profession and has vast experience in Finance, Accounting and audit functions.He holds 400 shares in the Company.

Mr. C.Madhusudhana Rao retires by rotation at the ensuing Annual General Meeting under the erstwhile applicable provisions of Companies Act, 1956. In terms of Section 149 and any other applicable provisions of the Companies Act, 2013, Mr.C.Madhusudhana Rao being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director for five consecutive years from the date of this meeting. A notice has been received from a member proposing Mr.C.Madhusudhana Rao as a candidate for the office of Director of the Company.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail his services as an Independent Director. Accordingly, the Board recommends the resolution in relation to his appointment as an Independent Director, for the approval by the shareholders of the Company.

Except Mr.C.Madhusudhana Rao being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 6. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchange.

ITEM NO.7

Mr. B.V.Subbaiah is a Non-Executive Independent Director of the Company. He joined the Board of Directors of the Company in 2009. Mr. B.V.Subbaiah is a member of the Stakeholders Relationship Committee, Nomination and Remuneration Committee and the Audit Committee of the Board of Directors of the Company.

Mr.B.V.Subbaiah is a leading lawyer practicing before the High Court of Andhra Pradesh.

He does not hold by himself or for any other person on a beneficial basis, any shares in the Company.

Mr. B.V.Subbaiah retires by rotation at the ensuing Annual General Meeting under the erstwhile applicable provisions of Companies Act, 1956. In terms of Section 149 and any other applicable provisions of the Companies Act, 2013, Mr.B.V.Subbaiah being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director for five consecutive years from the date of this meeting. A notice has been received from a member proposing Mr.B.V.Subbaiah as a candidate for the office of Director of the Company.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail his services as an Independent Director. Accordingly, the Board recommends the resolution in relation to his appointment as an Independent Director, for the approval by the shareholders of the Company.

Except Mr. B.V.Subbiah, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 7. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchange.

ITEM NO. 8

Mr. A.Chengappa is a Non-Executive Independent Director of the Company. He joined the Board of Directors of the Company in 2010.

Mr.A.Chengappa is a retired IAS officer. He was Secretary to Government in General Administration, Revenue, Panchayat Raj departments and was also Additional Director General of MCRHRD Institute of A.P.

He does not hold by himself or for any other person on a beneficial basis, any shares in the Company.

Mr. A.Chengappa is proposed to be appointed as an Independent Director for five consecutive years from the date of this meeting. A notice has been received from a member proposing Mr.A.Chengappa as a candidate for the office of Director of the Company.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail his services as an Independent Director. Accordingly, the Board recommends the resolution in relation to his appointment as an Independent Director, for the approval by the shareholders of the Company.

Except Mr. A.Chengappa, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 8. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchange.

ITEM NO. 9

Mr. K.Venkat Rao is a Non-Executive Independent Director of the Company. He joined the Board of Directors of the Company in 2013. Mr. K.Venkat Rao is a member of the Corporate Social Responsiblity Committee of the Board of Directors of the Company.

Mr.K.Venkat Rao is an Engineer in Electronics and Electrical and has over 24 years experience in HMT in various Technical functions.

He does not hold by himself or for any other person on a beneficial basis, any shares in the Company.

Mr. K.Venkat Rao is proposed to be appointed as an Independent Director for five consecutive years from the date of this meeting. A notice has been received from a member proposing Mr.K.Venkat Rao as a candidate for the office of Director of the Company.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail his services as an Independent Director. Accordingly, the Board recommends the resolution in relation to his appointment as an Independent Director, for the approval by the shareholders of the Company.

Except Mr. K.Venkat Rao, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 9. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchange.

Note:

In the opinion of the Board, all the proposed six directors fulfill the conditions specified in the Companies Act, 2013 and Rules made thereunder for appointment as Independent Director.

Copy of the draft letter of appointment as Independent Director in respect of the above mentioned Independent Directors setting out the terms and conditions would be available for inspection without any fee by the members as the Registered Office of the Company form 10 AM to 5 PM on working days.

By Order of the Board
for **KAKATIYA CEMENT SUGAR & INDUSTRIES LIMITED**

Place : Hyderabad
Date : 26th May 2014

R. Ramakrishna
Company Secretary