

RIGA SUGAR COMPANY LIMITED

(CIN : L15421WB1980PLC032970)

Registered Office : 14, Netaji Subhas Road, Kolkata - 700 001

Phone : 033 2231 3414/15/16

Email : sprasad@rigasugar.in, Website : www.rigasugar.com

NOTICE OF POSTAL BALLOT

NOTICE PURSUANT TO SECTION 110 OF THE COMPANIES ACT, 2013

Notice is hereby given pursuant to Section 110 and other applicable provisions, if any, of the Companies Act, 2013 (the "Act") read with the Companies (Management and Administration) Rules, 2014, (the "Rules") that the Special Resolution appended below is proposed to be passed by the Shareholders by way of Postal Ballot/e- Voting. The explanatory statement pertaining to the said resolution setting out the material facts and the reasons thereof is annexed hereto alongwith the Postal Ballot Form (the Form).

In compliance with Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 and provisions of Section 110 of the Act, read with the Rules, the Company is pleased to extend option of e-Voting facility as an alternative, to enable the Shareholders to cast their votes electronically instead of through Postal Form. Mr. H. M. Choraria, Practicing Company Secretary (Membership No. FCS 2398, C.P.No. 1499), has been appointed as the Scrutinizer (the "Scrutinizer") for conducting the Postal Ballot process in a fair and transparent manner.

You are requested to carefully read the instructions printed on the Form and return the same in original, duly completed, in the attached self addressed postage prepaid business reply envelope so as to reach the Scrutinizer before the closing hours (i.e. upto 5:00 p.m.) on Monday, March 28, 2016. The envelope may also be deposited personally at the address given thereon. Forms received after this date will not be considered. Also, no other form or photocopy thereof is permitted. The Scrutinizer shall submit his report after completion of the scrutiny of Forms including e-Voting.

The results of voting by Postal Ballot will be declared on Tuesday, March 29, 2016 at 4:00 p.m. The results will be displayed at the Registered Office of the Company. The results shall be communicated to the Stock Exchanges and the same alongwith the Scrutinizer's report will be displayed on the Company's website www.rigasugar.com as well as on National Securities Depository Limited's website <https://www.evoting.nsdl.com/>. In addition, the results will also be published in the newspapers for information of the Shareholders.

PROPOSED RESOLUTIONS

1. ENHANCEMENT OF AUTHORISED SHARE CAPITAL :

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

"RESOLVED THAT pursuant to the provisions of Section 13 and 61, and other applicable provisions, if any, of the Companies Act, 2013 (including any amendment thereto or re-enactment thereof) and the rules framed there under, the Authorized Share Capital of the Company be and is hereby authorized to be increased from Rs. 15,00,00,000 (Rupees Fifteen crores) divided into 1,49,00,000 (One Crore Forty Nine Lacs) Equity Shares of Rs. 10/- each and 1,00,000 (One lac) Cumulative Redeemable Preference Shares of Rs. 10 each to Rs. 20,00,00,000 (Rupees Twenty Crores) divided into 1,99,00,000 (One Crore Ninty Nine Lac) Equity Shares of Rs. 10/- each and 1,00,000 (One lac) Cumulative Redeemable Preference Shares of Rs. 10 each by creation of additional 50,00,000 (Fifty Lacs) Equity Shares of Rs. 10/- each ranking pari passu in all respect with the existing Equity Shares and consequently clause 5 of the Memorandum of Association of the company be altered by deleting the same and substituting the said clause by following as clause 5 :-

"5. The Authorised Share Capital of the Company is Rs. 20,00,00,000/- (Rupees Twenty Crores) divided into 1,99,00,000 (One Crore Ninty Nine Lac) Equity Shares of Rs. 10/- each and 1,00,000 (One lac) Cumulative Redeemable Preference Shares of Rs. 10 each with power to subdivide, consolidate and increase or decrease."

