

RAJSHREE SUGARS & CHEMICALS LIMITED

Regd Office: 'The Uffizi', 338/8, Avanashi Road, Peelamedu, Coimbatore 641 004.
Tel (0422) 4226222 Fax (0422) 2577929 CIN: L01542TZ1985PLC001706
E-Mail: rscl@rajshreesugars.com; Website: www.rajshreesugars.com

NOTICE TO THE MEMBERS

Notice is hereby given that the 31st Annual General Meeting of the Members of Rajshree Sugars & Chemicals Limited will be held on Monday, 28th August 2017 at 10 AM at the Chamber Hall, Indian Chamber of Commerce & Industry, Avanashi Road, Coimbatore 641 018 to transact the following business:

ORDINARY BUSINESS**1) Adoption of the audited financial statements of the Company**

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"RESOLVED that the audited financial statements of the Company for the financial year ended 31st March 2017 including Audited Balance Sheet as on that date, Statement of Profit and Loss and Cash Flow Statement for the year ended on that date, together with the Board's Report and the Auditors' Report thereon as circulated to the members and presented to the meeting, be and are hereby adopted."

2) Adoption of the consolidated audited financial statements

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"RESOLVED that the audited consolidated financial statements of the Company for the financial year ended 31st March 2017 including Audited Balance Sheet as on that date, Statement of Profit and Loss and Cash Flow Statement for the year ended on that date, together with the Auditors' Report thereon as circulated to the members and presented to the meeting, be and are hereby adopted."

3) Declaration of dividend subject to approval of the lenders under the CDR Scheme

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"RESOLVED that, subject to the approval of the secured lenders under the Corporate Debt Restructuring (CDR) Scheme, dividend at the rate of ₹1/- (Rupee one only) per equity share of face value of ₹10/- each, for the financial year ended 31st March 2017, as recommended by the Board of Directors of the Company, be and is hereby declared and the same be paid to the shareholders whose names appear in the Register of Members or the Record of Depositories as on 20th August 2017.

"RESOLVED FURTHER that in the event of the Lenders not approving the payment of dividend on or before the date of the 31st Annual General Meeting viz., 28th August 2017 this resolution shall not have any effect and need not be acted upon by the Company."

4) Reappointment of Director retiring by rotation

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"RESOLVED that Dr.P.Surularayanasami (DIN 01468527), Director, who retires by rotation and being eligible, offers himself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation."

5) Ratification of Appointment of Auditors

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"RESOLVED that pursuant to Sections 139, 142 and other applicable provisions of the Companies Act, 2013 and rules made thereunder, the Company hereby ratifies the appointment of M/s S.Krishnamoorthy & Co., Chartered Accountants (Firm Registration No. 001496S), as Auditors of the Company to hold office from the conclusion of the 31st Annual General Meeting (AGM) till the conclusion of the 32nd AGM of the Company and also authorises the Board of Directors to determine the remuneration payable to the Auditors based on the recommendation of its Audit Committee".

SPECIAL BUSINESS:

6) Reappointment of Mr.G.R.Karthikeyan as an Independent Director

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

“RESOLVED that pursuant to the provisions of Sections 149, 150 and 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereon for the time being in force) Mr.G.R.Karthikeyan (holding DIN: 01587747), an Independent Director of the Company whose first term as an Independent Director comes to an end at the closing hours of 28th August 2017, who has been recommended for reappointment by the Nomination and Remuneration Committee and the Board of Directors based on the reports of his performance evaluation and in respect of whom a notice under Section 160 of the Companies Act, 2013 has been received by the Company together with requisite deposit, be and is hereby reappointed as an Independent Director of the Company to hold office for a consecutive period starting from 29th August 2017 and extending upto 28th August 2019 or the date of 33rd Annual General Meeting, whichever is later.

7) Reappointment of Dr.K.Mohan Naidu as an Independent Director

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

“RESOLVED that pursuant to the provisions of Sections 149, 150 and 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereon for the time being in force) Dr.K.Mohan Naidu (holding DIN: 01774192), an Independent Director of the Company whose first term as an Independent Director comes to an end at the closing hours of 28th August 2017, who has been recommended for reappointment by the Nomination and Remuneration Committee and the Board of Directors based on the reports of his performance evaluation and in respect of whom a notice under Section 160 of the Companies Act, 2013 has been received by the Company together with requisite deposit, be and is hereby reappointed as an Independent Director of the Company to hold office for a consecutive period starting from 29th August 2017 and extending upto 28th August 2019 or the date of 33rd Annual General Meeting, whichever is later.

8) Reappointment of Mr.R.C.H.Reddy as an Independent Director

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

“RESOLVED that pursuant to the provisions of Sections 149, 150 and 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereon for the time being in force) Mr.R.C.H.Reddy (holding DIN:00006184), an Independent Director of the Company whose first term as an Independent Director comes to an end at the closing hours of 28th August 2017, who has been recommended for reappointment by the Nomination and Remuneration Committee and the Board of Directors based on the reports of his performance evaluation and in respect of whom a notice under Section 160 of the Companies Act, 2013 has been received by the Company together with requisite deposit, be and is hereby reappointed as an Independent Director of the Company to hold office for a consecutive period starting from 29th August 2017 and extending upto 28th August 2019 or the date of 33rd Annual General Meeting, whichever is later.

9) Reappointment of Mr.G.S.V.Subba Rao as an Independent Director

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

“RESOLVED that pursuant to the provisions of Sections 149, 150 and 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereon for the time being in force) Mr.G.S.V.Subba Rao (holding DIN:00001697), an Independent Director of the Company whose first term as an Independent Director comes to an end at the closing hours of 28th August 2017, who has been recommended for reappointment by the Nomination and Remuneration Committee and the Board of Directors based on the reports of his performance evaluation and in respect of whom a notice under Section 160 of the Companies Act, 2013 has been received by the Company together with requisite deposit, be and is hereby reappointed as an Independent Director of the Company to hold office for a consecutive period starting from 29th August 2017 and extending upto 28th August 2019 or the date of 33rd Annual General Meeting, whichever is later.

