RAJSHREE
PEOPLE PASSION PROGRESS

January 11, 2016

National Stock Exchange of India Limited
Bandra Kurla Complex
Bandra East
Mumbai – 400 051

BSE Limited
P.J.Towers
Dalal Street
Mumbai – 400 001

Sirs

Sub: Extraordinary General Meeting – announcement – reg.

We would like to inform you that the 1st Extraordinary General Meeting of the members of the Company will be held on Wednesday, the 10th February 2016 at 10 a.m. at the Chamber Hall, Indian Chamber of Commerce & Industry, Avanashi Road, Coimbatore 641 018.

We are enclosing herewith a copy of EGM notice for your reference and records.

Thanking you

For and on behalf of
RAJSHREE SUGARS & CHEMICALS LTD.

M PONRAJ
Company Secretary

Enc: As above

Rajshree Sugars & Chemicals Limited, *The Uffizi*, 338/8, Avanashi Road, Peelamedu, Coimbatore - 641004, TN, India.
T: +91 - 422 4226222, 2580981-82 F: +91 - 422 2577929 E: rscl@rajshreesugars.com W: www.rajshreesugars.com
CIN: L01542TZ1985PLC001706

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 1st Extraordinary General Meeting of the Members of Rajshree Sugars & Chemicals Limited will be held on Wednesday, the 10th day of February 2016 at 10.00 AM at the Chamber Hall, Indian Chamber of Commerce & Industry, Avanashi Road, Coimbatore 641 018 to transact the following business.

To consider and if thought fit to pass the following resolution as a SPECIAL RESOLUTION

Preferential issue of equity shares:

"RESOLVED THAT pursuant to Section 62 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") (including any amendment to or reenactment thereof) and, subject to approvals of lenders, other parties from whom approval or consent may be needed, Government of India, Securities & Exchange Board of India (under the preferential allotment regulations and other provision of law in force) and such other authorities, required if any, and, subject to such conditions as may be prescribed by them while granting the approvals (which may be accepted by the Board of Directors of the Company), consent of the Company, be and is hereby accorded to offer, issue and allot on preferential basis, to Ms.Rajshree Pathy, Chairperson and Managing Director ("the allottee") 11,80,000 (Eleven lakhs eighty thousand) Equity shares of Rs.10/- each at a price of Rs.33/- each (including premium of Rs.23/-) being a price not lower than the minimum price as specified under Chapter VII of SEBI (Issue of Capital & Disclosure Requirements) Regulations, 2009 for Preferential issue, on the "Relevant Date" for this purpose being 11th January 2016 and on such further terms and conditions, as may be finalized by the Board of Directors, in accordance with regulations / rules applicable to preferential allotment of the equity shares, by Government of India, Securities & Exchange Board of India (SEBI), or any other authorities, as the case may be, and/or any modification thereof and subject to the following terms and conditions.

a) The equity shares to be allotted, shall rank pari-passu in all respects with the then existing Equity shares of the Company.

b) The lock in period for the shares held and shares proposed to be allotted shall be as per SEBI (ICDR) Regulations 2009 which shall be as follows :

   1) The 11,80,000 equity shares to be allotted will be subjected to lock in for a period of three years from the date of trading approval.

   2) The entire existing shareholding of 83,70,884 equity shares of Ms.Rajshree Pathy, Chairperson and Managing Director have already been pledged with SBICAP Trustee Company Limited in accordance with Corporate Debt Restructuring Scheme.

c) For the purpose of giving effect to this resolution, the Board of Directors of the Company, be and are hereby authorized to offer, issue & allot the equity shares and take all such steps to enable listing of such shares in the Stock Exchanges where the shares of the company are already listed and to do all deeds, things and take action on matters, give such directions or instructions for settling any questions, doubts or difficulties which may arise with regard to the offer, issue or allotment of the said equity shares and to take appropriate actions to bring into effect the decision of the above enabling resolution.

By order of the Board

M. PONRAJ
Company Secretary

Place: Coimbatore
Date : 11th January 2016

NOTES:

1. **A member entitled to attend and vote at the 1st Extraordinary General Meeting is entitled to appoint a Proxy to attend and vote instead of himself/herself and the Proxy need not be a Member. The Proxy can vote in favour or against the resolution at poll.**
   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.
2. All proxies in order to be effective, should be completed, signed, stamped and should be received at the Registered Office of the Company not less than 48 hours before scheduled commencement of the meeting.
3. Electronic copy of the Notice is 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 Notice is sent through the permitted mode separately.
4. E-Voting option is provided to members pursuant to Section 108 of the Companies Act 2013 ("the Act") 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 February 3, 2016.
5. 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 Act, will be available for inspection by the members at the 1st Extraordinary General Meeting.
6. The Statement pursuant to section 102(1) of the Act, in respect of special business is annexed hereunder. The details required to be given as per SEBI (ICDR) Regulations are also furnished under this statement.

