



SHREE RENUKA SUGARS LIMITED

Registered Office : BC 105, Havelock Road, Camp, Belgaum - 590 001.
Tel: 0831-2404000 | Fax: 0831-2404961 | website: www.renukasugars.com
Corporate Identification No.: L01542KA1995PLC019046

To,
The Members,

POSTAL BALLOT NOTICE

Notice is hereby given that pursuant to provisions of Section 110 of the Companies Act, 2013 ("the Act") read with Rule 22 of the Companies (Management and Administration) Rules, 2014, whereby your Company seeks your consent by passing resolution through Postal Ballot in respect of the Special Business appended below. The Explanatory Statement pursuant to Section 102 of the Companies Act, relating to the Special Business is annexed hereto.

The Company has appointed Mr. Gururaj Mutalik, Advocate, Belgaum as the Scrutinizer for conducting the Postal Ballot process in a fair and transparent manner. The Postal Ballot Form is enclosed along with the Notice. You are requested to carefully read the instructions printed on the Postal Ballot Form and return the same duly completed, in the enclosed postage pre-paid envelope so as to reach the Scrutinizer not later than the close of working hours i.e. 6.00 p.m. on **October 01, 2014**. Postal Ballot Forms received thereafter will be strictly treated as if no reply has been received from the Shareholder.

Upon completion of the scrutiny of the Postal Ballot Forms, the Scrutinizer will submit his report to the Chairperson, or in her absence, to any other person authorized by the Chairperson in this behalf. The result of the Postal Ballot will be announced by way of display at the Company's website on or before October 07, 2014, besides communication of results to Stock Exchanges (BSE and NSE). The date of declaration of the results of the Postal Ballot shall be the date on which the resolution would be deemed to have been passed by the Shareholders, if approved by requisite majority. The results of the Postal Ballot will also be noted at the next Annual General Meeting of your Company.

The Company is also offering e-voting facility as an alternative to all the shareholders to enable them to cast their vote electronically instead of dispatching the Postal Ballot Form. Kindly note that e-voting is optional i.e. Shareholders have option to vote either through e-voting or through the Postal Ballot Form. A shareholder can opt for only one mode of voting, i.e. either by post or through e-voting. If a shareholder casts votes by both modes then voting done through e-voting shall prevail and voting done by post will be treated as invalid. The detailed procedure is provided in the instructions of Postal Ballot Form.

Special Business:

1. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:-

"RESOLVED THAT in supersession of the ordinary resolution passed by the Company under Section 293(1)(a) of the Companies Act, 1956, through Postal Ballot on March 17, 2008 and pursuant to the provisions of Section 180(1)(a) and all other applicable provisions, if any, of the Companies Act, 2013, ("the Act") (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), consent of the Company be and is hereby accorded to the Board of Directors (hereinafter referred to as the "Board" which term shall be deemed to include any Committee(s) constituted/to be constituted by the Board to exercise its powers including the powers conferred by this Resolution), to create such charges, mortgages, hypothecations, pledges etc. in addition to the existing charges, mortgages, hypothecations, pledges etc. already created by the Company, on such terms and conditions and at such time(s) and in such form and manner, and with such ranking as to priority as the Board in its absolute discretion thinks fit, on the whole or substantially the whole of the Company's any one or more of the undertakings or all of the undertakings, including present or future properties, whether immovable or movable assets, comprised in any undertaking of the Company, as may be agreed to in favour of the Bank or Banks, Financial Institutions, lending institutions, person or persons, hereinafter referred to as the lenders, and/or trustees to secure borrowings upto an aggregate amount not exceeding ₹ 4,800 Crores (Rupees Four Thousand Eight Hundred Crores only) subject to the limits approved under Section 180(1)(c) of the Companies Act, together with interest at the respective agreed rates by issue of Non-Convertible Debentures, Bonds, Term Loans, and/or other instruments including foreign currency borrowings, as the Board may deem fit, to be issued in one or more tranches, to Indian/ Foreign Banks, Institutions, Investors, Mutual Funds, Companies, other Corporate Bodies, Resident/ Non-resident Indians, Foreign Nationals, and other eligible investors, and upon such terms and conditions, as may be decided by the Board, including any increase as a result of devaluation/ revaluation or fluctuation in the rates of exchange together with interest, at the respective agreed rates, compound interest, additional interest, commitment charges, premium on prepayment or on redemption, costs, charges, expenses and other monies covered by the aforesaid financial assistance under the respective documents, entered into by the Company in respect of the said Debentures/Bonds/term loans/other instrument(s) including Foreign Currency borrowings, in terms of their issue.

