



# SAKTHI SUGARS LIMITED

Regd. Office : Sakthinagar - 638 315, Bhavani Taluk  
Erode District, Tamilnadu.

## NOTICE FOR POSTAL BALLOT

(In accordance with Section 192A of the Companies Act, 1956 read with the Companies  
(Passing of the Resolution by Postal Ballot) Rules 2011)

To

The Members,

Notice is hereby given that the following resolutions are circulated for approval of the members of the Company to be accorded by Postal Ballot in accordance with Section 192A of the Companies Act, 1956 read with the Companies (Passing of the Resolution by Postal Ballot) Rules, 2011:

### **1. Authorisation for Restructuring of Debts:**

To consider and if thought fit, to give ASSENT / DISSENT to the following resolution to be passed as a Special Resolution:

"RESOLVED THAT subject to applicable provisions of the Companies Act, 1956, the Companies Act 2013 and all other applicable laws (including any statutory modification(s) or re-enactment thereof for the time being in force) and in accordance with the provisions of the Memorandum and Articles of Association of the Company, listing agreements entered into with Stock Exchanges on which the shares of the Company are listed, the applicable rules, regulations and guidelines of statutory / regulatory authorities and subject to approvals, permissions, sanctions and consents as may be necessary from any statutory / regulatory authority which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the "Board", which term shall be deemed to include any committee which the Board has constituted or may constitute to exercise its powers, including the powers conferred by this resolution), the Company hereby approves, ratifies and confirms the Corporate Debt Restructuring Package by and between the Company and the lenders of the Company whose loans are restructured (hereinafter referred to as "CDR Lenders") under the corporate debt restructuring scheme (in terms of the Corporate Debt Restructuring Scheme notified by the RBI dated 27th August 2008 and the Guidelines formulated thereunder) approved by the CDR Empowered Group (hereinafter referred to as "CDR EG") at its meeting held on 14th May 2009, and communicated to the Company by the Corporate Debt Restructuring Cell (hereinafter referred to as "CDR Cell") vide its letter of approval dated 16th June 2009 and amended by CDR EG at its various meetings and communicated by CDR Cell to the Company from time to time, finally at the meeting of the CDR EG on 23rd & 24th August 2012 and communicated to the Company by CDR Cell, vide letter dated 18th September 2012 (hereinafter referred to as "CDR LOA"), and as set forth in the Master Restructuring Agreement dated 29th June 2009 and the Deed of Accession dated 31st March 2010 (hereinafter referred to as the MRA) executed between the Company and CDR Lenders and the Board and / or any person authorised by the Board in respect thereof from time to time, be and is hereby authorised on behalf of the Company to discuss, negotiate and amend, if required, the terms of the CDR LOA in the manner as may be approved by and between the Company and the CDR Lenders, amend or make changes to the MRA and enter into other documents in pursuance of the CDR LOA and the MRA, implement the CDR LOA and the MRA on the basis of the terms set out therein, as may be agreed between the respective parties, and execute the necessary documents for the same including, inter alia, issuance of equity shares or any other securities to the promoters / promoter group in terms of the CDR LOA and the MRA."

### **2. Increase in the Authorized Share Capital and alteration of Memorandum of Association:**

To consider and if thought fit, to give ASSENT / DISSENT to the following resolution to be passed as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of section 94 and other applicable provisions, if any, of the Companies Act, 1956, the Authorized Share Capital of the Company be and is hereby increased from Rs. 100,00,00,000/- (Rupees one hundred crores only) divided into 5,00,00,000 (five crores) equity shares of Rs. 10/- (Rupees ten only) each aggregating to Rs. 50,00,00,000/- (Rupees fifty crores only) and 50,00,000 (fifty lakhs) Redeemable Cumulative Preference shares of Rs. 100/- (Rupees one hundred only) each aggregating to Rs. 50,00,00,000/- (Rupees fifty crores only) to Rs. 160,00,00,000/- (Rupees one hundred and sixty crores only) divided into 11,00,00,000 (eleven crores) equity shares of Rs. 10/- (Rupees ten only) each aggregating to Rs. 110,00,00,000 (Rupees one hundred and ten crores only) and 50,00,000 (fifty lakhs) Preference shares of Rs. 100/- (Rupees one hundred only) each aggregating to Rs. 50,00,00,000/- (Rupees fifty crores only) by creation of additional 6,00,00,000 (six crores) equity shares of Rs. 10/- (Rupees ten only) each and that the existing Clause V of the Memorandum of Association of the Company be substituted with the following:

- V. The Share Capital of the Company is Rs.160 crores divided into 11,00,00,000 Equity shares of Rs.10 each and 50,00,000 Preference shares of Rs.100/- each, with power to increase or reduce the capital of the company and to divide the shares in the capital for the time being into several classes and to attach thereto respectively, such preferential, guaranteed, qualified or special rights (including right to convert into equity or other kind of securities), privileges and conditions as may be determined by or in accordance with the Articles of Association of the Company and to vary, modify, amalgamate or abrogate any such right, privileges or conditions in such manner as may for the time being be provided by the Articles of Association'."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds and things as may be necessary to give effect to this Resolution."