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

Preferential issue of equity shares:

In the light of the adverse conditions prevailing in the sugar industry, the Company opted for Corporate Debt Restructuring (CDR) under the scheme formulated by Reserve Bank of India. After going through our application, the empowered group of CDR Cell, Mumbai gave approval for a CDR Scheme in March 2014 and in accordance therewith, a Master Restructuring Agreement was also entered into with the Lenders on 27th March 2014.

In terms of the said CDR Scheme, the promoters had to bring in their contribution of Rs.12.25 crores in the form of Equity Shares. However, in the interest of speedy implementation of the CDR Scheme, the promoters brought in this money as non-interest bearing unsecured loan.

The Lenders led by State Bank of India are insisting that the Scheme provides for contribution by the promoters only in the form of Equity and not in the form of unsecured loan, even if it be non-interest bearing. Accordingly, it has been decided that the amount of Rs.12.25 crores brought in will be converted into equity shares by means of preferential allotment to the promoters in accordance with the regulations governing such preferential allotment.

Since there has been a time gap between the date of execution of the Master Restructuring Agreement and the conversion of the unsecured loan into equity, it is not clear as to whether the entire amount could be converted into Equity Shares in one go or whether the promoters will have to go through the normal method of by which the issue of equity shares could be made upto 5 % of the equity capital each year. A clarification is being sought in this regard from the Securities Exchange Board of India (SEBI). Pending such clarification, it is now proposed to allot Equity Shares on preferential basis to the promoters, at this instance to Ms.Rajshree Pathy, Chairperson and Managing Director of the Company at a price as worked out on the basis laid down by SEBI for this purpose. The price is being calculated with reference to the relevant date which is 11th January 2016. On receipt of the clarification, the necessary procedures which are desired by the regulatory authorities will be observed for converting the balance unsecured loan into Equity Shares.

At this point in time, it is proposed to convert Rs.3,89,40,000/- being the price of 11,80,000 Equity Shares of Rs.10/- each at a price of Rs.33/- each (including a premium of Rs.23/-) calculated in accordance with the formula laid down by SEBI.

This issue and allotment of equity shares to the promoters will not result in inflow of any fresh funds since the money has already been received two years ago and this allotment will only in result of conversion of unsecured loan into equity.

In terms of SEBI (ICDR) Regulations 2009, the following disclosures are being made:

1. Objects of the Issue**:** To comply with CDR norms.
2. The proposal of the Promoter to subscribe to the offer: The promoter proposes to subscribe to the offer fully.

3. The shareholding pattern before and after the preferential issue of equity shares (considering full allotment of Equity shares):

	Category of shareholders	Pre-Issue as on 30.9.2015		Post-Issue	
		No of shares	%	No. of shares	%
A	**Promoter and Promoter Group**				
	Ms.Rajshree Pathy	8370884	35.18	9550884	38.25
	Others	689990	2.90	689990	2.76
	Total (A)	**9060874***	**38.08**	**10240874****	**41.01**
B	**Public shareholding**				
	Mutual Funds/ UTI	8980	0.04	8980	0.04
	Financial institutions/ Banks	1630	0.01	1630	0.01
	Foreign institutional investors	—	—	—	—
	Bodies Corporate	1980159	8.32	1980159	7.93
	Individual shareholders holding nominal share capital upto Rs.1 lakh	6128473	25.76	6128473	24.54
	Individual shareholders holding nominal share capital in excess of Rs.1 lakh	2826611	11.88	2826611	11.32
	Directors & their relatives	1224559	5.14	1224559	4.90
	Non Resident Indians	115639	0.49	115639	0.46
	Clearing members	23655	0.10	23655	0.10
	Hindu undivided families	250013	1.05	250013	1.00
	NRI Directors	2141107	9.00	2141107	8.57
	NRI Directors' Relatives	30000	0.13	30000	0.12
	Total (B)	**14730826**	**61.92**	**14730826**	**58.99**
C	**Shares held by Custodians and against which Depository Receipts have been issued**	—	—	—	—
	Grand Total {A+B+C}	**23791700**	**100.00**	**24971700**	**100.00**

