

GARDEN SILK MILLS LIMITED

Date: 25th June, 2011

Fax: 2659 8237/38, 26598347/48

National Stock Exchange of India Ltd.
"Exchange Plaza",
Bandra Kurla Complex,
Bandra (East),
Mumbai 400051

Stock Code: Garden Silk (EQ)

**Sub: Results of Postal Ballot on the
Special Resolutions and Ordinary Resolutions**

Dear Sir,

This has reference to our letters dated 3rd May, 2011 and 27th May, 2011 on the captioned subject.

Further in that connection, we write to inform you that pursuant to the provisions of Section 192A of the Companies Act, 1956 read with the Companies (Passing of the Resolution by Postal Ballot) Rules, 2001, the approval of the shareholders was sought by Postal Ballot vide Notice dated 3rd May, 2011 for the following matters:

RESOLUTION NO.1: Members' approval by Special Resolution for alteration in the Main Object Clause IIIA of the Memorandum of Association of the Company, pursuant to the provisions of Section 17 of the Companies Act, 1956.

RESOLUTION NO.2: Members' approval by Special Resolution for commencement of new business from the Other Objects of the Memorandum of Association of the Company, pursuant to the provisions of Section 149(2A) of the Companies Act, 1956.

RESOLUTION NO.3: Members' approval by Ordinary Resolution for increase in borrowing limits from Rs.1500 crore to Rs.2000 crore pursuant to Section 293(1)(d) of the Companies Act, 1956.

RESOLUTION NO.4: Members' approval by Ordinary Resolution for creation of further mortgage and/or charge and hypothecation to provide security under Section 293(1)(a) of the Companies Act, 1956

Mr. Kunjal Dalal, proprietor of K. Dalal & Co., Company Secretaries was appointed by the Board of Directors of the Company as a Scrutinizer for conducting the Postal Ballot voting process in a fair and transparent manner.

The last date for the receipt of the Postal Ballot Forms duly completed by the shareholders was 20th June, 2011. The Scrutinizer has submitted his report on the Postal Ballot on 24th June, 2011, the same is attached herewith. The summarized result of the Postal Ballot as announced on 25th June, 2011 at the Registered Office of the Company are as under:

*Garden**



Control -

Registered Office : Sahara Gate, Surat 395 010. Phones : 2311513, 2311197-98, 2311615. Fax : 0261-2311 029/502.
Mumbai Office: Manek Mahal, 90 Veer Nariman Road, Mumbai 400 020. Phones : 22873117-19/22046473/22040895. Fax : 022-22048112.

GARDEN SILK MILLS LIMITED

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Particulars	Resolution No.1	Resolution No.2	Resolution No.3	Resolution No.4
Number of valid Postal Ballot Forms received	1290	1229	1181	1176
Valid Votes in favour of the Resolution	20156925	20151777	20148548	20147095
Valid Votes against the Resolution	19091	21455	23836	25747
Percentage of the valid votes in favour of the resolution to the total valid votes cast	99.91	99.89	99.88	99.87
Percentage of the valid votes against the resolution to the total valid votes cast	0.09	0.11	0.12	0.13
Number of invalid postal ballot forms received.	8	8	8	8

Accordingly, the above Resolutions have been passed by the Shareholders with the requisite majority.

Please take the same on your record and acknowledge receipt of the same.

Thanking you,

Yours faithfully,

for Garden Silk Mills Limited,

Kamlesh B. Vyas

Company Secretary & Compliance Officer



Encl.: As above.

*Garden**

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205, 'Pawan Hans', B/h. Chamunda Restaurant, Sub Jail Char Rasta, Ring Road, Surat-395 002.

Date: 24th June, 2011

**The Board of Directors,
GARDEN SILK MILLS LIMITED
Garden Mills Complex,
Sahara Gate,
Surat 395010**

**Attn.: Mr. Kamlesh B. Vyas
Company Secretary**

**SCRUTINIZER'S REPORT
POSTAL BALLOT - NOTICE DATE 3RD MAY, 2011**

Dear Sir,

This refers to our appointment as a scrutinizer of Postal Ballot process conducted by the company to obtain members consent in accordance with the Companies (passing of the Resolution by Postal Ballot) Rules, 2001 issued by the Central Government under Notification No. GSR 337(E) dated 10.05.2001, in respect of the following:

1. Alteration of Object Clause of the Memorandum of Association of the Company.
2. Commencement of new business.
3. Increase in borrowing limits from Rs.1500 crore to Rs.2000 crore and
4. Creation of further mortgage and/or charge and hypothecation.

In connection with the above assignment, we confirm that we have received from the company:

- i. The specimen copy of the notice dated 3rd May, 2011 posted by the company to all the members pursuant to section 192A as required under Companies Act, 1956 together with explanatory statement u/s 173(2) of the Companies Act, 1956.
- ii. A specimen copy of the Postal Ballot form posted to all members of the company.
- iii. We reaffirm the company has completed the dispatch of notice along with Postal Ballot forms on 18th May, 2011 to the members along with postage prepaid business reply envelopes returnable at the Registrar's office on or before 20th June, 2011.