**3. Amendment to the Articles of Association of the Company:**

To consider and if thought fit, to give ASSENT / DISSENT to the following resolution to be passed as a Special Resolution:

"RESOLVED THAT pursuant to section 31 and other applicable provisions, if any, of the Companies Act, 1956, and/or the applicable provisions of the Companies Act, 2013, the existing Regulation 3 of the Articles of Association be substituted with the following:

3. The Share Capital of the Company is Rs.160 crores divided into 11,00,00,000 Equity shares of Rs.10 each and 50,00,000 Preference shares of Rs.100/- each. The Company has power from time to time to increase or reduce its capital, to issue any shares in the original or new capital as Equity or Preference Shares, to divide or sub-divide the shares into various classes of shares and to attach to any class of shares any special rights (including right to convert into equity or other kind of securities), privileges or priorities in payment of dividends or distribution of assets or voting rights or otherwise over any other shares or to subject the same to any alterations, restrictions, limitations or conditions and to vary the Articles of the Company so far as necessary to give effect to the same in any manner in accordance with the provisions of the Companies Act, 1956 / the Companies Act 2013'."

**4. Issue of Equity Shares on Preferential Basis to a Promoter Group Company:**

To consider and, if thought fit, to give ASSENT / DISSENT to the following resolution to be passed as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 81(1A) and other applicable provisions, if any, of the Companies Act, 1956, and/or the applicable provisions of the Companies Act, 2013, and all other applicable laws (including any statutory modification(s) or re-enactment thereof for the time being in force) and in accordance with the provisions of the Memorandum and Articles of Association of the Company, the listing agreements entered into by the Company with the Stock Exchanges, where the shares of the Company are listed, provisions of Chapter VII - 'Preferential Issue' and other applicable provisions, if any, of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as may be modified or re-enacted from time to time (hereinafter referred to as "ICDR Regulations"), the applicable rules, notifications, guidelines, regulations issued by various authorities including but not limited to the Government of India, the Securities and Exchange Board of India ("SEBI"), the Reserve Bank of India ("RBI") and other competent authorities, and subject to the approvals, permissions, sanctions and consents as may be necessary from any regulatory and other appropriate authorities (including but not limited to the SEBI, CDR EG, RBI, the Government of India, etc.) and all such other approvals, which may be agreed to by the Board of Directors (hereinafter referred to as the "Board", which term shall be deemed to include any committee which the Board has constituted or may constitute to exercise its powers, including the powers conferred by this resolution) and in terms of and in furtherance to, the Scheme of Corporate Debt Restructuring ("CDR Package") by and between the Company and the lenders of the Company ("CDR Lenders") that is governed by the Corporate Debt Restructuring Scheme issued by the RBI dated 27th August 2008 and the Corporate Debt Restructuring Guidelines formulated thereunder, which has been approved by the CDR EG at its meeting held on 14th May 2009, and communicated to the Company by the Corporate Debt Restructuring Cell ("CDR Cell") vide its letter of approval dated 16th June 2009, and amended by CDR EG at its various meetings and communicated by CDR Cell to the Company from time to time, finally at the meeting of the CDR EG on 23rd & 24th August 2012 and communicated to the Company by CDR Cell, vide letter dated 18th September 2012 ("CDR LOA") and any further modifications to the terms thereof, as approved by the CDR Lenders and the Company, and set forth in the Master Restructuring Agreement dated 29th June 2009 and the Deed of Accession dated 31st March 2010 (the MRA) by and between the Company and its CDR Lenders, the consent of the Company be and is hereby accorded to the Board to offer, issue and allot Rs. 5,94,05,940 fully paid-up equity shares of the Company having face value of Rs.10 per share, at a price of Rs.30.30 (Rupees thirty and paise thirty only) per share determined in accordance with the ICDR Regulations and applicable laws, against the sum of Rs.180 crores brought in/infused into the Company by the Promoters through ABT Limited by way of unsecured loan (Promoters contribution) as per the CDR package, to ABT Limited by way of preferential allotment and in such manner and on such other terms and conditions, as the Board may, in its absolute discretion, think fit."

"RESOLVED FURTHER THAT the 'Relevant Date' for determining the price for the equity shares to be allotted to ABT Limited shall be 24th August 2012, being the date of the last modification to the CDR package by which the CDR EG stipulated conversion of the unsecured loan of Rs.180 crores brought in/infused by the Promoters in accordance with the CDR package into equity share capital of the Company."