"RESOLVED FURTHER that the Board of Directors be and is hereby authorised to take all such steps and actions and give such directions as may be in absolute discretion deemed necessary and to settle any question that may arise in this regard."

2. PREFERENTIAL ISSUE OF CONVERTIBLE EQUITY SHARE WARRANTS :

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

1. "RESOLVED THAT pursuant to Section 62 and all other applicable provisions, if any, of the Companies Act, 2013 (including any modification (s) or re-enactment thereof) and subject to the provisions of section 23(1)(b) and section 42 of the companies Act, 2013 and subject to provision of the Memorandum of Association and Articles of Association of the Company and the Listing Agreement entered into with the Stock Exchanges where the Equity Shares of the Company are listed and in accordance with the existing guidelines, rules and regulations of the Securities and Exchange Board of India ("SEBI") and subject to the approvals, consents, permissions and/or

sanctions, as may be necessary of the appropriate authorities, institutions or bodies and subject to such terms, conditions, alterations, corrections, changes, variations and/or, modifications, if any as may be prescribed by any one or more or all of them in granting such approvals, consents permissions and/or sanction and which may be agreed by the Board of Directors of the Company (hereinafter referred to as the “Board” which terms shall be deemed to include any committee duly constituted by the Board of Directors or any committee which the Board of Directors may hereafter constitute, to exercise one or more of its powers, including the powers conferred by this resolution), consent of the Company be and is hereby accorded and Board is hereby authorised to issue, offer and allot upto 20,00,000 Convertible Equity Share Warrant(s), in cash to be convertible at the option of warrant holder in one or more tranches, within 18 months from its allotment date into one fully paid up equity share of the Company of face value of Rs.10/- each for cash at an exercise price to be computed as per provisions of Chapter VII of SEBI Issue of Capital and Disclosure Requirements) Regulations, 2009 on Preferential Issue, for each Warrant and to issue fresh equity shares on the conversion of the Warrants, on such further terms and conditions as may be finalised by the Board to following person belonging to Promoter Group:-

Particular	No. of Equity Share Warrants
Promoters	
D. G. Vitta Vinimay & Properties Limited	20,00,000
Total	20,00,000

2. **RESOLVED FURTHER** that the amount to be paid on the warrants at the time of allotment shall be 25% of the exercise price and the rights attached to them and other terms and conditions of the Warrants shall as may be decided by the Board in accordance with SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009.
3. **RESOLVED FURTHER** that the relevant date for the purpose of calculating the issue price of the above mentioned equity share warrants under SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 is Friday, 26.02.2016.
4. **RESOLVED FURTHER** that all the equity shares resulting from the exercise of the warrants shall rank pari-passu in all respects, including entitlement for dividend, with the existing equity shares of the Company.
5. **RESOLVED FURTHER** that the warrants shall not be sold, transferred, hypothecated or encumbered in any manner during the period of lock-in as provided under SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 except to the extent and in the manner permitted thereunder.
6. **RESOLVED FURTHER** that the equity shares already held by the proposed allottees (as per details given below) shall be under lock in from the relevant date i.e. 26.02.2016 for a period of six months from the date of allotment of Equity Share Warrants/ Trading Approval :-

Particular	No. of Equity Shares already held
Promoters	
D. G. Vitta Vinimay & Properties Limited	50,98,484
Total	50,98,484

7. **RESOLVED FURTHER** that the 20,00,000 Warrants to be allotted to the Promoters Group shall be locked-in for such period as per the provisions of SEBI (ICDR) Regulations, 2009 for Preferential issue.
8. **RESOLVED FURTHER** that for the purpose of issue and allotment of the equity share warrants and listing of equity shares on its conversion with the Stock Exchange(s), the Board of Directors be and is hereby authorised to do and perform all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, expedient, desirable or appropriate to give effect to this resolution in all respects and in particular to settle any questions, difficulties or doubts that may arise with regard to the offering, issuing, allotting and utilising the issue proceeds of the Equity Share Warrants of the Company, at its absolute discretion as deem fit and proper.”