RESOLVED FURTHER THAT the securities to be created by the Company aforesaid may rank prior/pari passu/ subservient with/to the mortgages and/or charges already created or to be created in future by the Company and as may be agreed to between the concerned parties.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board, be and is hereby authorised to delegate all or any of the powers herein conferred, to any Committee(s) of Directors or any one or more Whole Time Directors of the Company, with the power to further delegate any such powers as they may deem fit, to finalize, settle and execute such documents / deeds / writings / agreements, as may be required, and to do all such acts, matters and things as it may at its absolute discretion deem proper, fit and expedient and to settle any question(s), difficulty(ies) or doubt that may arise in regard to creating mortgage/charge as aforesaid or otherwise considered to be in the best interests of the Company.”

2. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:-

“RESOLVED THAT in supersession of the earlier resolution passed by the Company under Section 372A of the Companies Act, 1956, through Postal Ballot on March 21, 2007, and pursuant to the provisions of Section 186 and all other applicable provisions, if any, of the Companies Act, 2013 (“the Act) read with the Companies (Meetings of Board and its Powers) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the consent of the members be and is hereby accorded to the Board of Directors, subject to such other approvals, consent, sanctions as may be necessary including from banks and financial institutions, if any, and all such other statutory approvals, if any, for;

- i) giving any loan to any person or other body corporate,
- ii) giving any guarantee or providing security in connection with a loan to any other body corporate or person and /or
- iii) acquiring whether by way of subscription, purchase or otherwise, the securities of any other body corporate

upto an amount, the aggregate outstanding of which should not exceed at any given time ₹ 2,400 Crores (Rupees Two Thousand Four Hundred Crores only) which shall be over and above the aggregate outstanding amount of loans guarantees/securities given/provided to wholly owned subsidiary companies and /or joint venture companies and investments made in wholly owned subsidiary companies, from time to time.

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the Board of Directors be and is hereby authorised to negotiate and decide, from time to time, all such terms, condition(s), modification(s) and alteration(s) as it may deem fit including the terms and conditions within the above limits upto which such investments in securities/loans/guarantees, that may be given or made, as may be determined by the Board of Directors, including with the power to transfer/dispose of the investments so made, from time to time, and the Board of Directors is also hereby authorized to resolve and settle all questions, difficulties or doubts that may arise in regard to such investments, loans, guarantees and security and to finalize and execute all agreements, documents and writings and to do all acts, deeds and things in this connection and incidental as the Board of Directors in its absolute discretion may deem fit and to delegate all or any of these powers to any Committee of Directors or Managing Director or Whole-time Director or Director or officer or any other person.”

By Order of the Board of Directors
For **Shree Renuka Sugars Limited**

Place: **Mumbai**
Date: **August 13, 2014**

D V Iyer
Company Secretary

Regd. Office:
B.C. 105, Havelock Road,
Camp, Belgaum – 590 001.

EXPLANATORY STATEMENT
(Pursuant to Section 102 of the Companies Act, 2013)

Item No. 1

The members of the Company by passing Ordinary Resolution under Section 293(1)(a) of the Companies Act, 1956, through Postal Ballot on March 17, 2008, had accorded their consent to the Board of Directors of the Company to mortgage, hypothecate or in any other way create charge in favour of the lenders on all or any of the movable and/or immovable properties of the company for securing such borrowing upto an aggregate amount not exceeding ₹ 2,400 Crores. Further, Section 180(1)(a) of the Companies Act, 2013 ("the Act") provides that the Board of Directors of the Company shall not, without the consent of the Company by way of special resolution, sell, lease, or otherwise dispose off the whole or substantially the whole of the undertaking of the Company, or where the company owns more than one undertaking of the whole or substantially the whole of any such undertaking.

