Dharani Sugars and Chemicals Limited

Regd. Office : "PGP HOUSE", 57, Sterling Road, Nungambakkam, Chennai - 600 034.
Tel. : 28311313, 28254176, Fax : 28232074, 28232076
Email : commercial@pgpgroup.in, finance@pgpgroup.in, secretarial@pgpgroup.in
Website : www.dharanisugars.in
CIN No.: L15421TN1987PLC014454 TIN No.: 33061502443 CST No.: 818529/19.11.87

PGP GROUP

DSCL\Notice Reg-29 \2016

24.02.2016

The Secretary,
The Stock Exchange, Mumbai
Corporate Relationship Department,
First Floor, New Trading Ring,
Rotunda Building, P J Towers,
Dalal Street, Fort, Mumbai 400 001.

Email ID : corp.relations@bseindia.com

Mr Hari – Vice President
National Stock Exchange Limited
Exchange Plaza, 5th Floor
Plot No.C/1 G Block
Bandra – Kurla Complex
Bandra East, Mumbai 400 051

E-mail : cc_nse@nse.co.in

Dear Sir,

Sub. : Intimation of Postal Ballot

This is to inform you that pursuant to Section 108 and 110 read with Rule 22 of the Companies (Management and Administration) Rules, 2014 of the Companies Act, 2013, the Company will conduct postal ballot for obtaining the approval of members for the resolutions as mentioned in the notice and Postal ballot form enclosed.

The Company has appointed Mr. M Damodaran, (Membership No. 005837) Company Secretary in Practice, as Scrutinizer for conducting the Postal Ballot process in a fair and transparent manner.

Further the Company provides its members facility to exercise their right to vote for the Postal Ballot by electronic means through e—Voting Services provided by Central Depository Services Limited (CDSL).

Thanking you,

Yours faithfully
for Dharani Sugars and Chemicals limited

E.P. Sakthivel
Company Secretary

Encl.: as above

Dharani Nagar, Vasudevanallur,
Tirunelveli District - 627 760
Ph : (04636) 241370/371/372
Fax : (04636) 241578
Email : dharani1@dharanisugars-pgp.com

Karaipoondi Village, Polur,
Tiruvannamalai District - 606 803.
Ph : (04181) 223161, 223162, 223170
Fax : (04181) 223330
Email : dharani2@dharanisugars-pgp.com

Kalayanallur Village,
Pallangacherry Post, Kallakurichi Via,
Villupuram District - 606 206
Mobile : 94422 56138
Email : dharani3@dharanisugars-pgp.com

PGP GROUP

DHARANI SUGARS AND CHEMICALS LIMITED

CIN No. : L15421TN1987PLC014454
"PGP HOUSE" New No.59 (Old No.57), Sterling Road,
Nungambakkam, Chennai - 600 034.
Tel : 91-44-28311313, 2820 7480, Fax No. 91-44- 28232074/76
Email : secretarial@dharanisugars-pgp.com, Website : www.dharanisugars.in

POSTAL BALLOT FORM

Serial No.

1. Name(s) of Member(s)/ Beneficial Owner(s) Including Joint holders if any (IN BLOCK LETTERS) :

2. Registered Address of the Sole/ First named Member(s) / Beneficial Owner(s) :

3. Registered Folio No. / DP ID No./Client Id No. (Applicable to investors holding shares in demat form) :

4. Number of Shares held :

I / We hereby exercise my / our vote in respect of the Resolution to be passed through postal ballot for the business stated in the Notice of Postal Ballot issued by the Company dated Thursday, **11th February 2016** by sending my / our assent / dissent to the said resolution by placing the tick (✔) mark at the appropriate box below: -

Re-solution No.	Description	No. of Equity Shares	I / We assent to the Resolution (FOR)	I /We dissent to the Resolution (AGAINST)
1.	Preferential issue of Equity shares to Promoter Group.			

Place :

Date :

Signature of the Shareholder

Following particulars to be used only in case shareholder opts for e-voting

Details of e-voting

EVSN (Electronic Voting Sequence Number)	USER ID	PASSWORD / PIN
160217007		

NOTE: Please read carefully the instructions printed overleaf before exercising vote.