3. APPROVAL FOR LOAN / GUARANTEES / INVESTMENT :

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

“**RESOLVED THAT** pursuant to the provisions of Section 186 of the Companies Act, 2013 (the “Act”) read with the Companies (Meetings of Board and its Powers) Rules, 2014 and other applicable provisions, if any, of the Act (including any modification or re-enactment thereof for the time being in force) and subject to such approvals, consents, sanctions and permissions as may be necessary and provisions of other applicable laws, consent of the Shareholders be and is hereby accorded and is deemed to have been accorded with effect to the Board of Directors of the Company(hereinafter

referred to as the “Board”, which term shall be deemed to include, unless the context otherwise requires, any committee of the Board or any person(s) authorised by the Board to exercise the powers conferred on the Board under this resolution) to (a) give any loan to any person or other body corporate; (b) give any guarantee or provide security in connection with a loan to any other body corporate or person; and (c) acquire by way of subscription, purchase or otherwise, the securities of any other body corporate, subject to the limits set out below on such terms and conditions as the Board may deem fit and proper, notwithstanding the fact that the aggregate of the loans and investments so far made in and the amount for which guarantees or securities have so far been provided to all persons or bodies corporate alongwith the additional investments, loans, guarantees or securities proposed to be made or given or provided by the Company as set out below exceed the limits specified under Section 186(2) of the Act :

Sl. No.	Particular	Upto a limit outstanding at any point of time
1.	Loans to any person(s) (including employees) or bodies corporate	Rs. 25 Crores
2.	Guarantees / Securities in connection with loan to any person(s) (including employees) or bodies corporate	Rs. 115 Crores
3.	Investments in bodies corporate	Rs. 10 Crores
	Total	Rs. 150 Crores

RESOLVED FURTHER THAT to give effect to this resolution, the Board be and is hereby authorised to execute the documents, deeds or writings required to be made and to do all acts, deeds and things as it may in its absolute discretion deem necessary, proper or desirable, including to settle any question, difficulty or doubt that may arise in respect of such investments/ loans/ guarantees/securities made or given or provided by the Company (as the case may be).”

4. ADOPTION OF NEW SET OF ARTICLES OF ASSOCIATION 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 Section 14 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the draft regulations contained in the Articles of Association which is available for public inspection at the Registered Office of the Company and on the company’s website, be and are hereby approved and adopted in substitution, and to the entire exclusion, of the regulations contained in the existing Articles of Association of the Company;

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to undertake all such acts, deeds, matters and things to finalise and execute all such deeds, documents and writings as may be deemed necessary, proper, desirable and expedient in its absolute discretion, to enable this resolution, and to settle any question, difficulty or doubt that may arise in this regard.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to delegate all or any of the powers conferred on it by or under this Resolution to any Committee of Directors of the Company or to any Director of the Company or any other officer(s) or employee(s) of the Company as it may consider appropriate in order to give effect to this Resolution.”

Kolkata, 20th February, 2016

By Order of the Board

Registered Office :
14, Netaji Subhas Road
Kolkata - 700 001

Shailendra Prasad
Company Secretary

NOTES

- 1) The Explanatory Statement pursuant to Section 102 of the Act for the proposed Special Resolution setting out material facts in relation thereto is appended to the Notice.
- 2) The Company is pleased to provide e-Voting facility as an alternative to enable the Shareholders to cast their votes electronically instead of physical Postal Ballot. For this purpose, necessary arrangements have been made with National Securities Depository Limited (“NSDL”) to facilitate e-Voting.