10) Appointment of Mr. Sheilendra Bhansali as an Independent Director

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“**RESOLVED** that pursuant to the provisions of Sections 149, 150 and 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereon for the time being in force) Mr. Sheilendra Bhansali (holding DIN:00595312), who has been co-opted as an Additional Director of the Company with effect from 10th July 2017 and holding office as such upto the date of the ensuing 31st Annual General Meeting and who has been recommended for appointment by the Nomination and Remuneration Committee and the Board of Directors and in respect of whom a notice under Section 160 of the Companies Act, 2013 has been received by the Company together with requisite deposit, be and is hereby appointed as an Independent Director of the Company to hold office for a period of five consecutive years from 10th July 2017 to 9th July 2022.

11) Increase in remuneration to Ms. Rajshree Pathy, as Managing Director

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

“**RESOLVED** that pursuant to the provisions of Sections 196, 197, 203, Schedule V and other applicable provisions of the Companies Act, 2013 and the rules made thereunder, approval of the shareholders be and is hereby accorded for revising the remuneration to Ms. Rajshree Pathy (holding DIN:00001614), with effect from the financial year 2016-17, as detailed below:

Salary : ₹2,40,00,000/- (Rupees two crores forty lakhs only) per annum

Perquisites : Contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.

Gratuity payable at a rate not exceeding half a month's salary for each completed year of service.

Encashment of earned leave at the end of the tenure.

Provision of Company's mobile phone and telephone at her residence for official purposes.

Provision of Company's car with driver for official purposes. Personal use of car, if any, shall be billed and paid for by the Director.

“**RESOLVED FURTHER** that the Board of Directors be and is hereby authorized to take all such steps as may be necessary to give effect to these resolutions.”

12) Appointment of Mr. Aditya Krishna Pathy as a Director

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**.

“**RESOLVED** that Mr. Aditya Krishna Pathy (DIN:00062224), who was co-opted as an Additional Director at the meeting of the Board of Directors of the Company held on 29th May 2017 and who holds office as such upto the date of the 31st Annual General Meeting and in respect of whom notice under Section 160 of the Companies Act, 2013 together with requisite deposit, be and is hereby appointed as a Director of the Company, liable to retire by rotation.”

13) Appointment of Mr. Aditya Krishna Pathy as Managing Director of the company

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

“**RESOLVED** that pursuant to the provisions of Sections 196, 197, 203, Schedule V and other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), approval of the shareholders be and is hereby accorded to the appointment of Mr. Aditya Krishna Pathy (holding DIN 00062224), who is also the Deputy Managing Director of The Lakshmi Mills Company Limited, as a whole-time key managerial person in the position of “Managing Director” of the Company for a period of three years effective from 30th June 2017 and for payment of remuneration for the said period as detailed below:

- a) **Salary / perquisites / commission** / any combination thereof, not exceeding 5% of the net profits of the company for a financial year, computed in the manner laid down in section 197(1) of the Act.
- b) **In the case of absence or inadequacy of profits** in any financial year during the tenure, the Company shall pay a sum not exceeding ₹184 lakhs (Rupees one hundred and eighty four lakhs only) per annum, as minimum remuneration. Provided that the following perquisites, if extended, shall not be considered for computing the remuneration limits:
- (i) Contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961;
 - (ii) Gratuity payable at a rate not exceeding half a month's salary for each completed year of service; and
 - (iii) Encashment of earned leave at the end of the tenure
 - (iv) Provision of Company's mobile phone and telephone at his residence for official purposes.
 - (v) Provision of company's car with driver for official purposes. Personal use of car, if any, shall be billed and paid for by the Director.
- c) **Sitting fees** for attending meetings of the Board of Directors and committees thereof to the same extent as any other director may be entitled to under section 197(5) of the Act.

"RESOLVED FURTHER that the total remuneration drawn from both the companies (namely Rajshree Sugars & Chemicals Limited and The Lakshmi Mills Company Limited,) shall not exceed the higher maximum limit, under the Companies Act, 2013, admissible from any one of the said companies of which he is a whole-time managerial personnel."

14) **Reappointment of Mr.R.Varadarajan as Wholetime Director**

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"RESOLVED that pursuant to the provisions of Sections 196, 197, 203, Schedule V and other applicable provisions of the Companies Act, 2013 and the rules made there under, approval of the shareholders be and is hereby accorded to the re-appointment of Mr.R.Varadarajan (holding DIN 00001738), as a whole time key managerial personnel in the position of Wholetime Director of the Company for a period of three years effective from 5th June 2017 and for payment of remuneration for the said period as detailed below:

Salary : ₹5,20,000/- per month

Perquisites : Leave Travel Allowance of ₹2,60,000/- per annum

Contribution to Provident Fund, Superannuation Fund or Annuity Fund.

Gratuity payable at a rate not exceeding half a month's salary for each completed year of service.

Encashment of earned leave at the end of the tenure.

Provision of Company's mobile phone and telephone at his residence for official purposes.

Provision of Company's car with driver for official purposes. Personal use of car, if any, shall be billed and paid for by the Director.

"RESOLVED FURTHER that the Board of Directors be and is hereby authorized to take all such steps as may be necessary to give effect to these resolutions."

15) **Alteration of Articles of Association**

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

"RESOLVED that pursuant to the provisions of Section 14 and other applicable provisions of the Companies Act, 2013, the Articles of Association of the Company, be and is hereby altered, as detailed below:

Regulation No. 14(e) – Deleted.

Regulation No. 14(g) – The present Regulation be replaced by the following:

14(g): The Chairman / Chairperson of the Company shall not be subject to retirement by rotation, while in that position. He / she may be paid remuneration / commission in accordance with the provisions of the Companies Act, 2013.