* Pledge has been created in respect of the entire holdings of equity shares with voting rights of Promoter and Promoter Group in favour of M/s. SBICAP Trustee Company Ltd, who is holding the pledge on behalf of CDR lenders (State Bank of India, State Bank of Mysore, State Bank of Hyderabad, UCO Bank, Bank of India, ICICI Bank Ltd, Axis Bank Ltd and Federal Bank Ltd) of the Company, as per the final letter of approval No.BY. CDR(SSA)/No.1181/2013-14 dated 24th March 2014 from Corporate Debt Restructuring Cell, Mumbai.

** The proposed allotment of 11,80,000 equity shares shall also be pledged with voting rights in favour of SBICAP Trustee Company Limited, who will hold the pledge on behalf of CDR lenders. Accordingly, the entire Post-Issue shareholding of promoter and promoter group would be pledged.

4. The time within which the preferential issue of equity shares shall be completed: The equity shares shall be allotted within a period of fifteen days from the date of passing of resolutions at the general meeting, subject to necessary approval/s.

5. The identity of the natural persons who are the ultimate beneficial owners of the shares proposed to be allotted and/or who ultimately control the proposed allottee/s, the percentage of post preferential issue capital that may be held by them and change in control, if any, in the issuer consequent to the preferential issue.

   Background of Ms.Rajshree Pathy, the subscriber to the proposed issue:

   The company, promoted by Late Shri G.Varadaraj who was the inspiration for its birth, is now headed by Ms. Rajshree Pathy, as Chairperson and Managing Director of the company. She has been the driving force behind the tremendous growth of the company from one sugar unit to four integrated complexes with sugar, co-generation of power and alcohol.

   The company which was incorporated in the year 1985 now has units in Varadarajnagar, Theni District, Mundiampakkam, Villupuram District and Gingee, Villupuram District, Tamilnadu and a wholly owned subsidiary at Zaheerabad, near Hyderabad, Telangana.

   Ms. Rajshree Pathy has rich and varied experience in the sugar industry and has been the President of Indian Sugar Mills Association (2004-05) and served two terms as President of South Indian Sugar Mills Association, Tamilnadu (1995-1997 and 2007-2009).

   She is a Commerce graduate and alumnus of the Owner President Management Program of the Harvard University and was selected as one of the hundred 'Global Leaders of Tomorrow' by the World Economic Forum in 1996 and was an Eishenhower Fellow in 2000. She has been conferred with Padmashri Award in the field of Trade and Industry by the Government of India in the year 2013.

   The percentage of post preferential issue capital of Ms. Rajshree Pathy would be 38.25% and there would be no change in the control of the Company.

   After allotment, the shares with voting rights of Ms.Rajshree Pathy, shall be pledged with M/s. SBICAP Trustee Company Ltd, who will hold the pledge on behalf of CDR lenders.

6. Auditor's certificate:
   A certificate from the Statutory Auditors of the Company shall be obtained to the effect that the proposed issues of equity shares to the proposed allottees is in accordance with the SEBI (ICDR) Regulations 2009 relating to preferential issues & such certificate shall be laid before the general meeting for inspection by the shareholders.

   Except Ms.Rajshree Pathy, 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 for approval by the shareholders.

VOTING THROUGH ELECTRONIC MEANS

In compliance with the provisions of Clause - 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 1st Extraordinary General Meeting scheduled to be held on Wednesday, the 10th day of February 2016 at 10.00 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.91-422-6549995, 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 February 9, 2016 at 5.00 p.m. 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 February 3, 2016 (cut-off date for determining the eligibility to vote through electronic mode).

Sri 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 1st Extraordinary General meeting, first count the votes cast at the meeting, and thereafter unblock the at 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 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 and on the website of CDSL, immediately, after the Chairperson declares the result.

The instructions for shareholders voting electronically are as under:

1) The voting period begins on February 7, 2016 at 9:00 am and ends on February 9, 2016 at 5:00 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 February 3, 2016, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
2) The shareholders should log on to the e-voting website www.evotingindia.com.
3) Click on Shareholders.
4) 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.
5) Next enter the Image Verification as displayed and Click on Login.
6) 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.
7) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) *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.
DOB	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.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. 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 (4).