INSTRUCTIONS

Pursuant to provisions of Section 110 and other applicable provisions, if any, of the Companies Act, 2013, read with Rule 22 of the Companies (Management and Administration) Rules, 2014 (including any statutory modification or re-enactment thereof for the time being in force), assent or dissent of the Shareholders in respect of the Resolution contained in the Postal Ballot Notice is being sought through postal ballot process.

All the Equity Shares of the Company are presently held in physical form as well as demat form. The shareholder(s) can opt only one mode of voting, i.e. either by e-voting or physical mode. If you are opting for e-voting, then do not vote by physical postal ballot also and vice versa. However, in case shareholders cast their vote by physical ballot and e-voting, then voting done through e-voting will prevail and voting done through physical ballot will be treated as invalid.

Voting in Physical form:

1. A member / beneficial owner desiring to exercise vote by postal ballot may complete this Postal Ballot Form and send it to the company in the attached self-addressed business reply envelope. Postage will be borne and paid by the company. However, envelopes containing postal ballots, if sent by courier at the expense of the registered member/ beneficial owner will also be accepted.
2. The self-addressed envelope bears the address of the scrutinizer appointed by the Board of Directors of the company.
3. This form should be completed and signed by the member/ beneficial owner. In case of joint holding, this form should be completed and signed (as per the specimen signature registered with the Company) by the first named member/ beneficial owner and in his absence, by the next named member/ beneficial owner. There will be one Postal Ballot Form for every Folio / Client ID irrespective of the number of joint holders.
4. Please note that Postal Ballot shall not be signed by the proxy.
5. Assent or dissent to the proposed resolution may be recorded by placing a tick mark (v) in the appropriate column. The assent or dissent received in any other Form shall not be considered valid.
6. The voting rights of Shareholders shall be in proportion to their shares of the paid up Equity Share Capital of the Company as on **Friday, 19th February 2016.**
7. Incomplete, unsigned or incorrectly ticked Postal Ballot Form will be rejected.
8. Duly completed Postal Ballot Form should reach the Company or the Scrutinizer not later than the close of working hours on **Friday 25th March 2016 (05.00 p.m.)**. All Postal Ballot Forms received after this date will be strictly treated as if the reply from the member/ beneficial owner has not been received.
9. The results of the Voting by Postal Ballot will be announced by the Chairman of the Company or in his absence, any person authorized by him, on **Saturday, 26th March 2016** at 05.00 pm at the Registered Office of the Company.
10. In case of shares held by Companies, Trusts, Societies etc. the duly completed Postal Ballot Form should be accompanied by a certified true copy of Board Resolution / Authority, authorizing the signatory to execute and sign the Postal Ballot Form. Further, where the form has been signed by a representative of the President of India or Governor of State, certified copy of the nomination should accompany the Postal Ballot Form.
11. Members / beneficial owners are requested not to send any other paper along with the Postal Ballot Form in the enclosed self-addressed envelope as the envelope will be sent to the Scrutinizer and any extraneous paper found in the envelope would be destroyed by the Scrutinizer. Members / beneficial owners are also requested not to write anything on the Postal Ballot Form except giving their assent or dissent and affixing their signatures.
12. A member may request for duplicate postal ballot form, if so required. However, the duly filled in and signed duplicate postal ballot form should reach the Scrutinizer not later than the date specified in point no (8) above.
13. Postal Ballot form received by fax will be rejected as if reply from the shareholder has not been received unless the original postal ballot form is received within prescribed time period.
14. The Scrutinizer's decision on the validity of a Postal Ballot will be final.
15. Incomplete, unsigned, incorrect, defaced, torn, mutilated, overwritten Postal Ballot Forms will be rejected.
16. There will be one Postal Ballot for every Folio/Client ID.
17. Members are requested to fill in the postal ballot form in indelible ink and not in any erasable writing mode.

PGP GROUP

DHARANI SUGARS AND CHEMICALS LIMITED

(CIN: L15421TN1987PLC014454)

Regd. office: PGP HOUSE, New No.59, (Old No.57), STERLING ROAD, NUNGAMBAKKAM, CHENNAI - 600 034.