Regulation No. 14(f) – Renumbered as Regulation No. 14 (e)

Regulation No. 14(g) – Renumbered as Regulation No. 14 (f)

16) Remuneration for Cost Auditor

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“**RESOLVED** that the Company do hereby confirm and ratify in terms of Section 148 and all other applicable provisions of the Companies Act, 2013 and Rules made thereunder, the remuneration approved by the Board of Directors on the recommendation of the Audit Committee, for M/s.S.Mahadevan & Co., Cost Accountants (Firm Registration No.000007 for conducting the audit of the cost records for the products sugar, cogeneration of power and industrial alcohol of the Company for the financial year ending March 31, 2018, as set out below:”

<u>Product</u>	<u>Amount (₹ per annum)</u>
Sugar	80,000
Co-generation of power	45,000
Industrial Alcohol	25,000

17) Payment of Commission to Ms.Rajshree Pathy, Chairperson

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“**RESOLVED** that pursuant to the second proviso to Section 197(1) and other applicable provisions of the Companies Act, 2013 and the rules made thereunder (the Act), approval of the Company be and is hereby accorded for the payment of remuneration in the form of commission to a non-executive Chairperson of the Company/ Board, not exceeding 5% (five percent) of the net profits of the Company for a financial year, computed in the manner laid down in the Act, for each of the financial years starting from 2017-18.

“**RESOLVED FURTHER** that the Board of Directors be and is hereby authorized to take all such steps as may be necessary to give effect to the above resolution.”

By Order of the Board

Place : Coimbatore
Date : 12th July 2017

M.PONRAJ
Company Secretary

NOTE:

- 1) The Register of Members of the Company will remain closed from 21st August 2017 to 28th August 2017(both days inclusive).
- 2) A member entitled to attend and vote at the Annual General Meeting is entitled to appoint a Proxy to attend and vote instead of himself/herself and the Proxy need not be a Member.

A person can act as a proxy on behalf of members not exceeding fifty 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 proxy and such person shall not act as a proxy for any other person or shareholder.

- 3) Members are requested to intimate the change in bank mandate/address, if any, immediately to the Registrars and Transfer Agents of the Company, M/s.S.K.D.C. Consultants Limited, Kanapathy Towers, 3rd Floor, 1391/A-1, Sathy Road, Ganapathy, Coimbatore 641 006.
- 4) Members are requested to bring their copy of the Annual Report with them to the Annual General Meeting.
- 5) The Company's equity shares are listed in the following stock exchanges at present.
 - a. National Stock Exchange of India Limited, Mumbai
 - b. BSE Limited, Mumbai
- 6) The following are the details of dividend/s declared by the Company and the respective due dates for transfer of unclaimed / unpaid dividend to the Investor Education and Protection Fund (IEPF).

Date of declaration of dividend	Dividend for the financial year	Due date of credit to the Central Government	Due date of transfer to the Central Government
20.09.2010	2009-2010	19.09.2017	19.10.2017

It may be noted that no claim of the shareholders will be entertained by the company for the unclaimed / unpaid dividends after their credit to the Investors Education & Protection Fund.

In view of the above, the shareholders are advised to send their unencashed dividend warrants to the Registered Office of the Company for revalidation and encash them before the due date for credit to the IEPF.

- 7) The details pertaining to Directors proposed to be appointed / reappointed, to be provided in terms of Regulation 36 of the SEBI (LODR) Regulations, 2015 is furnished in the annexure.
- 8) Members desirous of obtaining any information concerning the financial statements and operations of the company are requested to address their queries in writing atleast two weeks before the meeting, so that the information may be made available at the meeting.
- 9) Electronic copies of the Annual Report and AGM Notice are being sent to all the members whose e-mail ID is registered with the Company / Depository Participants unless any member has requested for a hard copy of the same. For members who have not registered their e-mail ID, physical copies of Annual Report and AGM notice are sent through the permitted mode separately.
- 10) Members who are holding shares in physical form and have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, notices, circulars etc., from the Company. The e-mail may be registered with the Registrar and Share Transfer Agents of the Company viz., M/s.S.K.D.C. Consultants Limited, Kanapathy Towers, 3rd Floor, 1391/A-1, Sathy Road, Ganapathy, Coimbatore 641 006. (E-mail: info@skdc-consultants.com).

The members who are holding the shares in demat form are requested to update their email address with their Depository Participant.

However, the company can send a physical copy of the Annual Report upon receipt of a requisition from the member of the Company. The Annual Report is available in the website of your company www.rajshreesugars.com and for inspection at the Registered Office of the company during office hours.

Members are requested to support this Green Initiative by registering / updating their e-mail addresses for receiving electronic communications.

- 11) E-Voting option is provided to members pursuant to Section 108 of the Companies Act 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014. Please read carefully the instructions for 'e-Voting Process' attached to this notice. Cut-off date for determining the eligibility to vote by electronic means is 21st August 2017.

The facility for voting, through polling paper shall be made available at the venue of meeting. The members attending the meeting who have not already cast their vote by remote e-voting will be able to exercise their vote through polling paper at the Annual General Meeting. The Members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.

- 12) The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 and the Register of Contracts and Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013, will be available for inspection by the members at the Annual General Meeting.
- 13) The Statement pursuant to section 102(1) of the Companies Act, 2013, in respect of special business is annexed hereunder.

STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 (“the Act”)

Item No.4: Reappointment of Dr.P.Surulinarayanasami as Director

The following details are furnished as required under the SEBI (LODR) Regulations, 2015.

Dr.P.Surulinarayanasami (DIN 01468527; Date of Birth 15.1.1938) who retires by rotation and being eligible offers himself for reappointment. His brief profile is as follows:

He has completed his doctorate in Engineering in the USA. He is a civil and structural engineer with interests in software development and fund management.

Other Directorships

L.S.Property Developers Pvt. Ltd.

He holds 11,31,107 equity shares in the Company.

