



**Y. KOTESWARA RAO**

**Practicing Company Secretary**

H. No. 48-345, Ganesh Nagar Colony,  
Chinthal, HMT Road, Hyderabad - 500 054

Phone: 040 40210182 (office)

**SCRUTINIZER'S REPORT**

To,  
**Smt. T. Sarita Reddy**  
**Executive Director**  
**Gayatri Sugars Limited,**  
**B2, 2nd Floor, 6-3-1090,**  
**TSR Towers, Rajbhavan Road,**  
**Somajiguda, Hyderabad – 500082.**

Dear Madam,

**Sub: Scrutinizers Report on Postal Ballot voting including by electronic means in respect of passing of resolutions contained in the notice dated 20-05-2016 through postal ballot.**

.....

Pursuant to the resolution passed by the Board of Directors of M/s. Gayatri Sugars Limited held on 20<sup>th</sup> May, 2016, I have been appointed as Scrutinizer to scrutinize the process and physical postal ballot in respect of the Special Resolution as circulated in the postal ballot notice dated 20<sup>th</sup> May, 2016.

The Company, Pursuant to the provisions of Section 110 of the Companies Act, 2013, and the rules framed thereunder Vide Companies (Management and Administration) Rules, 2014, required to provide e-voting facility to their shareholders on all share holder resolutions to be passed at General Meetings or through Postal Ballot.

Gayatri Sugars Limited accordingly has made arrangements with M/s. Central Depository Services Limited (CDSL) for providing a system of recording votes of shareholders electronically through e-voting facility on the website [www.evotingindia.com](http://www.evotingindia.com).

Gayatri Sugars Limited has also uploaded the resolutions together with the explanatory statement on which e-voting is required and generated Electronic Voting Sequence Number (EVSN) by the system provider. All necessary formalities in compliance with the requirements specified by the system provider have been done by the Company through M/s. Central Depository Services Limited (CDSL). Necessary instructions in this regard to be followed by the shareholders have also been duly mentioned in the Postal Ballot notice dated 20<sup>th</sup> May, 2016 sent to the shareholders by email and partly by courier. The Register of Members was made up, for the purpose of dispatch of postal ballot to the shareholders as on 20<sup>th</sup> May, 2016, being the cut-off date.

I submit my report as under:

- i) The company has completed on **6<sup>th</sup> June, 2016** the dispatch of postal ballot forms along with postage prepaid business reply envelop to its Members whose name(s) appeared on the Register of Member/ list of beneficiaries as on **20<sup>th</sup> May, 2016** in addition to that the notices were also sent via electronic mode by the system provider to Shareholders at their email addresses registered with Depository Participants.



①



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- ii) As stated in sub rule 3 of Rule 20 Companies (Management and Administration) Rules, 2014 an advertisement was published by the Company in 'Financial Express' English newspaper and 'Nava Telangana' Telugu edition newspaper on **June 7, 2016**, informing about completion of dispatch of the Postal Ballot notices by courier, wherever applicable, to the shareholders along with other related matter mentioned therein.
- iii) I have received the Postal Ballot forms from the shareholders during the period starting Monday, June 6, 2016 till Tuesday, July 5, 2016. All the postal ballot forms received upto 6.00 p.m Tuesday, July 5, 2016, being the last date fixed by the Company for receipt of the ballot forms, were considered for my scrutiny.
- iv) Envelopes containing postal ballot forms received after **Tuesday, July 5, 2016** were not considered for my scrutiny.
- v) The postal ballot forms were kept under my safe custody in sealed and tamper proof ballot boxes before commencing the scrutiny of such postal ballot forms.
- vi) The ballot forms were opened on **6<sup>th</sup> June, 2016** in my presence.
- vii) The postal ballot forms were duly opened in my presence and scrutinized and the shareholding was confirmed with the Register of Members of the company/list of beneficiaries as on **20<sup>th</sup> May, 2016**.
- viii) Since e-voting facility was provided by M/s. Central Depository Services Limited (CDSL), the details of the e-voting exercised by the shareholders as also the votes exercised through Postal Ballots, which were duly scrutinized and processed, were duly compiled by the M/s. Central Depository Services Limited (CDSL). While the details of the e-voting was provided by the system provider, M/s. Central Depository Services Limited (CDSL), the compilation of the Register, in respect of Postal Ballot containing the statement of shareholder's name, folio number, postal ballot number, number of shares held, number of votes exercised, votes in favour, votes against and those votes which are rejected were generated by M/s. Venture Capital and Corporate Investments Private Limited (Registrars and Share Transfer Agents) which have been duly scrutinized.
- ix) I did not find any defaced ballot papers.