On the basis of our periodical verifications and scrutiny of signed Postal Ballot forms received from the members with the envelope marked in our name and addressed at the Registered Office of the Company at Garden Mills Complex, Sahara Gate, Surat 395010.

We report and confirm that:

1. The Postal Ballot forms were kept under the safe custody of the responsible officer of the company approved by us.
2. Particulars of the completed Ballot forms received from members have been entered in a register separately maintained for the purpose and initialed by us.
3. The Postal Ballot forms were scrutinized and the shareholding was matched/confirmed with the Register of Members of the Company/list of beneficiaries as on 6th May, 2011.
4. All Postal Ballot forms received by the Company during the validity period from 16th May, 2011 to 20th June, 2011 were considered by us for our scrutiny.

On the basis of the total number of Postal Ballot Papers checked by us, we submit a summary of the Ballot Papers examined by us.



205, 'Pawan Hans', B/h. Chamunda Restaurant, Sub Jail Char Rasta, Ring Road, Surat-395 002.

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Item No. 1: Special Resolution pursuant to the provisions of Section 17 of the Companies Act, 1956 for alteration in the Main Object Clause IIIA of the Memorandum of Association of the Company

Particulars	No. of ballots	No. of shares	% of total paid up equity capital
a) Total Postal ballot forms received *	1417	20182228	52.71
b) Less Invalid postal ballot forms (as per register)	8	3211	0.08
c) Less Number of postal ballot forms abstained from voting	43	2520	0.01
d) Net Valid postal ballot forms (as per register)	1366	20176016	52.69
e) Postal ballot forms with assent for the Resolution	1290	20156925 **	52.64
f) Postal ballot forms with dissent for the Resolution	76	19091 **	0.05
Result	Resolution passed with requisite majority.		

** No. of shares for which voting right is exercised.

Item No. 2: Special Resolution pursuant to the provisions of Section 149(2A) of the Companies Act, 1956 for commencement of new business from the Other Objects of the Memorandum of Association of the Company.

Particulars	No. of ballots	No. of shares	% of total paid up equity capital
a) Total Postal ballot forms received *	1417	20182228	52.71
b) Less Invalid postal ballot forms (as per register)	8	3211	0.08
c) Less Number of postal ballot forms abstained from voting	92	5199	0.01
d) Net Valid postal ballot forms (as per register)	1317	20173232	52.68
e) Postal ballot forms with assent for the Resolution	1229	20151777 **	52.63
f) Postal ballot forms with dissent for the Resolution	88	21455 **	0.06
Result	Resolution passed with requisite majority.		

** No. of shares for which voting right is exercised.



205, 'Pawan Hans', B/h. Chamunda Restaurant, Sub Jail Char Rasta, Ring Road, Surat-395 002.

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Item No. 3: Ordinary Resolution pursuant to Section 293(1)(d) of the Companies Act, 1956 for increase in borrowing limits from Rs.1500 crore to Rs.2000 crore.

Particulars	No. of ballots	No. of shares	% of total paid up equity capital
a) Total Postal ballot forms received *	1417	20182228	52.71
b) Less Invalid postal ballot forms (as per register)	8	3211	0.08
c) Less Number of postal ballot forms abstained from voting	110	6089	0.02
d) Net Valid postal ballot forms (as per register)	1299	20172384	52.68
e) Postal ballot forms with assent for the Resolution	1181	20148548 **	52.62
f) Postal ballot forms with dissent for the Resolution	118	23836 **	0.06
Result	Resolution passed with requisite majority.		

** No. of shares for which voting right is exercised.

Item No. 4: Ordinary Resolution under Section 293(1)(a) of the Companies Act, 1956 for creation of further mortgage and/or charge and hypothecation to provide security.

Particulars	No. of ballots	No. of shares	% of total paid up equity capital
a) Total Postal ballot forms received *	1417	20182228	52.71
b) Less Invalid postal ballot forms (as per register)	8	3211	0.08
c) Less Number of postal ballot forms abstained from voting	102	5549	0.01
d) Net Valid postal ballot forms (as per register)	1307	20172842	52.68
e) Postal ballot forms with assent for the Resolution	1176	20147095 **	52.62
f) Postal ballot forms with dissent for the Resolution	131	25747 **	0.07
Result	Resolution passed with requisite majority.		

** No. of shares for which voting right is exercised.

contd...





205, 'Pawan Hans', B/h. Chamunda Restaurant, Sub Jail Char Rasta, Ring Road, Surat-395 002.

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* Postal Ballot Envelopes received after the close of working hours of 20th June, 2011 not considered.

The Results indicate that GARDEN SILK MILLS LIMITED is successful in obtaining the members consent with requisite majority in their favour on all Resolutions (TWO SPECIAL and TWO ORDINARY) through the Postal Ballot.

We have handed over the postal ballot forms and other related papers / registers and records for safe custody to the Secretary / Wholetime Director authorised by the Board to supervise the postal ballot process.

You may accordingly declare the result of the voting by Postal Ballot.

Thanking you,

Yours faithfully,
for K. Dalal & Co.
Company Secretaries in
Whole Time Practice
CP No. 3863



K. Dalal

Kunjal Dalal
Proprietor