Membership in Committees

Nil

Item Nos.6 to 10: Appointment of Independent Directors

Mr. R.C.H.Reddy, Mr.G.S.V.Subba Rao, Mr.G.R.Karthikeyan and Dr.K.Mohan Naidu are the present Independent Directors of the Company whose first term as Independent Directors will expire on the closing hours of 28th August 2017. They are eligible to be re-appointed as Independent Directors for the second term on the basis of the report on performance evaluation and passing of special resolutions by the Company.

As per the SEBI (LODR) Regulations, 2015, 50% of Board of Directors of the Company should be Independent Directors. Consequent to appointment of Mr.Aditya Krishna Pathy, a Promoter and non-independent Director, the Board will be short of one Independent Director. Accordingly, the Board of Directors has co-opted Mr.Sheilendra Bhansali as an Additional Director to hold office as Independent Director of the Company, from 10th July 2017, upto the date of the ensuing AGM.

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors have proposed the appointment / reappointment of aforesaid Directors, based on the performance evaluation (except for Mr.Sheilendra Bhansali), as Independent Directors for the second term (first term in case of Mr.Sheilendra Bhansali) for a tenure as specified in the resolutions furnished in the Agenda.

The Company has received notices in writing from the said Directors along with the requisite deposit under Section 160 of the Act signifying their intention to propose their candidature for the office of Director.

The proposed appointees have also furnished declarations that they meet with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under Regulation 16 of SEBI (LODR) Regulations, 2015. They have also submitted the declaration stating that they are not disqualified from being appointed as Directors in terms of Section 164 of the Act and have given their consent to act as Directors.

In the opinion of the Board, the said Directors fulfill the conditions for appointment as Independent Directors as specified in the Act, rules and the SEBI (LODR) Regulations, 2015 and that the proposed Directors are independent of the management.

Copy of the draft letters of their appointments / reappointments as Independent Directors setting out the terms and conditions are available for inspection by members at the Registered Office of the Company. The terms and conditions would also be posted in the website of the Company.

Details of the Director/s seeking appointment/re-appointment at the Annual General Meeting in pursuance of Regulation 36 of the SEBI (LODR) Regulations, 2015

i. Mr.G.R.Karthikeyan (DIN 01587747; Date of Birth 12.3.1943)

He has a Master degree in Business Administration and hails from the PSG family of Coimbatore. He has wide experience in the management of strategy and operations of large organizations and has been directly associated with the textile industry for more than 43 years. He is a motor sports enthusiast.

Other Directorships	Membership in Committees
Sri Karthikeya Spinning & Weaving Mills Pvt Ltd.	Nil
RND Softech Pvt Ltd.	Nil
Leap Green Energy Pvt Ltd.	Nil
Lotus Eye Hospital & Institute Ltd.	Nil
Coimbatore Auto Sports Club	Nil

He holds membership in the following committees of the Company.

Audit Committee	Member
Nomination & Remuneration Committee	Member
Compensation Committee (w.e.f 29.5.2017)	Member

He holds 1,040 shares in the Company.

ii. Dr.K.Mohan Naidu (DIN 01774192 ; Date of Birth 22.8.1937)

A Doctorate in Agriculture with specialization in crop physiology, he has vast experience in sugarcane varietal improvement. Dr.Naidu headed the prestigious Sugarcane Breeding Institute of Indian Council of Agricultural Research (ICAR) situated at Coimbatore.

In his long association of over a decade with this institute, he has pioneered research for many new varieties of sugarcane.

He has traveled widely in South & North America, Africa and Asia in various capacities and positions offering consultancy and advisory services with regard to sugarcane breeding & culture.

Some of his achievements include the release of improved sugarcane varieties to suit various agro-climatic zones, working out selection indices to develop sugarcane varieties resistant to moisture stress, establishment of four sugarcane research centres & sugarcane breeding institute, bio-technology, bio-control and seed technology laboratories and organisation of sugarcane seed programmes in tropical zones.

He pioneered the transfer of technology program to improve sugarcane production in several states of India and trained development workers for a P.G. Program in association with Tamilnadu Agricultural University.

He has also published about 49 research papers, 35 technical papers, 20 popular articles, published one book and 24 bulletins in his subject.

He has been elected as a Fellow of the National Academy of Agriculture Sciences, India. He has been actively involved in various scientific bodies like the Germ plasm Committee of the International Society of Sugarcane Technologists. He also served as Vice President of the Sugarcane Technologists Association of India and Editor of Indian Sugar Crops Journal.

Other Directorships

Sri Sarvaraya Sugars Ltd.

He holds membership in the following committees of the Company.

Audit Committee

Member

Corporate Social Responsibility Committee

Member

Share Transfer Committee (w.e.f.29.5.2017)

Member

Compensation Committee (w.e.f 29.5.2017)

Chairman

He holds 1,000 equity shares in the Company.

Membership in Committees

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iii. Mr.G.S.V.Subba Rao (DIN 00001697; Date of Birth 19.8.1942)

Mr.G.S.V.Subba Rao, B.Com, MA, CAIIB (Certified Association of Indian Institute of Bankers), retired as Deputy General Manager of the State Bank of India after working in various capacities in the Bank. He has wide experience in handling various Corporate clients during his employment in the Bank.

He has wide expertise in the Banking sector, credit appraisal, finance and general administration.

He holds no Directorship / membership of committees in other Companies. He is the Chairman of Audit Committee of the company.

He does not hold any share in the Company.

iv. Mr.R.C.H.Reddy (DIN 00006184 ; Date of Birth 1.6.1935)

Mr.R.C.H.Reddy is an Engineering graduate in textile technology and holds post graduate diploma in business management from the University of Madras. He has more than four decades of experience in various companies in the field of engineering and business operations.

He has wide expertise in the fields of production, marketing, engineering, operations and administration.

Other Directorships

Lakshmi Precision Tools Ltd.

–

Lakshmi Card Clothing Mfg.Co.Pvt Ltd.

–

Harshni Textiles Ltd.

2

Lakshmi Electrical Drives Ltd.