The borrowings by Company in general is required to be secured by hypothecation, pledge, of the movable properties and mortgage of the immovable properties of the Company or by any other method of creation of charge, in such form, manner and ranking as may be deemed appropriate by the Board of Directors of the Company as per the requirement of the lenders and/or trustees.

Since creation of the mortgage for securing the lending in favour of the lenders and/or trustees may be regarded as disposal of the Company's properties/undertakings, therefore the consent of the members is sought to create charge on all the properties /assets by way of mortgage or otherwise to secure the borrowing upto an aggregate amount not exceeding ₹ 4,800 Crores (Rupees Four Thousand Eight Hundred Crores only).

The Board recommends the Resolutions at Item No.1 of the Notice for approval of the shareholders by way of a Special Resolution.

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

Item No. 2

Pursuant to the provisions of Section 186(2) of the Companies Act, 2013 ("the Act") and Rules 11 and 13 of the Companies (Meetings of Board and its Powers) Rules, 2014 ("the Rules"), the Board of Directors is authorised to give loan, guarantee or provide security in connection with a loan to any person or other body corporate, or acquire by way of subscription, purchase or otherwise, the securities of any other body corporate, upto an amount, the aggregate of which should not exceed sixty per cent of the paid up capital, free reserves and securities premium account or hundred per cent of free reserves and securities premium account of the Company, whichever is higher. In case the Company exceeds the above mentioned limits then, prior approval of shareholder by way of a special resolution is required to be obtained. However, Rule 11 of the Rules provides that where a loan or guarantee is given or where a security is provided by a Company to its wholly owned subsidiary company or a joint venture company or acquisition is made by a holding company, by way of subscription, purchase or otherwise, of the securities of its wholly owned subsidiary company, the requirement of prior approval by means of a Special Resolution at a general meeting shall not apply, subject to the provisions contained therein.

The Company has in the normal course of its business formed various subsidiaries, joint venture companies wherein, the Company is holding investment, either directly or through its subsidiaries and also has been providing guarantees in the form of Corporate Guarantees, Counter Guarantees, etc. from time to time, to various Banks, Financial Institutions, Finance Companies, and other parties, etc. for securing loans / credit facilities granted to its subsidiaries, joint venture companies and / or to such other person including, the farmers, cane harvesters and transport providers of the Company, etc. The Company is undertaking various business activities through its subsidiaries/joint ventures and is also making strategic investments, from time to time, in subsidiaries/joint ventures and other bodies corporates and would, therefore, be required to provide financial assistance /support by way of giving loans / guarantees, providing securities, making investments in securities in order to expand its business activities and also for optimum utilization of funds.

Therefore, it is necessary to authorise the Board of Directors to give loans, guarantees, provide securities or make investments as mentioned above upto an amount, the aggregate outstanding of which shall not exceed, at any given time, ₹ 2400 Crores (Rupees Two Thousand Four Hundred Crores only) which shall be over and above the aggregate outstanding amount of loans/ guarantees/securities provided/made to wholly owned subsidiaries and joint venture companies and investments made in wholly owned subsidiary companies, from time to time.

The proposed Special Resolution as set out in Notice is enabling in nature for any further loan/investment/guarantee/security, to be made or given to subsidiaries/bodies corporate/to any Banks, Financial Institutions or any other person as per the provisions of the Companies Act, 2013.

The Board recommends the Resolutions at Item No.2 of the Notice for approval of the shareholders by way of a Special Resolution.

Mrs. Vidya M. Murkumbi - Executive Chairperson, Mr. Narendra M. Murkumbi - Vice Chairman & Managing Director, Mr. Vijendra Singh – Whole-Time Director, Mr. Robert Taylor – Director and Mr. K K Kumbhat – Chief Financial Officer of the Company are deemed to be interested in the resolution to the extent that they are on the Board of the subsidiary company.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are in any way, concerned or interested, "financially or otherwise", in the said Special Resolution except to the extent of their shareholding, if any, in the Company.

By Order of the Board of Directors
For **Shree Renuka Sugars Limited**

Place: **Mumbai**
Date: **August 13, 2014**

D V Iyer
Company Secretary

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