On Scrutiny, I report that out of 15,681 shareholders, 20 shareholders have exercised their vote through e-voting and 76 shareholders have exercised their votes through Postal Ballot Forms, as received. The details of the polling results for the item placed for consideration by the members are given below:





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**ITEM NO. 1: ISSUE OF 4% SECURED, UNLISTED NON CONVERTIBLE DEBENTURES (NCD'S) ON PRIVATE PLACEMENT BASIS BY WAY OF CONVERSION OF OUTSTANDING RIGHT OF RECOMPENSE AMOUNT PAYABLE TO THE BANKS:** Special Resolution pursuant to section 42, 71 and other applicable provisions of the Companies Act, 2013.

Total No. of Shareholders	15681		
Total No. of Shares	43697368		
Receipt of Postal Ballot Forms (Physical & Electronic)	96		
		Number of Votes	Number of shares
Total Votes cast through e-Voting	A	20	32744804
Total Votes cast through Postal Ballot Forms Received	B	76	37711
Grand Total e-Voting/Postal Ballot Form (A+B)	C	96	32782515
Less: Invalid e-Voting/Postal Ballot Forms *(On account of signature mismatch, for/against option not indicated)	D	5	1269
Net e-Voting/Postal Ballot Forms C-D	E	91	32781246

**Note:**

- (1) There were 5 invalid Postal Ballot forms received (out of which 2 postal ballots have not indicated for/against option for the resolution).
- (2) Votes cast in favour or against has been considered on the basis of number of shares held as on the date reckoned for the purpose of postal ballot or the number of shares mentioned in the postal ballot whichever is less.





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**Summary of the Postal Ballot and E-voting:**

Date of AGM/EGM:	Postal ballot notice dated 20 <sup>th</sup> May, 2016
Total no. of share holders as on record date:	15,681
No. of shareholders present in the meeting either in person or through proxy:	Not applicable
No. of shareholders attended the meeting through video conferencing:	Not applicable
Resolution Required: (Ordinary/special)	Special
Whether promoter/promoter group are interested in the agenda/resolution:	No

**1. ISSUE OF 4% SECURED, UNLISTED NON CONVERTIBLE DEBENTURES (NCD'S) ON PRIVATE PLACEMENT BASIS BY WAY OF CONVERSION OF OUTSTANDING RIGHT OF RECOMPENSE AMOUNT PAYABLE TO THE BANKS.**

Category	Mode of Voting	No. of shares held	No. of votes polled	% of Votes Polled on outstanding shares	No. of Votes – in favour	No. of Votes – against	% of Votes in favour on votes polled	% of Votes against on votes polled
		(1)	(2)	(3)=[(2)/(1)]*100	(4)	(5)	(6)=[(4)/(2)]*100	(7)=[(5)/(2)]*100
Promoter and Promoter Group	E-Voting	25040888	25040888	100.00	25040888	0	100.00	0
	Poll	25040888	0	0	0	0	0	0
	Postal Ballot	25040888	0	0	0	0	0	0
	Total	<b>25040888</b>	<b>25040888</b>	<b>100.00</b>	<b>25040888</b>	<b>0</b>	<b>100.00</b>	<b>0</b>
Public - Institutions	E-Voting	0	0	0	0	0	0	0
	Poll	0	0	0	0	0	0	0
	Postal Ballot	0	0	0	0	0	0	0
	Total	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Public-Non Institutions	E-Voting	18656480	7703916	41.29	7703532	384	100.00	0.00
	Poll	18656480	0	0.00	0	0	0	0
	Postal Ballot	18656480	36442	0.20	23069	13373	63.30	36.70
	Total	<b>18656480</b>	<b>7740358</b>	<b>41.49</b>	<b>7726601</b>	<b>13757</b>	<b>99.82</b>	<b>0.18</b>
Total		<b>43697368</b>	<b>32781246</b>	<b>75.02</b>	<b>32767489</b>	<b>13757</b>	<b>99.96</b>	<b>0.04</b>

Percentage of votes cast in favour: 99.96 Percentage of votes cast against: 0.04



4



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**ITEM NO. 2: ALTERATION/SUBSTITUTION OF MEMORANDUM OF ASSOCIATION:** Special Resolution pursuant to section 4, 13 and other applicable provisions of the Companies Act, 2013.

Total No. of Shareholders	15681		
Total No. of Shares	43697368		
Receipt of Postal Ballot Forms (Physical & Electronic)	96		
		Number of Votes	Number of shares
Total Votes cast through e-Voting	A	20	32744804
Total Votes cast through Postal Ballot Forms Received	B	76	37711
Grand Total e-Voting/Postal Ballot Form (A+B)	C	96	32782515
Less: Invalid e-Voting/Postal Ballot Forms *(On account of signature mismatch, for/against option not indicated)	D	14	2924
Net e-Voting/Postal Ballot Forms C-D	E	82	32779591

**Note:**

- (1) There were 14 invalid Postal Ballot forms received (out of which 11 postal ballots have not indicated for/against option for the resolution).
- (2) Votes cast in favour or against has been considered on the basis of number of shares held as on the date reckoned for the purpose of postal ballot or the number of shares mentioned in the postal ballot whichever is less.