1

Lakshmi Automatic Loom Works Ltd.

3

Lakshmi Ring Travellers (Coimbatore) Ltd.

2

Membership in Committees

He holds membership in the following committees of the Company.

Audit Committee

Member

Share Transfer Committee

Member

Nomination & Remuneration Committee

Member

Compensation Committee (w.e.f 29.5.2017)

Member

He holds 832 equity shares in the Company.

v. Mr. Sheilendra Bhansali(DIN 00595312 ; Date of Birth 4.7.1965)

Mr. Sheilendra Bhansali, born on 4th July 1965, graduated in Commerce from the PSG College of Arts and Science in 1985 and qualified as a Chartered Accountant in 1987. He is a partner of M/s Kumbhat & Co., Chartered Accountants, with offices at Chennai, Coimbatore, Bangalore and Mumbai.

Mr.Sheilendra specializes in internal audits, management consulting and financial planning.

He is a frequent speaker at various educational institutions on topics related to financial planning.

Keenly interested in quizzing, he was the President of the Quiz Foundation, Coimbatore and is Vice President of Coimbatore Quiz Circle and has conducted over 300 quizzes so far including inter-school, inter-collegiate, corporate and national open quizzes.

Mr. Sheilendra Bhansali was also on the Board of Studies of the School of Management of Karunya University for two years. Currently he is on the Board of Coimbatore Enterprises & Holdings Ltd (erstwhile Coimbatore Stock Exchange), Bhansali Securities Private Limited and Ishita Advisory Services Private Limited. He is also a Trustee of the Ajit Singhvi Education and Training Trust.

A past member of Coimbatore Metropolitan Round Table 62, he is currently a member of the Rotary Club of Coimbatore Metropolis.

<u>Other Directorships</u>	<u>Membership in Committees</u>
Bhansali Securities Private Limited	-
Ishita Advisory Services Private Limited	-
Coimbatore Enterprises & Holdings Limited	-

He does not hold any share in the Company. He is not a relative to any director of the Company.

Other than the appointees, none of the Directors/Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in these resolutions.

The Board commends the Resolutions furnished in agenda for approval of the shareholders.

Item No.11 : Increase in remuneration to Ms.Rajshree Pathy, as Managing Director

The members vide special resolution passed at the 28th AGM held on 8th September 2014 had approved the appointment of Ms.Rajshree Pathy as Managing Director for a period of three years from 16th March 2015 to 15th March 2018 and also the remuneration payable to her.

In accordance with the said resolution the remuneration payable to her in the event of loss or inadequacy for financial years in which the company had no / inadequate profits was ₹120 lakhs (besides contribution to specified funds, gratuity and leave encashment).

The Ministry of Corporate Affairs, vide notification dated 12th September 2016 has enabled payment upto ₹240 lakhs per annum to Managing Personnel in case of absence or inadequacy of profits.

Accordingly, based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors have re-fixed the remuneration as ₹240 lakhs per annum with effect from the financial year 2016-17. The said revision in the remuneration requires the approval of the shareholders by way of special resolution.

The proposed resolution in the agenda and this explanatory statement may be treated as abstract of the terms and conditions of the revision in remuneration payable to Ms.Rajshree Pathy pursuant to applicable Section of the Companies Act, 2013.

Memorandum and Articles of Association, relevant resolutions passed by the Nomination and Remuneration Committee and the Board and the written memorandum setting out the terms of revision in the Managing Director vide Section 190(1)(b) are available for inspection by members at the registered office of the company during business hours on any working day.

Statement as required under Section II of Part II of Schedule V of the Companies Act, 2013 for the payment of remuneration to Ms.Rajshree Pathy

i. GENERAL INFORMATION

a. Nature of Industry

Sugar is India's second largest agro processing industry. About 50 million farmers and their families are dependent on sugarcane cultivation. There are about 500 sugar factories in India with majority of them under the cooperative sector and the rest under private and public sector. The industry besides meeting the domestic consumption requirements, exports sugar substantially thereby earning precious foreign exchange. The byproducts, namely, molasses and bagasse are used by downstream industries like distillery and power plants for producing alcohol and power.

b. Date or expected date of commencement of commercial production.

The company is a running entity since 1985.

- c. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus.
Does not arise
- d. Financial performance based on given indicators.
The Company achieved a turnover of ₹667.85 crores in the financial year 2016-17 as against ₹571.28 crores during the previous financial year. The Company earned a net profit of ₹29.94 Crores as against net loss of ₹14.33 crores in the previous year.
- e. Foreign investments or collaborators, if any. Nil

II. INFORMATION ABOUT Ms.RAJSHREE PATHY

1. Background details

Ms.Rajshree Pathy is the promoter of the Company with varied interest in sugar, power, alcohol, travels, property development, biotechnology etc. She has been at the helm of affairs of the Company right from inception with the turnover of the company currently over ₹650 crores. She was the first woman President of Indian Sugar Mills Association, New Delhi.

2. Past remuneration

Salary : ₹10,00,000/- per month.

Perquisites : Contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.

Gratuity payable at a rate not exceeding half a month's salary for each completed year of service.

Encashment of earned leave at the end of the tenure.

Provision of Company's mobile phone and telephone at her residence for official purposes.

Provision of Company's car with driver for official purposes. Personal use of car, if any, shall be billed and paid for by the Director.

In the case of absence or inadequacy of profits, the remuneration as detailed above shall be paid as minimum remuneration.

3. Recognition or awards

She was selected as one of the hundred 'Global Leaders of Tomorrow' by the World Economic Forum, Geneva in the year 1996.

She has been conferred with Padmashri Award in the field of Trade and Industry by the Government of India in the year 2013.

4. Job profile and suitability

Does not arise, since only a revision in the remuneration.

5. Remuneration proposed from the financial year 2016-17

Salary: ₹2,40,00,000/- (Rupees two crores forty lakhs only) per annum

Perquisites : Contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.