"RESOLVED FURTHER THAT the Equity Shares to be issued and allotted pursuant to this resolution shall be subject to the provisions of the Memorandum and Articles of Association of the Company and shall rank pari-passu inter-se with the existing shares of the Company in all respects."

"RESOLVED FURTHER THAT for the purpose of giving effect to the aforesaid resolution(s), the Board be and is hereby authorised on behalf of the Company to take all actions and to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, proper or desirable for such purpose, including to seek listing of the equity shares to be issued and allotted and to modify, accept and give effect to any modifications in the terms and conditions of the issue as may be required by the statutory, regulatory and other appropriate authorities (including but not limited to SEBI, CDR EG, RBI, the Government of India, etc.) and such other approvals and as may be agreed by the Board, and to settle all questions, difficulties or doubts that may arise in the proposed issue, pricing of the issue, offer and allotment of the equity shares and / or arising therefrom, to execute all such deeds, documents, writings, agreements, applications, returns in connection with the proposed issue as the Board may in its absolute discretion deem necessary or desirable without being required to seek any further consent or approval of the Members or otherwise with the intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution."

"RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of the powers herein conferred to any Committee of Directors, and/or to any one or more Directors/officials of the Company to give effect to this resolution."

**5. Approval for re-appointment of Sri M. Srinivaasan as Joint Managing Director:**

To consider and, if thought fit, to give ASSENT / DISSENT to the following resolution to be passed as an Ordinary Resolution:

"RESOLVED that subject to the approval of the Central Government, Banks and Financial Institution, as may be required, and pursuant to Sections 198, 269, 309 and other applicable provisions, if any, of the Companies Act, 1956 read with Schedule XIII to the said Act and/or the provisions of the Companies Act 2013, the re-appointment of Sri M.Srinivaasan as Joint Managing Director for a period of five years from 23.1.2014 be and is hereby approved and that Sri M.Srinivaasan be paid remuneration as detailed below:

**I. SALARY**

Rs.1,00,000 per month

**II. PERQUISITES**

In addition to the above salary, Sri M.Srinivaasan, Joint Managing Director, shall be entitled for the following perquisites which shall not be included in the computation of the ceiling on remuneration:

- a) Contribution to provident fund and superannuation fund or annuity fund to the extent not taxable under the Income Tax Act, 1961.
- b) Gratuity at the rate of half a month salary for each completed year of service, and
- c) Encashment of leave at the end of the tenure as per the Rules of the Company.

The above salary and perquisites be paid as minimum remuneration even in the event of loss or inadequacy of profits in any year.

**III. COMMISSION**

1% Commission on the net profits of the Company, subject to the maximum ceiling specified in Section 309(3) of the Companies Act, 1956 or section 197 of the Companies Act, 2013, as the case may be."

By Order of the Board  
For Sakthi Sugars Limited

S. BASKAR  
Sr. Vice President - Finance &  
Company Secretary

Coimbatore  
Date : 11.2.2014

**Notes:**

1. The Statement pursuant to Section 102 of the Companies Act 2013 and Section 192A of the Companies Act, 1956 setting out all material facts and reasons is annexed hereto.
2. The Company has appointed Sri M.D. Selvaraj, Company Secretary in Practice, Coimbatore, as the Scrutinizer for conducting the Postal Ballot process in accordance with the law and in a fair and transparent manner.
3. Members are requested to carefully read the instructions printed on the attached Postal Ballot form. The Postal Ballot form, duly completed and signed, should be returned in the enclosed self-addressed postage prepaid envelope, directly to the Scrutinizer so as to reach him on or before the close of working hours i.e. 5.00 pm on 19th March 2014. Any response received from the members after the said time and date shall be treated as if no response is received in terms of Rule 6(f) of the Companies (Passing of the Resolution by Postal Ballot) Rules 2011.
4. The Notice is being sent to all the Members by post (and electronically by e-mail to those Members whose e-mail IDs are registered with the Company under MCA's Green Initiative) whose names appear on the Register of Members / List of Beneficial Owners, received from National Securities and Depository Limited (NSDL) / Central Depository Services (India) Limited (CDSL) as on Friday, 7th February 2014.
5. The Members are requested to exercise their voting rights by using the attached Postal Ballot Form only.
6. The Company is also providing its members the facility of e-voting to enable them to cast their votes electronically and instructions for e-voting are given in the Postal Ballot Form attached. The closing time given for voting in serial No. 3 above is applicable for e-voting also.
7. Voting rights shall be reckoned on the paid-up value of the shares registered in the name of the member as on 7th February 2014.
8. The Scrutinizer will submit his report after completion of the scrutiny to the Chairman or Managing Director or Joint Managing Director or the Company Secretary of the Company and the result of the postal ballot will be announced at the Registered Office of the Company at Sakthinagar-638 315, Bhavani Taluk, Erode District and displayed at the Registered Office and Corporate Office of the Company on 20th March 2014. The results of the postal ballot will be communicated to the Stock Exchanges on which the shares of the Company are listed and also posted on the Company's website [www.sakthisugars.com](http://www.sakthisugars.com).
9. The date of declaration of the result shall be deemed to be the date of passing of the resolutions.