Tele : 044 – 28311313 **Website: www.dharanisugars.in**

E-Mail: secretarial@dharanisugars-pgp.com

Dear Members,

NOTICE OF POSTAL BALLOT

(Pursuant to Section 110 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014)

NOTICE is hereby given that pursuant to Section 110 and other applicable provisions, if any, of the Companies Act, 2013, read with Rule 22 of the Companies (Management and Administration) Rules, 2014 to the Members of **DHARANI SUGARS AND CHEMICALS LIMITED** (hereinafter referred to as 'the Company') to seek their approval by way of Postal Ballot to consider the issue of **1540154** equity shares on preferential basis to the promoters / promoter group as per the provision of Section 62 read with Section 42 of the Companies Act 2013 and related rules made there on and as per Regulation Chapter VII of the SEBI (ICDR) Regulations 2009.

The proposal is appended in the proposed resolution below.

The Board of Directors of the Company at its meeting held on **Thursday, 11th February 2016**, has appointed **Mr. M.Damodaran, Practicing Company Secretary, Chennai** as **Scrutinizer** for conducting the Postal Ballot (physical & E-voting) process in accordance with law in a fair and transparent manner.

The business of the Postal Ballot shall, in addition to physical voting, also be transacted through Electronic Voting System. Accordingly, the Company, in compliance with Clause 24 of the Listing Obligation and Disclosure Requirement Regulations, 2015 and the provisions of Section 108 and 110 of the Companies Act, 2013 read with Rule 20 and Rule 22 of the Companies (Management and Administration) Rules, 2014, is pleased to provide the Members the facility to exercise their right to vote on the matter set out in the Postal Ballot by electronic means i.e. through E-voting services provided by **M/s. Cameo Corporate Services Limited,** Registrar and Share Transfer Agent (RTA).

Both the Postal Ballot and e-voting will be open from **Thursday, 25th February 2016 (09.00 a.m.)** to **Friday, 25th March 2016.**

Please read carefully and follow the instructions as printed in this Notice for e-voting.

However, those Members, who do not have access to e-voting facility can send their assent or dissent in writing on the Postal Ballot Form attached herewith. It is pertinent to note that the Shareholder(s) can opt for only one mode of voting, i.e. either by e-voting or voting by physical mode. If you are opting for e-voting, then do not vote by Postal Ballot also and vice versa. However, in case Shareholders cast their vote by ballot and e-voting, then voting done through e-voting will prevail and voting done through postal ballot will be treated as invalid. After you vote, the vote cannot be changed subsequently.

Members are requested to carefully read the instructions printed on the Postal Ballot Form and return the Form duly completed and signed in the attached self-addressed business reply envelope, so as to reach the Scrutinizer before the close of working hours (5.00 p.m.) on **Friday, 25th March 2016 (05.00 p.m.)**. Please note that any Postal Ballot Form(s) received after the said date and time will be treated as if reply from the Member has not been received. Members who have not received Postal Ballot forms may apply to the Company / RTA and obtain a duplicate thereof.The Scrutinizer will submit his report to the Chairman or in his absence, any person authorised by him, after the completion of the scrutiny of the Postal Ballots (physical and e-voting). The results of the voting by Postal Ballot will be announced by the Chairman of the Company or in his absence, any person authorized by him, on **Saturday, 26th March 2016 at 05.00 p.m.** at the Registered Office of the Company.

The results of the Postal Ballot, along with the Scrutinizer's report, will on such announcement date, be posted on the Company's **Website: www.dharanisugars.in** and CDSL e-voting website: **helpdesk.e-voting@cdslindia.com** besides communicating to the Stock Exchanges where the Company's shares are listed.

Members requiring any clarifications on e-voting may contact RTA on 044 - 2846 0390 or by e-mail:cameo@cameoindia.com.