Gratuity payable at a rate not exceeding half a month's salary for each completed year of service.

Encashment of earned leave at the end of the tenure.

Provision of Company's mobile phone and telephone at her residence for official purposes.

Provision of Company's car with driver for official purposes. Personal use of car, if any, shall be billed and paid for by the Director.

Sitting fees for attending meetings of the Board of Directors and committees thereof to the same extent as any other director may be entitled to under section 197(5) of the Act.

6. Comparative remuneration profile with respect to industry, size of the company, profile of the position and person.

The remuneration proposed is comparable with the remuneration with respect to industry, size of the company and profile of the position.

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

Ms.Rajshree Pathy holds 1,13,17,313 equity shares in the Company and no other pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel except that Mr.Aditya Krishna Pathy is son of Ms.Rajshree Pathy.

III. OTHER INFORMATION

1. Reasons of loss or inadequate profits

The company earned net profit of ₹29.94 Crores for the financial year 2016-17.

2. Steps taken or proposed to be taken for improvement

Sugar industry being regulated from purchase of sugarcane to sale of sugar, the profitability of the industry is impacted not only by market dynamics, but also government policy. However, the Company has been operating at efficient levels equal to the best norms for the industry.

3. Expected increase in productivity and profits in measurable terms

The productivity depends upon the vagaries of nature, namely, good monsoon, which in turn will help in higher sugarcane availability. The profit also depends upon the demand supply position which is again a factor of the environment.

Ms.Rajshree Pathy holds 1,13,17,313 (40.18%) equity shares in the company.

Ms.Rajshree Pathy and Mr.Aditya Krishna Pathy, are interested in the resolution. None of the other Directors/Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in these resolution.

The Board commends the Resolutions furnished in agenda for approval of the shareholders.

Item No.12 & 13 : Appointment of Mr.Aditya Krishna Pathy as a Director and Managing Director

Mr.Aditya Krishna Pathy (DIN:00062224), aged 31 years was co-opted as an Additional Director of the Company by the Board of Directors with effect from 29th May 2017, in order to broad-base the existing Board. As per the provisions of the Companies Act, 2013 he will hold office upto the date of the 31st Annual General Meeting.

The Company has received notices in writing from the said Director along with the requisite deposit under Section 160 of the Act signifying his intention to propose his candidature for the office of Director.

Consequent to resignation of Ms.Rajshree Pathy from the position of Managing Director with effect from the closing hours of 29th June 2017, Mr.Aditya Krishna Pathy was appointed as Managing Director of the Company, for a period of three years with effect from 30th June 2017, to maintain continuity in the leadership of the Company.

The Board has made the said appointment as per the recommendation of the Nomination and Remuneration Committee. The appointment requires the approval of the shareholders by way of special resolution.

In the event of loss or inadequacy of profits, the payment of minimum remuneration is subject to no objection being received from the secured creditors and term lenders in terms of Section II of Schedule V of the Companies Act, 2013. The approval is sought for and awaited.

The brief resume / profile of Mr.Aditya Krishna Pathy is given below.

Mr.Aditya Pathy is the Deputy Managing Director of The Lakshmi Mills Company Limited, a textile manufacturing company that produces yarns and fabric. He graduated in Business and Management from the University of Exeter, United Kingdom in the year 2008.

He serves on the committee of administration of The Cotton Textile Export Promotion Council (TEXPROCIL).

He is a director on the board of Lakshmi Card Clothing Pvt. Ltd. since 2008.

Mr.Aditya Pathy had previously served on the board of Rajshree Sugars and Chemicals Limited for one year during 2012 to 2013.

Mr.Aditya is the founder and managing partner of Rajshree Biosolutions, a biotech company that produces products for the agriculture, fish and shrimp farming industry.

He is a trustee in the G.Kuppuswamy Naidu Memorial Hospital (GKNMH), a non-profit healthcare institution, which provides affordable high quality healthcare for the underprivileged.

He is also an active member of the Confederation of Indian Industry (CII).

He holds Directorship and membership in Committees of other Companies as follows:

<u>Directorship in other companies</u>	<u>Membership in Committees</u>
The Lakshmi Mills Co. Ltd	1
Lakshmi Card Clothing Mfg. Co. Pvt. Ltd.	Nil
Coimbatore Lakshmi Cotton Press Pvt. Ltd.	Nil
Sans Craintes Stud Farm Pvt. Ltd.	Nil
Sans Craintes Live Stock Pvt. Ltd.	Nil
L.C.C. Investments Ltd.	Nil
The Cotton Textiles Export Promotion Council	Nil

He holds membership in the following committees of the Company.

Stakeholder Relationship Committee	Member
Share Transfer Committee	Member

Statement as required under Section II of Part II of Schedule V of the Companies Act, 2013 for appointment of Mr.Aditya Krishna Pathy

I. GENERAL INFORMATION

Furnished under explanatory statement to item No.11.

II. INFORMATION ABOUT THE APPOINTEE Mr.ADITYA KRISHNA PATHY

1. Background details

Mr.Aditya Krishna Pathy is one of the promoters of the Company and son of Ms.Rajshree Pathy, Chairperson of the Company. He has been working as Deputy Managing Director in M/s.The Lakshmi Mills Company Ltd., for about 7 years.

2. Past remuneration

Does not arise.

3. Recognition or awards

Nil

4. Job profile and suitability

As Managing Director, he will have substantial powers of management. He has been working as Executive Director in M/s.The Lakshmi Mills Company Ltd., for about 7 years and has wide knowledge in the field of management. Based on his experience and as per the succession plan of the Company, the Nomination and Remuneration Committee has recommended the appointment of Mr.Aditya Krishna Pathy as Managing Director.