**Statement Annexed to the Notice****ITEM NO. 1**

The operations of the Company came under strain due to various factors affecting the industry, including uneconomical price for the final products, increase in cost of raw material and other consumables not commensurate with the selling price of end products. The projects undertaken by the company in the recent past did not yield desired results due to the above factors and the policies of the government. This has adversely affected the financial position of the Company and the Company made a proposal to Corporate Debt Restructuring Cell (CDR Cell) in early 2009 for restructuring of its debts to banks and financial institution. After considering the proposal, the CDR Empowered Group (CDR EG) approved the restructuring package (CDR Package) at its meeting held on 14th May 2009 and the same was communicated to the Company by CDR Cell, vide letter dated 16th June 2009, which has been modified from time to time and finally at the meeting of the CDR EG held on 23rd & 24th August 2012 and communicated to the Company by CDR Cell vide its letter dated 18th September 2012 (CDR LOA). The salient features of the CDR package are as follows:

1. Cut-off date is 1st November 2008
2. Total debt rescheduled aggregating to Rs. 925.29 crores, which includes funded interest for 15 months from November 2008 to March 2010 amounting to Rs. 79.26 crores, and working capital term loan of Rs. 50.37 crores
3. Rescheduling of repayments up to 10 years in a reverse ballooning manner, including the moratorium period of 2 years up to March 2011.
4. Fixing of interest at 9.00% p.a. with a provision for re-fixation.
5. The loans covered under CDR package are secured by:
  - a. Creation of charge by way of hypothecation/mortgage on the Company's entire fixed and current assets and book debts (other than specifically exempted).
  - b. Personal guarantees of the Promoters viz. Dr. N. Mahalingam, Dr. M. Manickam, Sri M. Balasubramaniam and Sri M. Srinivasan

- c. The Promoters to bring Rs.180 crores into the Company and till such money is brought in ABT Limited, a Promoter Group Company, to provide security and corporate guarantee for that amount.
- d. Pledge of shares held by promoters and ABT Limited in the Company.

The Company executed a Master Restructuring Agreement with the CDR Lenders, on 29th June 2009 and Deed of Accession on 31st March 2010.

6. The Company should convert the amount of Rs.180 crores brought in by the Promoters as unsecured loan into equity shares.

The Promoters through ABT Limited, a company belonging to the Promoter Group, have brought into the Company Rs.180 crores during the period between 31st March 2012 and 9th April 2012. The CDR EG at its meeting held on 23rd/24th August 2012 have stipulated conversion of the said promoters contribution into equity shares of the Company.

The Special Resolution at Item No.1 proposed to be passed by the shareholders shall be deemed to be an authorisation of the CDR Package by the shareholders of the Company in terms of Regulation 10(2) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations 2011.

The Board of Directors recommends passing of the Special Resolution as set out in Item No.1 of the accompanying Notice.

Dr. N. Mahalingam, Dr. M. Manickam, Sri M. Balasubramaniam and Sri M. Srinivaasan, Directors of the Company, being Directors of the proposed allottee, and their relatives are interested to the extent the equity shares are being allotted on preferential basis to ABT Limited in accordance with the terms of the CDR Package contained in the CDR LOA and approved by CDR EG. The shareholding interest of the promoters in ABT Limited is as under:

Name of Promoter	No. of shares held	Percentage
Dr. N. Mahalingam	-	-
Dr. M. Manickam	1,16,395	77.60
Sri M. Balasubramaniam	9,465	6.31
Sri M. Srinivaasan	1,780	1.19

None of the other Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested in the resolution. CDR letter of approval and amendments thereto (CDR LOA) and the Master Restructuring Agreement and the Deed of Accession (MRA) mentioned above will be available for inspection by the members at the Registered office of the Company between 11.00 a.m. to 1.00 p.m. on working days up to the last date for voting on the resolution.

#### ITEMS NO. 2 & 3

The Authorised Share Capital of the Company at present is Rs.100,00,00,000/- (Rupees one hundred crores only) divided into 5,00,00,000 (five crores) equity shares of Rs. 10/- (Rupees ten only) each aggregating to Rs.50,00,00,000/- (Rupees fifty crores only) and 50,00,000 (fifty lakhs) Redeemable Cumulative Preference shares of Rs.100/- (Rupees one hundred only) each aggregating to Rs. 50,00,00,000/- (Rupees Fifty crores only) As per the conditions stipulated in the CDR LOA referred to in Item No.1 above, the promoters contribution of Rs.180 crores is to be converted into equity share capital. It is necessary to increase the Authorised Share Capital of the Company from Rs.100 crores to Rs.160 crores to provide adequate equity capital for further issue of equity shares and to amend the Capital Clauses of Memorandum and Articles of Association of the Company.