*To consider and if thought fit, to pass with or without modifications the following resolution as a **Special Resolution**:*

"RESOLVED THAT pursuant to Section 62 read with section 42, and other applicable provisions, if any of the Companies Act, 2013 read with the Companies (Prospectus and Allotment of Securities) Rules, 2014 and the Companies (Share Capital and Debentures) Rules, 2014, SEBI Issue of Capital Disclosure Requirements Regulations 2009 and Substantial Acquisition of Shares and Takeovers Regulations 2011 (including any statutory modification thereto or reenactment thereof for the time being in force) (the "Act") the Articles of Association of the Company and applicable subsisting rules/regulations/guidelines prescribed by Government of India / Security Exchange Board of India (SEBI) and as per Listing Obligation and Disclosure Requirement Regulations, 2015 and any other regulatory authority subject to any approval, consent, permission and / or sanction of the appropriate authorities (hereinafter collectively referred to as "the appropriate authorities"), and the Listing agreements entered into by the Company with the Stock Exchanges where the Shares of the Company are listed and subject to such conditions as may be prescribed by any of them while granting any such approval, consent, permission, and / or sanction (hereinafter referred to as "the requisite approvals"), and which may be agreed to by the Board of Directors of the Company (hereinafter called 'the Board' which term shall be deemed to include any committee which the Board may have constituted or hereinafter constituted to exercise its powers including the powers conferred by this resolution), the share holders of the company do hereby authorize the Board of Directors to offer, issue and allot, 1540154 Equity Shares to be subscribed by the existing Promoter Group as follows;

S. No	Name of the proposed allottee	No of Shares
1	Dharani Developers Private Limited	1540154

under a preferential issue, in such a manner and on such terms and conditions as may be determined by the Board in its absolute discretion, provided that the aggregate number of equity shares to be issued shall not exceed 1540154 fully paid Equity Shares of the face value of Rs.10/-(Rupees Ten only) each at a rate Rs. 22.00 which is not lower than the minimum price as specified under chapter VII of SEBI (Issue of Capital & Disclosure Requirements) Regulations 2009 for preferential Issue on the relevant date for this purpose being 2nd February 2015.

RESOLVED FURTHER THAT the equity Shares allotted in terms of this resolution shall rank pari passu in all respects with the existing Equity Shares of the Company.

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

1) The 1540154 equity shares to be allotted will be subjected to lock in for a period of three years from the date of trading approval.

2) Out of the entire existing shareholding of 2774088 equity shares of M/s Dharani Developers Private Limited 275000 shares have already been pledged with Bank of India, Chennai towards facilities availed under consortium arrangements.

RESOLVED FURTHER THAT for the purpose of giving effect to the above, the Board be and is hereby authorised on behalf of the Company to take all actions and do all such deeds, matters and things as it may, in its absolute discretion, deem necessary, desirable or expedient to the issue or allotment of aforesaid Securities and listing thereof with the Stock Exchange(s) as appropriate and to resolve and settle all questions and difficulties that may arise in the proposed issue, offer and allotment of any of the said Securities, utilization of the issue proceeds and to do all acts, deeds and things in connection therewith and incidental thereto as the Board in its absolute discretion deem fit, without being required to seek any further consent or approval of the Members or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution.

By Order of the Board of Directors
For **DHARANI SUGARS AND CHEMICALS LIMITED**

Company Secretary

Place : Chennai
Date : 11.02.2016

NOTES:

1. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 read with Section 110 of the Companies Act, 2013 in respect of proposed Special Business along with the Postal Ballot Form setting out material facts is appended below.
2. The Postal Ballot Notice has been sent to all the Members of the Company whose names appear on the Register of Members / Beneficial owners from Central Depository Services (India) Limited (CDSL) and National Securities Depository Limited (NSDL) as on **Friday 19th February 2016**. Only a member who is entitled to vote is entitled to exercise his / her vote through Postal Ballot.
3. The Postal Ballot Notice also has been placed on Company's Website: **www.dharanisugars.in** and will remain on such website until the last date of receipt of the Postal Ballot from Members.
4. The date of completion of dispatch of Notice will be announced through advertisement in Newspapers.
5. The Company's shares are presently held in Physical Form as well as demat form and voting rights of Members shall be in proportion to their share of the paid up equity share capital of the Company as on **Friday, the 19th February 2016.**
6. The postage will be borne and paid by the Company. However envelopes containing Postal Ballots, if sent by Courier or by Registered Post at the expense of the Members will also be accepted. It is, however, clarified that Members desiring to exercise their vote from outside of India will have to arrange for postage from the country where the ballot papers are dispatched, to the Scrutinizer.
7. The Shareholders are requested to exercise their voting rights by using the attached Postal Ballot Form only. No other form or photocopy of the form is permitted. Also attached is a self-addressed, business reply envelope.
8. As per Section 110 of the Act, read with Rule 22 of the Companies (Management and Administration) Rules, 2014, Notice of Postal Ballot may be served on the Members through electronic means. Members who have registered their e-mail IDs with depositories or with the Company are being sent this Notice of Postal Ballot by e-mail and Members who have not registered their e-mail IDs will receive Notice of Postal Ballot along with physical Form through post / courier. Members who have received Postal Ballot Notice by e-mail and who wish to vote through physical Form may indicate their option to receive the physical Form from the Company by clicking on the box provided in the e-mail or alternatively download the Form the Company's website.

Voting in Physical form:

Pursuant to Section 110 and other applicable provisions, if any, of the Companies Act, 2013, read with Rule 22 of the Companies (Management and Administration) Rules, 2014 (including any statutory modification or re-enactment thereof for the time being in force), assent or dissent of the Shareholders in respect of the Resolutions contained in the Postal Ballot Notice is being sought through postal ballot process.

All the Equity Shares of the Company are presently held in physical form as well as demat form. The shareholder(s) can opt only one mode of voting, i.e. either by e-voting or physical mode. If you are opting for e-voting, then do not vote by physical postal ballot also and vice versa. However, in case shareholders cast their vote by physical ballot and e-voting, then voting done through e-voting will prevail and voting done through physical ballot will be treated as invalid.

1. A member / beneficial owner desiring to exercise vote by postal ballot may complete this Postal Ballot Form and send it to the company in the attached self-addressed business reply envelope. Postage will be borne and paid by the company. However, envelopes containing postal ballots, if sent by courier at the expenses of the registered member/ beneficial owner will also be accepted.
2. The self-addressed envelope bears the address of the scrutinizer appointed by the Board of Directors of the company.
3. This form should be completed and signed by the member/ beneficial owner. In case of joint holding, this form should be completed and signed (as per the specimen signature registered with the Company) by the first named member/ beneficial owner and in his absence, by the next named member/ beneficial owner. There will be one Postal Ballot Form for every Folio / Client ID irrespective of the number of joint holders.
4. Please note that Postal Ballot shall not be signed by the proxy.
5. Assent or dissent to the proposed resolution may be recorded by placing a tick mark (v) in the appropriate column. The assent or dissent received in any other Form shall not be considered valid.
6. The voting rights of Shareholders shall be in proportion to their shares of the paid up Equity Share Capital of the Company as on **Friday, the 19th February 2016.**
7. Incomplete, unsigned or incorrectly ticked Postal Ballot Form will be rejected.

8. Duly completed Postal Ballot Form should reach the Company or the Scrutinizer not later than the close of working hours on **Friday the 25th March 2016 (05.00 p.m.)**, All Postal Ballot Forms received after this date will be strictly treated as if the reply from the member/ beneficial owner has not been received.

9. The results of the Voting by Postal Ballot will be announced by the Chairman of the Company or in his absence, any person authorized by him, on **Saturday, the 26th March 2016 (05.00 p.m.)**, at the Registered Office of the Company.

10. In case of shares held by Companies, Trusts, Societies etc. the duly completed Postal Ballot Form should be accompanied by a certified true copy of Board Resolution / Authority, authorizing the signatory to execute and sign the Postal Ballot Form. Further, where the form has been signed by a representative of the President of India or Governor of State, certified copy of the nomination should accompany the Postal Ballot Form.

11. Members / beneficial owners are requested not to send any other paper along with the Postal Ballot Form in the enclosed self-addressed envelope as the envelope will be sent to the Scrutinizer and any extraneous paper found in the envelope would be destroyed by the Scrutinizer. Members / beneficial owners are also requested not to write anything on the Postal Ballot Form except giving their assent or dissent and affixing their signatures.