The instructions for e-Voting are as under :

- a) In case of Shareholders receiving an e-mail from NSDL
 - i) Open e-mail and open PDF file viz. “RSCL e-Voting.pdf” with your Client ID or Folio No. as password. The said PDF file contains your User ID and password for e-Voting. Please note that the password is an initial password.
 - ii) Launch internet browser by typing the URL: <https://www.evoting.nsdl.com/>
 - iii) Click on Shareholder – Login
 - iv) If you are already registered with NSDL for e-Voting, you can use your existing User ID and password for casting your vote.
 - v) If you are logging for the first time, please enter the User ID and password provided in the PDF file attached with the e-mail as initial password.
 - vi) The password change menu appears on your screen. Change the password with new password of your choice with minimum 8 digits/characters or combination thereof.
Note the new password. It is strongly recommended not to share your password with any other person and to take utmost care to keep your password confidential.
 - vii) Once the e-Voting Home page opens, click on e-Voting> Active Voting Cycles.
 - viii) Select Electronic Voting Event Number (“EVEN”) of Riga Sugar Co. Limited as given in the body of the e-mail. You are now ready for e-Voting as Cast Vote page opens.
 - ix) Cast your vote(s) by selecting appropriate options and click on “Submit” and also “Confirm” when prompted.
 - x) Upon confirmation, the message “Vote cast successfully” will be displayed.
 - xi) Once the votes on the resolution are cast, the Shareholder shall not be allowed to change the same subsequently.
 - xii) Institutional Shareholders (i.e. other than individuals, HUFs, NRIs, etc.) are required to send scanned certified true copy (PDF/JPG Format) of the relevant Board Resolution/Authority Letter/ Power of Attorney etc. together with the attested specimen signatures of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail at hmchoraria@gmail.com with a copy marked to evoting@nsdl.co.in.
 - xiii) In case of any query, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the Downloads section of www.evoting.nsdl.com
 - xiv) You can also update your mobile number and e-mail address in the user profile details of the folio which shall be used for sending future communication(s).
 - b) In case of Shareholders receiving physical copies of the Notice of Postal Ballot
 - i) Initial password, User ID and Electronic Voting Event Number (“EVEN”) are provided at the bottom of the Postal Ballot Form.
 - ii) Please follow all the steps from Sl. No. (ii) to Sl. No. (xiv) above, to cast your vote.
- 3) As per the Rules, Notice of the Postal Ballot may be served on the Shareholders through electronic transmission. Notice of Postal Ballot and Form are being sent electronically to all the Shareholders whose e-mail addresses are registered with the Company/Depository Participants(s). In respect of others, these documents are being sent by permitted mode of despatch.
 - 4) Shareholders who have received notice of the Postal Ballot by e-mail and who wish to vote through physical Postal Ballot Form can seek duplicate Postal Ballot Form from the Registered Office at 14, Netaji Subhas Road, Kolkata-700 001 or from the Registrar & Transfer Agent, M/s. S.K. Infosolutions Pvt. Ltd. and fill in the details and send the same to the Scrutinizer.
 - 5) Kindly note that the Shareholders can opt for only one mode of voting i.e. either physical ballot or e-Voting. If you are opting for e-Voting, please do not vote by physical ballot and vice versa. However, in case a Shareholder casts his vote by physical ballot and also by e-Voting, voting done by valid e-Voting shall prevail and voting done through Postal Ballot will be treated as invalid.
 - 6) The notice is being sent to all the Shareholders of the Company whose names appear in the Register of Members/ Record of Depositories as on Friday, February 19, 2016 (the “Cut-off date”). Voting rights shall be reckoned on the paid up value of the shares registered in the name of the Shareholders of the Company as on the Cut-off date i.e. Friday, February 19, 2016.
 - 7) The voting through Physical and electronic means will commence from 9:00 a.m. on Sunday 28th February, 2016 to 5.00 p.m. on Monday 28th March, 2016. The e-Voting module shall be disabled by NSDL for voting thereafter.