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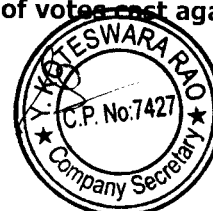
**Summary of the Postal Ballot and E-voting:**

<b>Date of AGM/EGM:</b>	Postal ballot notice dated 20 <sup>th</sup> May, 2016
<b>Total no. of share holders as on record date:</b>	15,681
<b>No. of shareholders present in the meeting either in person or through proxy:</b>	Not applicable
<b>No. of shareholders attended the meeting through video conferencing:</b>	Not applicable
<b>Resolution Required: (Ordinary/special)</b>	Special
<b>Whether promoter/promoter group are interested in the agenda/resolution:</b>	No

**2. ALTERATION/SUBSTITUTION OF MEMORANDUM OF ASSOCIATION.**

Category	Mode of Voting	No. of shares held	No. of votes polled	% of Votes Polled on outstanding shares	No. of Votes – in favour	No. of Votes – against	% of Votes in favour on votes polled	% of Votes against on votes polled
		(1)	(2)	(3)=[(2)/(1)]*100	(4)	(5)	(6)=[(4)/(2)]*100	(7)=[(5)/(2)]*100
<b>Promoter and Promoter Group</b>	<b>E-Voting</b>	25040888	25040888	100.00	25040888	0	100.00	0
	<b>Poll</b>	25040888	0	0	0	0	0	0
	<b>Postal Ballot</b>	25040888	0	0	0	0	0	0
	<b>Total</b>		<b>25040888</b>	<b>25040888</b>	<b>100.00</b>	<b>25040888</b>	<b>0</b>	<b>100.00</b>
<b>Public - Institutions</b>	<b>E-Voting</b>	0	0	0	0	0	0	0
	<b>Poll</b>	0	0	0	0	0	0	0
	<b>Postal Ballot</b>	0	0	0	0	0	0	0
	<b>Total</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Public-Non Institutions</b>	<b>E-Voting</b>	18656480	7703916	41.29	7703532	384	100.00	0.00
	<b>Poll</b>	18656480	0	0	0	0	0	0
	<b>Postal Ballot</b>	18656480	34787	0.19	21414	13373	61.56	38.44
	<b>Total</b>		<b>18656480</b>	<b>7738703</b>	<b>41.48</b>	<b>7724946</b>	<b>13757</b>	<b>99.82</b>
<b>Total</b>		<b>43697368</b>	<b>32779591</b>	<b>75.02</b>	<b>32765834</b>	<b>13757</b>	<b>99.96</b>	<b>0.04</b>

Percentage of votes cast in favour: 99.96 Percentage of votes cast against: 0.04



6



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**Result:**

I report that the Special Resolutions under section 110 of the Companies Act, 2013 and the Companies (Management and Administration) Rules 2014, as set out in the notice of Postal Ballot dated 20<sup>th</sup> May, 2016 has been passed by shareholders with requisite majority. Hence the Resolutions no.1 and 2 are deemed to be passed as on the date of the announcement of the results.

I further report that as per the Postal Ballot Notice and the Board Resolution dated 20<sup>th</sup> May, 2016, the Chairman or any other person as authorised in this regard may declare and confirm the above results of voting by postal ballot in respect of the resolution referred here in by 07.07.2016. The results of the Postal Ballot together with the Scrutinizer's Report would be displayed on Company's website [www.gayatrisugars.com](http://www.gayatrisugars.com) and shall also be communicated to the Stock Exchange.

I further report that as per Rule 22 of the Companies (Management and Administration) Rules 2014, the Company has been duly complied with the procedure for conducting the business through postal ballot. I further report that as per the said Rules, the records maintained by me including the data as obtained from M/s. Central Depository Services Limited (CDSL), the System Provider for the e-voting facility extended by them and also Register recording the consent or otherwise received from the shareholders, voting through postal ballot, which includes all the particulars of the shareholders such as the name, folio number/DP ID/Client ID, number of shares held, number of shares voted, number of shares assented, number of shares dissented, number of shares rejected, ballot papers and other related papers are in my safe custody which will be handed over to the Company Secretary of the Company after the Chairman/Executive Director approves and signs the minutes of the meeting.

Place: Hyderabad  
Date: 06.07.2016



**Y. KOTESWARA RAO**  
Practicing Company Secretary  
**Name & Signature of Scrutinizer**  
**ACS : 3785**  
**CP : 7427**