8) After entering these details appropriately, click on “SUBMIT” tab.
9) 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.
10) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
11) Click on the EVSN for the relevant to Rajshree Sugars & Chemicals Limited.
12) 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.
13) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
14) 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.

15) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

16) You can also take print out of the voting done by you by clicking on "Click here to print" option on the Voting page.

17) 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.

18) 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.

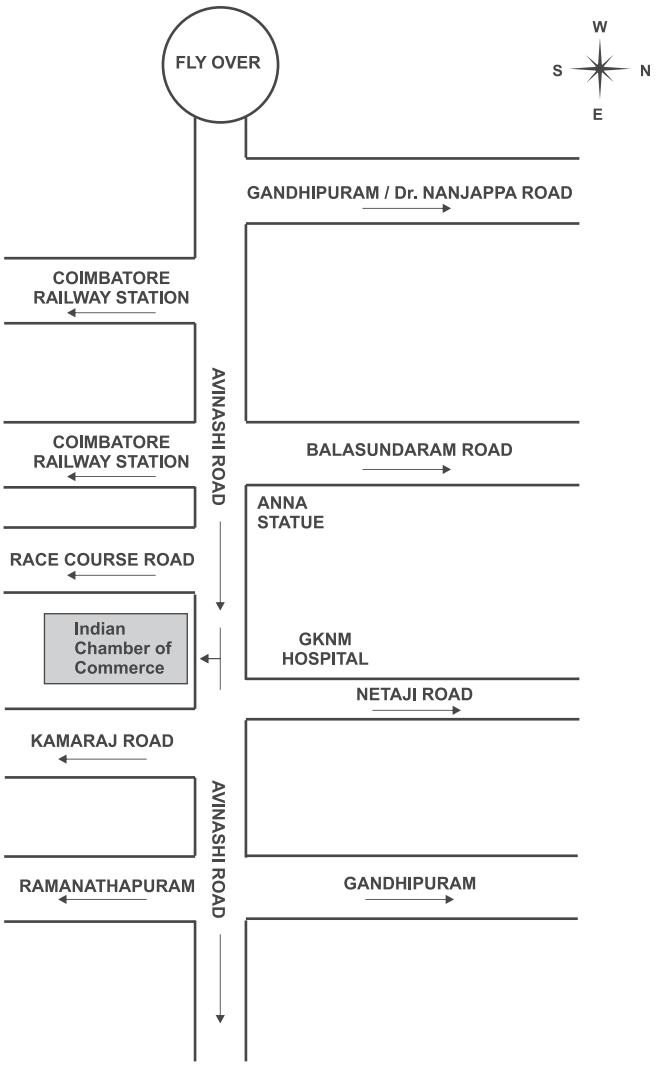
c) After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.

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.

19) 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.

"ROUTE MAP FOR THE VENUE OF 1st EXTRAORDINARY GENERAL MEETING"



RAJSHREE
PEOPLE PASSION PROGRESS

ATTENDANCE SLIP

PLEASE BRING THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF the Chamber Hall, Indian Chamber of Commerce & Industry, Avanashi Road, Coimbatore - 641 018

SEQUENCE No. :

Name & Address of the Shareholder

FOLIO / DEMAT ID :

I hereby record my presence at the 1st EXTRAORDINARY GENERAL MEETING at the Chamber Hall, Indian Chamber of Commerce & Industry, Avanashi Road, Coimbatore - 641 018 on Wednesday the 10th February, 2016 at 10.00 A.M.

Signature of the Member or Proxy	No. of Shares held

Form No. MGT-11

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	L01542TZ1985PLC001706
Name of the Company	Rajshree Sugars & Chemicals Limited
Registered Office	"*The Uffizi*", 338/8, Avanashi Road, Peelamedu, Coimbatore - 641 004

Name of the shareholder	
Registered address	
E-mail ID	
Folio No. / Demat ID	

I / we, being the shareholder(s) 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	

(p.t.o)

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 1st Extraordinary General Meeting of the company, to be held on Wednesday the 10th February, 2016 at 10.00 am at the Chamber Hall, Indian Chamber of Commerce & Industry, Avanashi Road, Coimbatore 641 018 and at any adjournment thereof in respect of such resolutions as are indicated below :

Resolution(3)	No.of shares	Assent (FOR)	Dissent (Against)
Preferential issue of equity shares			

Affix Revenue Stamp

Signed this ..... day of ..... 2016.

Signature of shareholder :

Signature of Proxy holder(s) :

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the meeting.