- 8) The Scrutinizer's decision on the validity of the Postal Ballot shall be final.
- 9) The Scrutinizer will submit his report after completion of the scrutiny, to the Chairman/Co-Chairman, who will, or in their absence any other person so authorised by them will, declare the results of voting by Postal Ballot on Tuesday, March 29, 2016 at 4:00 p.m. The results will be displayed at the Registered Office of the Company.
- 10) The results of the Postal Ballot will also be announced through newspaper advertisement and communicated to the Stock Exchanges. The results along with the Scrutinizer's report will also be displayed on the Company's website www.rigasugar.com as well as on the NSDL's website <https://www.evoting.nsdl.com>.
- 11) The resolution will be taken as passed effectively on the date of declaration of results i.e. 29th March, 2016, if the results of the Postal Ballot indicate that the requisite majority of the Shareholders of the Company have assented to their solution.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 FORMING PART OF THE NOTICE OF POSTAL BALLOT

Item No. 1

The Board of Directors of the Company in their meeting held on 20th February, 2016 subject to requisite approvals and consent of shareholders increased the Authorised Share Capital of the Company from Rs. 15,00,00,000 (Rupees Fifteen crores) divided into 1,49,00,000 (One Crore Forty Nine Lacs) Equity Shares of Rs. 10/- each and 1,00,000 (One lac) Cumulative Redeemable Preference Shares of Rs. 10 each to Rs. 20,00,00,000 (Rupees Twenty Crores) divided into 1,99,00,000 (One Crore Ninty Nine Lac) Equity Shares of Rs. 10/- each and 1,00,000 (One lac) Cumulative Redeemable Preference Shares of Rs. 10 each by creation of additional 50,00,000 (Fifty Lacs) Equity Shares of Rs. 10/- each ranking pari passu in all respect with the existing Equity Shares. Consequent to the increase of Authorised Share Capital, the Authorised Share Capital Clause contained in Clause 5 of the Memorandum of Association of the Company need to be altered as indicated in Resolution No.1 contained in the Notice. Your Directors recommend the Resolutions set out at Sl. Nos.1 for the approval of the shareholders of the Company.

None of the Directors, Key Managerial Personnel and Relatives of the Directors / Key Managerial Personnel of the Company are interested in the proposed Resolutions except as holders of shares in general.

A copy of the Memorandum and Articles of Association together with the proposed alterations is available for inspection by the Members at the Registered Office of the Company between 11:00 a.m to 1:00 p.m on all working days from the date hereof upto the date of the last date of voting.

Item No.2

To meet business requirement of the company and to strengthen the Company's financial parameters, the Directors of the Company intend to mobilise funds through issue of convertible equity share warrants to the persons belonging to Promoter Group on Preferential Basis in accordance with SEBI (Issue of Capital and Disclosure Requirement) Regulations, 2009. The proceeds of the proposed issue shall also be utilised as owned fund (Shareholders Fund) for improving Debt: Equity ratio.

The Proposed Allottees shall pay atleast 25% of the exercise price in respect of the equity share warrant that may be allotted to be in accordance with the SEBI (ICDR) Regulations, 2009 before the date of allotment of Warrants.

The warrant holder has the option to apply for and be allotted equity shares of the company at exercise price to be decided of face value of Rs. 10 and premium, if any, per share in the ratio of 1 (one) equity share for every 1 (one) warrant by paying the balance subscription price after adjusting the upfront payment made on the date of allotment of warrants at any time before the expiry of 18 months from the date of allotment of warrants.

The company reserve the right to forfeit the amount paid at the time of allotment as per Regulation 77 (4) SEBI (ICDR) Regulations, 2009 in case of failure by the warrant holder to apply for and be allotted equity shares of the company by paying the balance subscription price after adjusting the upfront payment made before the expiry of the specified period of 18 months.

As per provision of Regulation 78(6) SEBI (ICDR) Regulations, 2009 the existing shareholding of the proposed allottees of the promoter group shall be locked-in from the relevant date and such lock-in would continue upto such period as per provision of SEBI (ICDR) Regulation, 2009 for Preferential Issue.