Approval of the members by ordinary resolution is required for increasing the Authorised Share Capital and for amending the Memorandum of Association and, by special resolution for altering the Articles of Association of the Company.

Your Directors recommend passing of the resolutions set out under Items No.2 & 3 in the annexed Notice.

Dr. N. Mahalingam, Dr. M. Manickam, Sri M. Balasubramaniam and Sri M. Srinivaasan, Directors of the Company, being Directors of the proposed allottee company, and their relatives are interested to the extent the equity shares are being allotted on preferential basis to ABT Limited in accordance with the terms of the CDR Package contained in the CDR LOA and approved by CDR EG out of the increased share capital of the Company. The shareholding interest of the promoters in ABT Limited is given in Item No.1 above.

None of the other Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested in the resolution.

#### ITEM NO.4

In terms of the letters of approval as amended from time to time of the CDR package, the Promoters are required to contribute/infuse Rs.180 crores (Promoters contribution) into the Company. Accordingly this amount has been brought in by the Promoters through ABT Limited, a company in the Promoter Group.

The CDR EG at its meeting held on 23rd & 24th August 2012 have stipulated conversion of the Promoters contribution of Rs.180 crores into equity shares and the same has been communicated by CDR Cell, vide letter No. BY. CDR (SBR) No. 663 / 2012-13 dated 18th September 2012.

Subject to the approval of the members of the Company and in accordance with the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 (the "ICDR Regulations") as amended from time to time and other applicable regulations and guidelines, the Board of Directors of the Company at its meeting held on 11th February 2014 approved offer and issue of 5,94,05,940 equity shares of Rs.10 each at a price of Rs.30.30 per share (including a premium of Rs.20.30 per share) to ABT Limited against the consideration of Rs.180 crores (promoters contribution) brought in by ABT Limited as per the CDR Package.

Regulation 10(2) of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations 2011 ("Takeover Regulations") exempts from making a public announcement for an open offer in case of acquisition of equity shares, not involving change of control, pursuant to a corporate debt restructuring scheme, provided the restructuring scheme is authorised by shareholders by a Special Resolution through Postal Ballot. The special resolution proposed for shareholders consent under Item No.1 above regarding the corporate debt restructuring scheme of the Company set out in the letter of approval dated 16th June 2009, as amended from time to time and finally vide letter dated 18th September 2012 (CDR LOA) issued by the Corporate Debt Restructuring Cell and the Master Restructuring Agreement dated 29th June 2009 and Deed of Accession dated 31st March 2010 between the Company and the CDR Lenders (MRA), upon its approval, shall be the shareholders authorisation for the purpose of exemption under Regulation 10(2) of the Takeover Regulations.

The Equity Shares to be allotted to ABT Limited shall be listed in the Bombay Stock Exchange ("the BSE"), the National Stock Exchange of India ("the NSE") and the Madras Stock Exchange ("the MSE").

#### Other terms applicable to the issue of Equity Shares:

1. The proposed issue is against the Promoters contribution brought in/infused by way of unsecured loan by ABT Limited in terms of the CDR Package.
2. The Equity shares to be allotted shall rank pari passu with the existing equity shares of the Company
3. The disclosures required under Chapter VII of ICDR Regulations are as follows:

##### a. Objects of the preferential issue:

The object of the preferential issue is to comply with the CDR Package of the Company by allotment of equity shares to the Promoters against the unsecured loan brought in by them in terms of CDR LOA and the MRA.

##### b. Proposal of the Promoters, directors or key management personnel of the issuer to subscribe to the offer:

ABT Limited, a company under Promoter Group, has given its consent for issue and allotment of equity shares against the unsecured loan infused by it into the Company under the CDR Package. None of the promoters, directors or key management personnel intend to subscribe to the proposed preferential offer.

##### c. Shareholding Pattern before and after the preferential issue:

The shareholding pattern of the Company before and after the preferential issue is provided below:

S.No.	Category of shareholder	Pre-allotment		Post-allotment	
		No. of Shares	%	No. of Shares	%
<b>A.</b>	<b>Promoter &amp; Promoter Group</b>				
i.	Individuals	28,41,604	7.72	28,41,604	2.95
ii.	Bodies Corporate	98,55,633	26.78	6,92,61,573	71.99
	<b>Total (A)</b>	<b>1,26,97,237</b>	<b>34.50</b>	<b>7,21,03,177</b>	<b>74.94</b>
<b>B.</b>	<b>Public Shareholding:</b>				
i.	Mutual Funds/UTI	6,960	0.02	6,960	0.01
ii.	Fin. Instns./Banks	40,600	0.11	40,600	0.04
iii.	Govt. Companies	9,19,099	2.50	9,19,099	0.95
iv.	FIs	1,050	0	1,050	0
v.	Bodies corporate	29,51,869	8.02	29,51,869	3.07
vi.	Individuals	1,90,97,644	51.88	1,90,97,644	19.85
vii.	Others	10,92,880	2.97	10,92,880	1.14
	<b>Total (B)</b>	<b>2,41,10,102</b>	<b>65.50</b>	<b>2,41,10,102</b>	<b>25.06</b>
	<b>TOTAL (A + B)</b>	<b>3,68,07,339</b>	<b>100.00</b>	<b>9,62,13,279</b>	<b>100.00</b>

The pre-allotment shareholding has been given on the basis of data available as on 7th February 2014.

The post-allotment shareholding have been provided assuming that the shareholding in all other categories will remain unchanged and also excludes possible conversion of FCCB. In the event there being any conversion of FCCB, the shareholding pattern in the above table would undergo corresponding change.

**d. The time within which the preferential issue shall be completed:**

The equity shares shall be allotted in accordance with and within the time limit specified under the ICDR Regulations.

**e. 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, the percentage of post preferential issued capital that may be held by them and change in control, if any, in the issuer consequent to the preferential issue:**

S.No.	Names of Allottee / Ultimate owners & Persons in control of the Allottee	Shareholding			
		Pre-allotment		Post-allotment	
		No. of Shares	%	No. of Shares	%
1.	Allottee: ABT LIMITED	80,57,600	21.89	6,74,63,540	70.12
2.	Ultimate owners & Persons in control of the Allottee:				
	a. Dr. N. Mahalingam	1,45,100	0.39	1,45,100	0.15
	b. Dr. M. Manickam	19,14,200	5.20	19,14,200	1.99
	c. Sri M. Balasubramaniam	3,37,325	0.92	3,37,325	0.35
	d. Sri M. Srinivaasan	2,01,000	0.55	2,01,000	0.21

The proposed allotment is to a company belonging to the Promoter Group and as such it will not result in any change of control of the Company.

**f. Undertaking to recompute price and lock-in till the recomputed price is paid**

This is not applicable to the present case.

**g. Certificate from the statutory auditors**

A copy of the certificate of the Company's statutory auditors M/s.P.N.Raghavendra Rao & Co., Chartered Accountants, Coimbatore certifying that the issue of equity shares is in accordance with the provisions of the ICDR Regulations will be made available for inspection at the Registered Office of the Company between 11.00 a.m. and 1.00 p.m. on any working day up to the last date for voting under Postal Ballot.

**h. Relevant date**

The 'Relevant Date' for the purpose of determining the price of the Equity Shares is 24th August 2012, being the date of last modification to the CDR Package by which the CDR EG stipulated conversion of the Promoters contribution of Rs.180 crores into equity shares.

**i. Lock-in**

The Equity Shares allotted to ABT Limited shall be locked-in as per the provisions of the ICDR Regulations.

The consent of the shareholders is sought pursuant to the provisions of Section 81(1A) and other applicable provisions of the Companies Act, 1956 and/or the applicable provisions of the Companies Act 2013, and in terms of the listing agreement executed by the Company with the said Stock Exchanges where the Equity Shares of the Company are listed.

Dr. N. Mahalingam, Dr. M. Manickam, Sri M.Balasubramaniam and Sri M.Srinivaasan, Directors of the Company, being Directors of the allottee company, and their relatives are deemed to be interested in the passing of the Resolution set out in Item No. 4 in the accompanying Notice. The share holding interest of the promoters in ABT Limited is given in Item No. 1 above.

None of the other Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested in the resolution.

Your Directors recommend the Special Resolution in Item No.4 for your approval.

CDR letter of approval and amendments thereto (CDR LOA) and the Master Restructuring Agreement and the Deed of Accession (MRA) mentioned above and the Certificate of the Statutory Auditors certifying that the issue is being made in accordance with the requirements of ICDR Regulations and with respect to calculation of the issue price will be available for inspection by the members at the Registered Office of the Company between 11.00 a.m. and 1.00 p.m. on working days up to the last date for voting on the resolutions.

#### ITEM NO.5

Sri M.Srinivaasan was appointed as Joint Managing Director-Technical of the Company with effect from 23.1.2009 and has been re-designated as Joint Managing Director on 28.6.2013. He holds a Bachelor degree in Mechanical Engineering and a Master Degree in Business Administration. He has rich experience in sugar industry for a period of about 20 years. His reappointment as Joint Managing Director will be beneficial to the Company. Sri.Srinivaasan is the Managing Director of Sri Chamundeswari Sugars Limited. The Board of Directors at its meeting held on 12.11.2013 has reappointed Sri M.Srinivaasan as Joint Managing Director of the Company effective from 23.1.2014, subject to the approval of the members, Central Government, Banks and Financial Institution, as may be required.