12. A member may request for duplicate postal ballot form, if so required. However, the duly filled in and signed duplicate postal ballot form should reach the Scrutinizer not later than the date specified in point no (8) above.

13. Postal Ballot form received by fax will be rejected as if reply from the shareholder has not been received unless the original postal ballot form is received within prescribed time period.

14. The Scrutinizer's decision on the validity of a Postal Ballot will be final.

15. Incomplete, unsigned, incorrect, defaced, torn, mutilated, overwritten Postal Ballot Forms will be rejected.

16. There will be one Postal Ballot for every Folio/Client ID.

17. Members are requested to fill in the postal ballot form in indelible ink and not in any erasable writing mode.

Voting through electronic means

Pursuant to the provisions of Sections 108 and 110, read with the Companies (Management and Administration) Rules, 2014, the Company is pleased to offer the option of E-Voting facility to all the members of the Company. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating e-voting.

2. E-Voting commences on the **Thursday, 25th February 2016 (10.00 a.m.)**, E-Voting through electronic mode shall not be allowed beyond **5.00 p.m. on Friday, 25th March 2016.** During this period, shareholders of the company, holding shares as on the cutoff date of **Friday, 19th February 2016** are entitled to cast their vote electronically.

3. Instructions for e-Voting for members receiving an email from CDSL pursuant to their email IDs having been registered with the company/ Depository Participants:

(i) User ID and password are required for e-Voting. If you are holding shares in Demat form and logged on to www.evotingindia.com and cast your vote earlier for EVSN of any company, then your existing login id and password are to be used. Else, follow clause (v) to (vii) for login.

(ii) Launch the internet browser during the voting period. Type the URL in the address bar www.evotingindia.com. Home screen opens.

(iii) Click on "Shareholders" tab to cast your vote.

(iv) Now, select the Electronic Voting Sequence Number - "EVSN" along with "COMPANY NAME" from the drop down menu and click on "SUBMIT"

(v) Now, fill up the following details in the appropriate boxes:

For Members holding shares in Demat Form For Members holding shares in Physical Form

User ID

For NSDL: 8 Character DP ID followed by 8 Digits Client ID For CDSL: 16 digits beneficiary ID Folio Number registered with the Company

PAN*

Enter your 10 digit alpha-numeric *PAN (case sensitive) issued by Income Tax Department when prompted by the system while e-voting (applicable for both demat shareholders as well as physical shareholders)

DOB#

Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.

Dividend Bank Details#

Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.

* Members who have not updated their PAN with the Company/ Depository Participant are requested to use the first two letters of their name in block letters and the sequence number (8 digits) printed in the address slip in the PAN field.

Please enter any one of the details in order to login.

(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. However, members holding shares in demat form will now 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 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 resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform.

It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(viii) Select EVSN (Electronic Voting Sequence number) **160217007** of Dharani Sugars and Chemicals Limited.

(ix) On the voting page, you will see Resolution Description and against the same the option "YES/ NO" for voting. Select the option as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(x) Click on the "Resolutions File Link" if you wish to view the entire Resolutions.

(xi) 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

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

4. In case of members receiving the physical copy of Notice of EGM [for members whose e-mail IDs are not registered with the company/ depository participant(s) or requesting physical copy]:

(i) Please follow all steps from sl. no. (ii) to sl. no. (xii) above, to cast vote.

5. E-voting cannot be exercised by a proxy. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to log on to https://www.evotingindia.co.in and register themselves, link their account which they wish to vote on and then cast their vote. They should upload a scanned copy of the Board Resolution in PDF format in the system for the scrutinizer to verify the vote.

6. During the voting period, security holders can login any number of times till they have voted on all the resolutions. They can also decide to vote only on some of the resolutions.

7. A member who has cast his vote by electronic means is not entitled to vote again.

8. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or send an email to helpdesk.evoting@cdslindia.com.