Information as required under Regulation 73 of SEBI (Issue of capital and disclosure requirements) Regulations, 2009 for Preferential Issues :

1. Object of the Issue

The proposed issue is to meet the business requirement of the company which would strengthen the Company's financial parameters. The proceeds of the proposed issue shall also be utilised as owned fund (Shareholders Fund) toward improving Debt : Equity ratio.

2. Intention of the promoter(s) and others to subscribe

The Company has received written consent from the promoters named above towards his intention to subscribe proposed issue of Warrants by the company.

3. Pricing

The Issue Price will be determined in accordance with the Chapter VII of the SEBI (ICDR) Regulations, 2009. The "relevant date" for determining the issue price of the resultant Equity Shares is 26th February, 2016, being the date which is 30 days prior to the date for passing this resolution by requisite majority of members i.e. 29th March, 2016.

As per Regulation 76 (1) of SEBI (ICDR) Regulation, 2009 in case of frequently traded shares higher of the followings :-

- (a) Average of weekly high and low of the volume weighted average price of the equity shares of the company quoted on BSE during the 26 weeks preceding the relevant date; or
- (b) Average of weekly high and low of the volume weighted average price of the equity shares of the company quoted on BSE during the 2 weeks preceding the relevant date.

As per Regulation 76A of SEBI (ICDR) Regulation, 2009 in case the shares of the company is infrequently traded till the relevant date, the issue price shall be determined taking into consideration valuation parameters including book value, comparable trading multiples and other customary parameters for valuation of shares and company will have to obtain certificate from independent Chartered accountants in practice having minimum experience of 10 years. The price arrived on relevant date will be published in the newspaper on 27.2.2016 and also posted on company's website.

4. Undertaking to pay Recomputed price of share

- (a) The company undertake that if required, the price of proposed warrants shall be recomputed in view of the provisions of the SEBI (ICDR) Regulations, 2009.
- (b) If the amount payable on account of the re-computation of price is not paid within the stipulated time as mentioned in the Regulations, the specified securities shall continue to be locked in till such amount is paid by the allottees.

5. Shareholding Pattern of the Company before and after the issue :

Sl. No.	Category	Pre Issue		Post Issue	
		No. of shares held	% of shareholding	No. of shares held	% of shareholding
A	Promoters Holding				
1	Individual	1,03,677	0.83	1,03,677	0.72
	Bodies Corporate	78,89,701	63.41	98,89,701	68.47
	Sub-Total	79,93,378	64.24	99,93,378	69.19
2	Foreign Promoters	–	–	–	–
	Sub-Total (A)	79,93,378	64.24	99,93,378	69.19
B	Non-Promoter's holding				
1	Institutional Investors	2,600	0.02	2,600	0.02
2	Non-Institution :				
	Private Corporate Bodies	20,38,198	16.38	20,38,198	14.11
3	Directors & relatives	–	–	–	–
4	Indian Public	23,91,550	19.22	23,91,550	16.56
5	Others (Including NRIs)	17,679	0.14	17,679	0.12
	Sub-Total (B)	44,50,027	35.76	44,50,027	30.81
	GRAND TOTAL	1,24,43,405	100.00	1,44,43,405	100.00

Shareholding pattern has been prepared on the assumption that all the warrants will be converted into equity share before the expiry of 18 month.

6. Proposed time within which the allotment shall be completed.

The Board proposes to allot the equity shares warrants within a period of 15 days from the date of passing of this resolution by the shareholders or within 15 days from the date of approval of any regulatory authority, whichever is later.