Necessary resolution is set out in the annexed Notice for the consent of the Members of the Company.

Yours Directors recommend the Ordinary Resolution in Item No. 5 of the accompanying Notice for your approval.

Sri M.Srinivaasan is deemed to be interested in the resolution as it relates to his re-appointment. Dr.N.Mahalingam, Dr.M.Manickam and Sri M.Balasubramaniam, Directors, and their relatives and relatives of Sri. M. Srinivaasan are interested in the resolution.

None of the other Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested in the resolution.

The agreement entered into by the Company with Sri. M. Srinivaasan in respect of his re-appointment as Joint Managing Director of the Company is available for inspection at the Registered Office of the Company between 11.00 a.m. and 1.00 p.m. on working days upto the last date for voting on the resolution.

By Order of the Board  
For Sakthi Sugars Limited

S. BASKAR  
Sr. Vice President - Finance &  
Company Secretary

Coimbatore  
Date : 11.2.2014





# SAKTHI SUGARS LIMITED

Regd. Office: Sakthinagar-638 315, Bhavani Taluk Erode District, Tamilnadu

Serial No.:

## POSTAL BALLOT FORM

(Please read the instructions printed overleaf carefully before completing this form)

1. Registered Folio No./ DP ID No. & Client ID No. * *(Applicable to investors holding shares in dematerialized form)
2. Name(s) and Registered Address of the sole/first named Shareholder / Beneficial owner, including Joint holder(s), if any (In block letters)
3. Number of shares held

I/We hereby exercise my/our vote in respect of the following Resolutions to be passed through Postal Ballot for the businesses stated in the Postal Ballot Notice dated 11<sup>th</sup> February 2014 of the Company by conveying my/our assent or dissent to the said Resolutions by placing the tick (✓) mark at the appropriate box below:

Item No.	Item Description	No. of Shares	I/We assent to the resolution (FOR)	I/We dissent to the resolution (AGAINST)
1.	Special Resolution authorising the Corporate Debt Restructuring Scheme of the Company as approved by CDR Empowered Group on 14.5.2009 and amendments thereto			
2.	Ordinary Resolution approving the increase in the Authorised Share Capital and consequent substitution of the Capital Clause of the Memorandum of Association			
3.	Special Resolution approving amendment of Articles of Association by substituting the Regulation relating to Share Capital			
4.	Special Resolution pursuant to Section 81(1A) of the Companies Act, 1956, for issue of equity shares to ABT Limited in accordance with the CDR scheme approved by CDR Empowered Group			
5.	Ordinary Resolution approving re-appointment of Sri M. Srinivaasan as Joint Managing Director of the Company with effect from 23 <sup>rd</sup> January 2014, subject to the approval of the Central Government, Banks and Financial Institutions as may be required.			

Note: Please send the postal ballot form in the envelope enclosed.

Place :

Date :

Signature of share holder  
(Refer instruction No.3. over leaf)

For members who have received Postal Ballot Form and are desirous of casting their votes by e-voting

ELECTRONIC VOTING PARTICULARS		
(Please read the e-voting instructions given overleaf before exercising the e-vote)		
EVSN (Electronic Voting Sequence Number)	USER ID	PASSWORD

**INSTRUCTIONS**

**A. FOR POSTAL BALLOT**

1. A member desiring to exercise vote by postal ballot may complete the postal ballot form and send it to the Scrutinizer in the attached self-addressed envelope. Postage will be borne and paid by the company. However, envelopes containing postal ballots, if sent by courier, at the expense of the member will also be accepted.
2. Please convey your assent/dissent in this Postal Ballot Form. The assent/dissent received in any other form shall not be considered valid.
3. This Form should be completed and signed by the member. In case of joint holding, this Form should be completed and signed by the first named member and in his absence by the next named member, as per specimen signature registered with the Company.
4. The Postal Ballot Form shall not be exercised by a proxy.
5. In case shares are held by companies, trusts, societies, etc., the duly completed Postal Ballot Form should be accompanied by a certified true copy of the Board Resolution / Authority.
6. Incomplete, unsigned or incorrectly ticked Postal Ballot Form will be rejected.
7. In terms of provisions of Rule 6(b) of the Companies (Passing of the Resolution by Postal Ballot) Rules 2011, Mr. M.D. Selvaraj, Company Secretary in Practice, Coimbatore, has been appointed as Scrutinizer for conducting the Postal Ballot. Duly completed Postal Ballot Form should reach the Scrutinizer not later than the close of the working hours (i.e. 5 P.M.) on Wednesday, 19<sup>th</sup> March 2014. Postal Ballot Forms received after this date will be strictly treated as if the reply from such a member has not been received.
8. Members are requested not to send any other paper along with the Postal Ballot Form in the enclosed self-addressed Postage pre-paid envelope in as much as all such envelopes will be sent to the Scrutinizer and any extraneous paper found in such envelope would be destroyed by the Scrutinizer.
9. A member is neither required to cast all his/her votes nor is he/she required to vote in the same manner for all resolutions.
10. There will be one Postal Ballot Form for every folio/client ID irrespective of the number of joint holders.
11. The Scrutinizer's decision on the validity of the Postal Ballot Form will be final.
12. Members who have received Postal Ballot Form and are desirous of casting their votes by e-voting, may follow the e-voting procedure given hereunder.