5. Remuneration proposed

- a) **Salary / perquisites / commission** / any combination thereof, not exceeding 5% of the net profits of the company for a financial year, computed in the manner laid down in section 197(1) of the Act.
- b) **In the case of absence or inadequate profits** in any financial year during the tenure, the Company shall pay a sum not exceeding ₹184 lakhs per annum, as minimum remuneration. Provided that the following perquisites, if extended, shall not be considered for computing the remuneration limits:
- i) Contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961;
 - ii) Gratuity payable at a rate not exceeding half a month's salary for each completed year of service; and
 - iii) Encashment of earned leave at the end of the tenure
 - iv) Provision of Company's mobile phone and telephone at his residence for official purposes.
 - v) Provision of company's car with driver for official purposes. Personal use of car, if any, shall be billed and paid for by the Director.
- c) **Sitting fees** for attending meetings of the Board of Directors and committees thereof to the same extent as any other director may be entitled to under section 197(5) of the Act.

6. Comparative remuneration profile with respect to industry, size of the company, profile of the position and person.

The remuneration proposed to the appointee is comparable with the remuneration with respect to industry, size of the company and profile of the position.

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

Mr. Aditya Krishna Pathy, holds of 4,88,303 (1.73%) equity shares in the Company and no other pecuniary relationship directly or indirectly with the Company. He is son of Ms.Rajshree Pathy, Chairperson of the Company.

III. OTHER INFORMATION

Furnished under explanatory statement to item No.11.

Ms.Rajshree Pathy and Mr.Aditya Krishna Pathy, are interested in the resolution. None of the other Directors/Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in these resolution.

The Board commends the Resolutions furnished in agenda for approval of the shareholders.

Item No.14 : Reappointment of Mr.R.Varadarajan as Wholetime Director

The present term of office of Mr.R.Varadarajan (DIN:00001738; Aged 59 Years), Wholetime Director expires on 4th June 2017. The Board of Directors at its meeting held on 2nd February 2017 reappointed Mr.R.Varadarajan as Wholetime Director for a further period of 3 years from 5th June 2017 and approved the remuneration package, as given in the resolutions in agenda. The Nomination and Remuneration Committee has also recommended the re-appointment and remuneration which will be subject to approval of shareholders by way of ordinary resolution.

The proposed resolution in the agenda and this explanatory statement may be treated as abstract of the terms and conditions of the reappointment of Mr.R.Varadarajan, Wholetime Director pursuant to applicable section of the Companies Act, 2013.

In the event of loss or inadequacy of profits, the payment of minimum remuneration is subject to no objection being received from the secured creditors and term lenders in terms of Section II of Schedule V of the Companies Act, 2013. The approval is sought for and awaited.

Memorandum and Articles of Association, relevant resolutions passed by the Nomination and Remuneration Committee and the Board and the written memorandum setting out the terms of appointment of Wholetime Director vide Section 190(1) (b) are available for inspection by members at the registered office of the company during business hours on any working day.

The brief resume of the director is furnished below under background details.

<u>Other Directorships</u>	<u>Membership in Committees</u>
Sri Krishna Potable Products Pvt Ltd	—
COCCA Art & Design Institute Pvt. Ltd.	—
Petal Hotels Pvt. Ltd.	—
Lakshmi Automatic Loom Works Ltd.	1

He holds membership in the following committees of the Company.

Stakeholder Relationship Committee	Member
Share Transfer Committee	Chairman
Corporate Social Responsibility Committee	Member

Statement as required under Section II of Part II of Schedule V of the Companies Act, 2013 for reappointment of Mr.R.Varadarajan

1. GENERAL INFORMATION

Furnished under explanatory statement to item No.11

2. INFORMATION ABOUT THE APPOINTEE MR.R.VARADARAJAN

a) Background details

Mr.R.Varadarajan, who has a Masters' Degree in Business Management, has been associated with the Company since its inception and is currently the Wholetime Director of the organization.

He has had a brief stint as Head, Faculty of Management studies of the PSG College of Arts & Science, Coimbatore where he had undertaken a special assignment in designing and implementing a three year undergraduate management programme to groom future Chief Executive Officers of Family Owned Businesses.

He leads a team, which handles Project Management, Strategic planning, legal affairs and general administration of all group companies. He has spearheaded the project team of the company through all stages of its development and expansion activities ranging from sugar to distillery to co-generation of power. Under his dynamic leadership, the company became the first ISO 9001:2000 certified integrated sugar complex in India, manufacturing sugar, alcohol, power, organic manure and bio-products.

b) Past remuneration

The remuneration paid to Mr.R.Varadarajan for 2016-17 was as follows:

Particulars	₹ in Lakhs
Salary	52.00
Commission	–
Perquisites	0.40
Sitting Fees	1.20
Total	53.60

Mr.R.Varadarajan has been granted 1,01,088 Stock Options under the Company's Employee Stock Option Plan 2012 (ESOP 2012) at an exercise price of ₹55.40 per stock option without any discount, which entitles him to 1,01,088 equity shares (face value ₹10 each) of the Company. The Exercise period would be a maximum of 4 years from the date of vesting of options.

c) Recognition or awards

The Coimbatore Management Association recognized him with its award as Best Manager of the Year 2011.

d) Job profile and his suitability

As Wholetime Director, he will be responsible for the overall operations of the Company and will work under the supervision and control of the Board of Directors and Managing Director. He has been associated with the Company right from inception and spearheaded the project team of the company through all stages of its development and expansion activities ranging from sugar to distillery to co-generation of power. Under his dynamic leadership, the company became the first ISO 9001:2000 certified integrated sugar complex in India, manufacturing sugar, alcohol, power, organic manure and bio-products and hence suitable for reappointment as Wholetime Director.

e) Remuneration proposed

Salary : ₹5,20,000/- per month

Perquisites : Leave Travel Allowance of ₹2,60,000/- per annum

Contribution to Provident Fund, Superannuation Fund or Annuity Fund.

Gratuity payable at a rate not exceeding half a month's salary for each completed year of service.

Encashment of earned leave at the end of the tenure.

Provision of Company's mobile phone and telephone at his residence for official purposes.