7. The identity of the proposed allottees and the percentage of the preferential issue that may be held by them

Sl. No.	Name & Address of the	Pre Issue Shareholding		Post Issue Shareholding	
		No. of shares held	%	No. of shares held	%
	Promoters Group				
1	D G Vitta Vinimay & Properties Ltd. 14, Netaji Subhas Road, Kolkata- 700 001 PAN : AABCK3163C It is Promoter company controlled by Mr. O. P. Dhanuka & Family.	50,98,484	40.97	70,98,484	49.15
	TOTAL	50,98,484	40.97	70,98,484	49.15

8. Consequential Changes in Voting Rights :

Voting rights will change in tandem with the shareholding pattern. However there shall not be any change in the management control of the company.

9. Auditors' Certificate :

A certificate from M/s. K. N. Gutgutia & Co., Chartered Accountants, being the Statutory Auditors of the Company certifying that the preferential issue is being made in accordance with the requirements contained in SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 available for inspection at the registered office of the company during business hours and also available on website of the company.

10. Proposed allotment of shares on conversion of warrants as pari-passu :

The equity shares on conversion of warrants shall rank pari passu in all respect with the then existing Equity Shares of the company.

11. Lock-in :

The 20,00,000 convertible warrants being allotted to person mentioned above shall be locked-in for such period from the date of allotment of warrants and shares as per SEBI (ICDR) Regulations, 2009.

12. Change in Management

The issue of warrants and their conversion into equity shares will not result in any change in the management or control of the Company.

13. Allotment already made during the year

During the year 2015-16 so far no allotment of new securities has been made. However the outstanding 18,00,000 warrant issued in previous year converted into equity share to two nos. of persons at price of Rs. 15.20 per share.

Issuance of convertible warrants and shares on preferential basis is governed, inter alia, by the provisions of Section 62(1)(c) and section 23(1)(b) and section 42 of the Companies Act, 2013 and companies (Prospectus of Securities) Rules 2014, Companies (Share Capital & Debenture) Rules 2014 and the relevant provisions of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009.

As per Section 62(1) (c) of the Companies Act, 2013 and the SEBI (ICDR) Regulations, 2009 approval of the members of the Company by way of Special Resolution is required to be obtained for issuance of convertible equity share warrants on preferential basis.

None of the Directors of the Company is concerned or interested in the resolution save and except Mr. O.P. Dhanuka who may be deemed to be interested as Promoter Director of company to the extent of allotment to promoters Group.

Shareholding of Promoters and their relatives, Directors, Manager, Key Managerial Personnel in D G Vitta Vinimay & Properties Limited, promoter group proposed allottee, is as follow :-

Name	Relationship with Riga Sugar Co. Ltd.	Shareholding in D G Vitta Vinimay Properties Limited	
		No.	%
Mr. O. P. Dhanuka	Director	21,822	3.42 %
Mrs. Meera Dhanuka	Relative of Director	24,956	2.68 %
Mrs. Shruti Jatia	Do	62,180	6.68 %
Mrs. Garima Tibrawalla	Do	25,050	2.69 %
Mrs. Tripti Saraf	Do	30,530	3.28 %
Mr. P. L. Dhanuka	Do	18,520	1.99 %

The Board of Directors recommends the special resolution for the approval of the shareholders.

Item No. 3

Section 186 (2) of the Companies Act, 2013 (the "Act") read with the Companies (Meetings of Board and its Powers) Rules, 2014 (the "Rules") (as amended) provides that no company is permitted to, directly or indirectly,

- give any loan to any person or other body corporate;
- give any guarantee or provide security in connection with a loan to any other body corporate or person; and
- acquire by way of subscription, purchase or otherwise, the securities of any other body corporate,