**B. FOR E-VOTING**

- (a) In case of Members receiving e-mail and who wish to vote through the e-voting facility:
- (i) E-mail contains your user ID and password for e-voting. Please note that this password is an initial password.
  - (ii) Open your web browser during the voting period and log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
  - (iii) Click on "Shareholders" to cast your votes
  - (iv) Select the Electronic Voting Sequence Number – "EVSN" along with "SAKTHISUGARS" from the drop down menu and click on "SUBMIT".
  - (v) Now fill up the following details in the appropriate boxes:

User ID	For Members holding shares in Demat Form: (i) For NSDL : 8 Character DP ID followed by 8 Digits Client ID (ii) For CDSL : 16 digits beneficiary ID For Members holding shares in Physical Form: - Folio Number registered with the Company
Password	Your Unique password is printed on the Postal Ballot Form / e-mail forwarded
PAN*	Enter your 10 digit alpha-numeric PAN issued by Income Tax Dept

\*Members who have not updated their PAN with the Company / Depository Participant are requested to use default number 'SSLEV1234Z' in the PAN field or use physical Postal Ballot Form for voting

- (vi) After entering these details appropriately, click on "SUBMIT" tab.
  - (vii) Members holding shares in physical form will then reach directly to the voting screen.
  - (viii) For such Members who are holding shares in Demat form and have logged on to [www.evotingindia.com](http://www.evotingindia.com) and casted vote for EVSN of any company earlier, the same login ID and password are to be used.
  - (ix) Other Members holding shares in Demat form will reach Password Change Menu wherein they are required to mandatorily change their login password in the new password field. The new password has to be minimum 8 (eight) characters consisting of at least ONE UPPER CASE (A-Z), ONE LOWER CASE (a-z), ONE NUMERIC VALUE (0-9) AND A SPECIAL CHARACTER. Kindly note that this password is to be also used by the Demat holders for voting for resolution of any other Company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is recommended not to share your password with any other person and take utmost care to keep your password confidential.
  - (x) You can also update your mobile number and e-mail ID in the user profile details of the folio which may be used for sending communication regarding CDSL e-voting system in future. The same may be used in case the Member forgets the password and the same needs to be reset.
  - (xi) For Members holding shares in physical form, the password and default number can be used only for e-voting on the resolutions contained in this Postal Ballot Notice.
  - (xii) On the voting page, you will see Resolution Description and against the same the option "YES/NO" for voting. Enter the number of shares (which represents number of votes) under YES or NO. Alternatively, you may partially enter any number of shares in YES and partially in NO; but the total number of shares in YES and NO should not exceed your total shareholding.
  - (xiii) Click on the Resolution File Link if you wish to view the entire Postal Ballot Notice.
  - (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) Corporate / Institutional members (i.e. other than individuals, HUF, NRI) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution / Authority letter, etc. together with attested specimen signature of the duly authorised signatory(ies) who are authorised to vote, to the Scrutinizer through e-mail at [csmdsobe@gmail.com](mailto:csmdsobe@gmail.com) and [shares@sakthisugars.com](mailto:shares@sakthisugars.com) with a copy marked to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - (xvii) In case you have any queries or issues regarding e-voting, please contact [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- (b) In case of Members receiving Postal Ballot Form by post and who wish to vote using the e-voting facility:
- (i) Initial password is provided in the table given in the Postal Ballot Form
  - (ii) Please follow all steps from Sl. No.(ii) Sl.No.(xvi) above, to cast your vote.
- (c) The members are requested to carefully read the instructions and in case of any queries, they may refer to the QnA on e-voting for Members and User Manual for Shareholders to cast their votes available in the Help Section of [www.evotingindia.com](http://www.evotingindia.com).
- (d) The e-voting period commences at 9.30 a.m. on Monday, 17<sup>th</sup> February 2014 and closes at 5.00 p.m. on Wednesday 19<sup>th</sup> March 2014. The e-voting module shall be disabled by CDSL for voting after the closing time.

C. Members may opt for any one of the above modes of voting. If voting is done by both the modes, the e-voting done by the above mode shall be considered as the final mode of voting.