9. The voting rights of shareholders shall be in proportion to their shareholding as on the Cutoff date i.e., **Friday, 19th February 2016.**

10. Mr. M Damodaran, Practicing Company Secretary (Membership No. 005837) has been appointed as the Scrutinizer.

11. The results will be declared **Saturday, the 26th March 2016 at 05.00 p.m.** The results declared along with the Scrutinizer's report will be placed on the company's website www.dharanisugars.in and on the website of CDSL www.evotingindia.co.in on **Saturday, the 26th March 2016 at 05.00 p.m.** and same communicated to NSE and BSE.

STATEMENT OF MATERIAL FACTS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Meaning, Scope & Implication of the items of the business:

In the light of the adverse conditions prevailing in the sugar industry, the Company opted for Corporate Debt Restructuring (CDR) under the scheme formulated by Reserve Bank of India. After going through our application, the empowered group of CDR Cell, Mumbai gave approval for a CDR Scheme through their letter dated 2nd February 2015.

In terms of the said CDR Scheme, the promoters had to bring in their contribution of Rs. 8.59 crores in the form of Equity Shares/ Loans. However, in the interest of speedy implementation of the CDR Scheme, the promoters brought in this money as unsecured loan. Board has now decided that a portion viz., Rs.3,38,83,388 out of the amount of Rs. 8.59 crores brought in will be converted into equity shares by means of preferential allotment to the promoters in accordance with the regulations governing such preferential allotment.

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

Accordingly, consent of the shareholders is being sought, pursuant to the provisions of Section 62 read with Section 42 and other applicable provisions of the Companies Act 2013, Regulations 74(1) of Chapter VII of the SEBI (Issue of Capital and Disclosure Requirements). Regulations 2009 and amendment thereof. According to Regulation No.3(2) of SEBI, (Substantial Acquisition of Shares and Takeovers) Regulations 2011 an acquirer who together with persons acting in concert with him has acquired and holds in accordance with these regulations, shares in the target Company entitling them to exercise 25% or more of the voting rights in the target Company but less than the maximum permissible non public shareholding shall acquire within any financial year additional shares or voting rights in such Company entitling them to exercise **not more than 5%** of the voting rights without making an open offer. In pursuance of this, the Company limits the allotment to 1540154 equity shares, which will be within the 5% limit and in terms of listing agreements and other approvals as may be necessary to issue and allot securities as stated in the special resolution.

As per regulation 76(1) of Chapter VII of the SEBI (Issue of Capital and Disclosure Requirements) Regulations 2009, an issue of equity shares on a preferential basis can be made only at a price which is not less than the higher of the following:

a) The average of the weekly high and low of the volume weighted average price of the related equity shares quoted on the recognised stock exchange during the twenty six weeks preceding the relevant date; **or**

b) The average of the weekly high and low of the volume weighted average price of the related equity shares quoted on a recognised stock exchange during the two weeks preceding the relevant date.

The **Relevant Date** in accordance with proviso to Regulation 71(a) of Chapter VII of the SEBI (Issue of Capital and Disclosure Requirements), Regulations 2009 for the preferential offer means the date 30 days prior to the date on which this restructuring package was approved by the CDR empowered group, which is 2nd February 2015. Accordingly, the Relevant Date for this preferential offer is fixed as 2nd February 2015. For this purpose, stock exchange means National Stock Exchange of India Limited in which the highest trading volume of the Company's share has been recorded during the 26 weeks immediately preceding the relevant date. Equity shares of the Company to be allotted shall be subject to the Memorandum and the Articles of Association of the Company and the terms of the issue. The price fixed above is in accordance with this regulation. The proposed subscription of equity shares by Dharani Developers Private Ltd., will be subject to approval from any governmental or regulatory authorities if required/applicable. The Board is of the view that the preferential offer to **Dharani Developers Private Ltd**, will be in the interest of the Company.

As required under Companies Act, 2013 and Regulation 73 (1) & (2) of Chapter VII of the SEBI (ICDR) Regulations 2009 as amended from time to time other required details are furnished as under:

(a) Object of the Preferential Issue

The Company is in need of funds to shore up its paid up capital and for improving its net worth. It is therefore, proposed to raise further capital by way of preferential issue of equity shares as per chapter VII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2009 and as per Section 42 and other applicable provisions of the Companies Act,2013.