Exceeding sixty percent of its paid-up share capital, free reserves and securities premium account or one hundred percent of its free reserves and securities premium account, whichever is more. Section 186(3) of the Act read with Rule 13 of the Rules

provides that where the aggregate of the loans and investments so far made and the amount for which guarantees or securities so far provided to or in all other bodies corporate alongwith the investment, loan, guarantee or security proposed to be made or given by the Board of Directors (the "Board") of a company exceed the limits specified under Section 186(2) of the Act, no investment or loan is permitted to be made or given or guarantee/ security permitted to be provided unless authorised by a Special Resolution. As per the latest audited balance sheet of the Company as at March 31, 2015, sixty per cent of the paid-up share capital, free reserves and securities premium account is equal to Rs. 4.08 crores while one hundred percent of its free reserves and securities premium account is equal to Rs. NIL crores. Therefore, the maximum limit available to the Company under Section 186(2) of the Act for making investments or giving loans or providing guarantees/ securities (as the case may be) is Rs. 4.08 crores. Further, as on date, the aggregate of investments and loans made/ given by the Company (as the case may be) is NIL. The company has given Guarantee to Nationalised Bankers toward Agricultural Loan provided by the bankers to recommended farmers to the extent of Rs. 41.50 crores, for which the company had taken shareholders consent. In view of increased requirement of Guarantees to be provided for business purposes and for any Loan or Investment to be made by the company in other corporate in excess of the limits specified under Section 186(2) of the Act, consent of the shareholders is required by way of special resolution.

In view of the above, approval of Shareholders through Postal Ballot is sought for making investments or giving loans or guarantees or providing securities (as specified in the Special Resolution) in excess of the limits specified under Section 186(2) of the Act.

In light of the above, the Directors of the Company recommend the resolution for approval of Shareholders by way of Special Resolution.

None of the Directors or Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the Special Resolution except to the extent of their directorships and shareholding in the bodies corporate in which investments may be made or loans/guarantees may be given or securities may be provided pursuant to this Special Resolution.

Item No. 4

The existing Article of Association (AoA) are based on the Companies Act, 1956 and several regulations in the existing AoA contain references to specific sections of the Companies Act, 1956 and some regulations in the existing AoA are no longer in conformity with the Companies Act, 2013 ("the Act").

The Act is now largely in force with Rules thereon. On September 12, 2013, the Ministry of Corporate Affairs ("MCA") had notified 98 Sections for implementation. Subsequently, on March 26, 2014, MCA notified most of the remaining Sections (barring those provisions which require sanction/confirmation of the National company Law Tribunal ("Tribunal")). However, substantive sections of the Act which deal with the general working of companies stand notified. With the coming into force of the Act several regulations of the existing AoA of the Company require alteration or deletions in several articles. Given this position, it is considered expedient to wholly replace the existing AoA by a new set of Articles.

The new AoA to be substituted in place of the existing AoA are based on Table 'F' of the Act which sets out the model articles of association for a company limited by shares. The Members attention is invited to certain salient provisions in the new draft AoA of the Company viz :

- (a) Existing definitions have been aligned with the Act;
- (b) New provisions relating to appointment of chief executive officer and chief Financial officer, in addition to manager and company secretary;
- (c) new provisions relating to appointment of a person as Chairperson and Managing Director or Chief Executive Officer;
- (d) existing articles have been streamlined and aligned with the Act;
- (e) the statutory provisions of the Act which permit a company to do some acts "if so authorized by its articles" or provisions which require accompany to do acts in a prescribed manner "unless the articles otherwise provide" have been specifically included.

The proposed new draft AoA is being uploaded on the Company's website at www.rigasugar.com for perusal by the shareholders. The proposed new draft AoA is also available for inspection at the Registered Office of the Company on all working days, except Saturdays, between 10.00 a.m. and 12.00 noon upto the date of declaration of the result of Postal Ballot.

None of the Directors, Key Managerial Personnel of the Company or their relatives are deemed to be interested or concerned in the said Special Resolution.

The Board of Directors of the Company recommends the Resolution to be passed as a Special Resolution as set out in Item No. 4 of the accompanying Notice for approval of the members through Postal Ballot.

Kolkata, 20th February, 2016

By Order of the Board

Registered Office :
14, Netaji Subhas Road
Kolkata - 700 001

Shailendra Prasad
Company Secretary