Provision of Company's car with driver for official purposes. Personal use of car, if any, shall be billed and paid for by the Director.

f) Comparative remuneration profile with respect to industry, size of the company, profile of the position and person.

The remuneration proposed to the appointee is comparable with the remuneration with respect to industry, size of the company and profile of the position.

g) Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.

Nil

3. OTHER INFORMATION

Furnished under explanatory statement to item No.11.

He does not hold any share in the Company. He is not a relative to any director of the Company.

Mr.R.Varadarajan is interested in this subject. None of the other Directors/Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in these resolution.

The Board commends the resolution furnished in the agenda for approval by the shareholders.

Item No.15 Alteration of Articles of Association

The Board of Directors has at its meeting held on 29th May 2017 has proposed for alteration of the following regulations in the Articles of Association of the Company.

Regulation 14(e): So long as any person/ persons is/are appointed Managing/ Wholetime Director/s in accordance with the provisions of these presents, he/they shall not be subject to retirement by rotation. He/they shall continue until he/they resign his/their office as Managing/ Wholetime Director/s, or his/their office is terminated in any manner whatsoever.

Regulation 14(g): The Chairman of the Company may be paid an annual remuneration of 1% on the Net Profits of the Company computed in accordance with the provisions of the Companies Act, 1956, subject to the approval of the Company in General Meeting. He shall not be subject to retirement by rotation, Shri.G.Varadaraj shall be the first Chairman of the Company.

Proposed alterations in the Regulations are furnished in the resolutions. The alterations are proposed in order to enable the Company to pay the profit based commission to the Chairperson for the strategic leadership role, permissible under the Companies Act, 2013 and to make the Chairperson a non-retiring Director. The Regulation 14(e) has been changed accordingly.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

The Board of Directors commends the resolutions furnished in the agenda for the approval of the shareholders.

Item No.16 Remuneration for Cost Auditor

The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of M/s S.Mahadevan & Co. Cost Auditors to conduct the audit of the cost records of the Company in respect of the products sugar, cogeneration of power and industrial alcohol, for the financial year ending March 31, 2018 as per the following details:

<u>Product</u>	<u>Amount (₹per annum)</u>
Sugar	80,000
Co-generation of power	45,000
Industrial Alcohol	25,000

Pursuant to Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors, as determined by the Board on recommendation of Audit Committee, has to be ratified by the shareholders of the Company at the following general meeting.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

The Board commends the resolution furnished in the agenda for approval by the shareholders.

Item No.17 Payment of Commission to Ms.Rajshree Pathy, Chairperson

Ms.Rajshree Pathy has resigned from the position of Managing Director with effect from the closing hours of 29th June 2017 and will continue to provide a strategic leadership role as a non-executive Director and Chairperson of the Board.

In order to compensate the Chairperson, for her strategic role, the Board of Directors has proposed to pay a commission of not exceeding 5% on the profits of the Company calculated as per Section 197(1) of the Companies Act, 2013.

She holds 1,13,17,313 (40.18%) equity shares in the company. She is mother of Mr.Aditya Krishna Pathy, Managing Director.

Ms.Rajshree Pathy and Mr.Aditya Krishna Pathy, are interested in the resolution. None of the other Directors/Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in these resolution.

The Board commends the Resolutions furnished in agenda for approval of the shareholders.

By Order of the Board

Place : Coimbatore
Date : 12th July 2017

M.PONRAJ
Company Secretary

VOTING THROUGH ELECTRONIC MEANS

In compliance with the provisions of Regulation 44 of the Listing Regulations read with section 108 of the Companies Act 2013 ("the Act") and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members the facility to exercise their votes by electronic means for all the resolutions detailed in the Notice of the 31st Annual General Meeting scheduled to be held on Monday, the 28th August 2017 at 10 AM and the business may be transacted through e-voting. The Company has engaged the services of CDSL as the authorized agency to provide the e-voting facilities as per instructions below.

Details of persons to be contacted for issues relating to e-voting:

S.K.D.C. Consultants Ltd, Kanapathy Towers, 3rd Floor,
1391/A-1, Sathy Road, Ganapathy, Coimbatore - 641 006
Telephone No. : 91-422-4958995, 2539835, 2539836 | Fax : +91 422 2539837
Email ID : info@skdc-consultants.com
Website : www.skdc-consultants.com

The e-voting module shall be disabled for voting on 27th August 2017 at 5 PM. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently. The voting right of shareholders shall be in proportion to their share in the paid up equity share capital of the company as on 21st August 2017 (cut-off date for determining the eligibility to vote through electronic mode).

Mr.B.Krishnamoorthi, FCA, Practicing Chartered Accountant has been appointed as the scrutinizer to ensure that the e-voting process is conducted in a fair and transparent manner. The Scrutinizer shall immediately after the conclusion of the voting at the 31st Annual General meeting, first count the votes cast at the meeting, and thereafter unblock the votes in the presence of atleast 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 within two days of conclusion of the meeting, to the Chairperson of the meeting. The Chairperson or such other Director / person authorized by the Chairperson, shall declare the results of the voting forthwith. The results declared along with the Scrutinizer's Report shall be placed on the Company's website viz., www.rajshreesugars.com, Company's notice Board at the Registered office of the Company, website of CDSL viz., www.evotingindia.com and communicated to the Stock Exchanges namely NSE & BSE, where the shares of the Company are listed immediately, after the Chairperson declares the result.

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on 25th August 2017 at 9 AM and ends on 27th August 2017 at 5 PM. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 21st August 2017, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders.

- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <p>*Members who have not updated their PAN with the Company / Depository Participant are requested to use the sequence number provided at the attendance slip enclosed herewith in the PAN field.</p>
DOB	<p>Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.</p>
Dividend Bank Details	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <p>Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).</p>

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN relevant to Rajshree Sugars & Chemicals Limited.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take printout of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xviii) Note for Non - Individual Shareholders and Custodians

- a. Non-Individual shareholders (i.e.other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
- b. A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- c. After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
- d. The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- e. A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