(b) The Promoter and an associate group Company have agreed to subscribe to the allotment of equity shares on preferential basis by converting a part of their unsecured loans to the Company into equity. No additional cash flow is expected. None of the other Directors or key management personnel of this Company are subscribing to this preferential offer.

(c) Shareholding Pattern of the Issuer before and after the issue

Particulars	Pre – Offer Shareholding	%	Preferential Offer	Post offer Shareholding	%
I. Promoter and Promoter Group	16625505	56.57	1540154	18165659	58.73
II. Non Promoter					
a. Mutual Funds	15600	0.05		15600	0.05
b. Banks	3350	0.01		3350	0.01
c. Corporate Bodies	1035225	3.52		1035225	3.35
d. Non Resident Indian	4563835	15.53		4563835	14.76
e. FIIs	-	-	-	-	-
f. Foreign Companies	-	-	-	-	-
g. Public including clearing Members	7146331	24.32		7146331	23.10
Total II	12764341	43.43		12764341	41.27
Total I & II	29389846	100.00	1540154	30930000	100.00

The voting rights will change in tandem with the change in shareholding pattern.

(d) Proposed time within which the allotment shall be completed

The allotment of the Equity Shares is to be completed within 15 days of the date of passing of the above resolutions , provided where the allotments are pending on account of pendency of any regulatory authority or Central Government approval(s), the allotment shall be completed within 15 days from the date of receipt of such approvals(s).

Name of the proposed allottees	Pre- Issue Shareholding		Post Issue Shareholding	
	No of Shares	%	No of Shares	%
Dharani Developers Private Limited	2774088	9.44	4314242	13.95

(e) Natural persons behind Dharani Developers Private Limited.

Dharani Credit and Finance (P) Limited holding 99.80% of Equity shares in the Dharani Developers Private Limited as on 31st December 2015.

Dr Palani G Periasamy, Mrs Visalakshi Periasamy and family members hold 98.22% of Equity shares in the Dharani Credit and Finance Private Limited as on 31st December 2015.

Undertakings:

(f) The Board of Directors of the Company undertake that the Company shall re-compute the price of the specified securities in terms of the provisions of SEBI (ICDR) Regulations 2009 when it is required to do so.

(g) If the amount payable on account of the re- computation of price is not paid within the time stipulated in these regulations, the specified securities shall continue to be locked-in till the time such amount is paid by the allottee.

The proposed allotment of the Equity shares on a Preferential basis if made, will not result in change in management control of the Company as per provision of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations 2011.

The Company is taking necessary steps to obtain requisite approvals from the regulatory authorities as may be applicable for the proposed allotment.

The Company has not made any other preferential allotment of shares during the year.

The proposed issue of securities is in the interest of the Company and your directors recommend the passing of the resolution under this item as a special resolution.

Auditor's Certificate

A Certificate from M/s. Srinivasan & Shankar, Chartered Accountants, (Firm Registration No.005093S) Statutory Auditors of the Company, certifying that the issue of shares by way of the proposed preferential allotment is being made in accordance with the requirement of Chapter VII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 shall be obtained.

None of the Directors except Dr. Palani G. Periasamy, Executive Chairman and Mrs. Visalakshi Periasamy, Director are interested in the Resolution.

Lock-in period

The Shares to be allotted on preferential basis to the investors shall be subject to the Lock-in periods as applicable in accordance with Regulation 78(1) of Chapter VII of the securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009.

b) Interest of Director, Key Managerial personnel and their relatives:

None of the

i) Other Directors

ii) Key Managerial Personnel (CEO,CFO & CS)

iii) Relatives of the persons mentioned in i & ii are interested in the above said resolution.

c) Relevance of Resolution in any other Company.

Change in shareholding of Dharani Developers Private Limited in the company.

d) Inspection of Documents

Relevant documents are available at MCA portal.

By Order of the Board of Directors
For **DHARANI SUGARS AND CHEMICALS LIMITED**

Company Secretary

Place : Chennai
Date : 11.02.2016