

# DROLIA & COMPANY

(Company Secretaries)

9, Crooked Lane, Kolkata – 700 069

Mobile: 9831196869; Email : droliapravin@yahoo.co.in

## Scrutinizers' Report

[Pursuant to Section 110 of the Companies Act, 2013 and Rule 22 of the Companies (Management and Administration) Rules, 2014]

To,  
The Chairman  
HSIL Limited  
2, Red Cross Place,  
Kolkata - 700001

### **SUB: REPORT ON RESULT OF POSTAL BALLOT**

Dear Sir,

In terms of the provisions of Section 108 and 110 of the Companies Act, 2013, read with Rules 20 and 22 of Companies (Management and Administration Rules), 2014 and Clause 35B of the Listing Agreement, I have been appointed as Scrutinizer by the Board of Directors of the Company at its meeting held on 11<sup>th</sup> August, 2014 for conducting the Postal Ballot process in a fair and transparent manner in respect of the following 2(Two) resolutions:

Resolution Number	Type of Resolution	For
1.	Special Resolution	Increase in the Borrowing powers of the Board of Directors u/s 180(1)(c) of the Companies Act, 2013
2.	Special Resolution	Creation of Charge on Movable and Immovable properties of the Company, both present and future u/s 180(1)(a) of the Companies Act, 2013

1. I submit my report as under:

- 1.1. The Company had completed on 21<sup>st</sup> August, 2014, the dispatch of Notice dated 11<sup>th</sup> August, 2014 along with Postal Ballot Forms and self-addressed stamped envelopes through Registered Post/electronically, to those Members whose names were appeared on the Register of Members/List of beneficiaries as on 8<sup>th</sup> August, 2014 being the cut-off date fixed by the Board. As per provisions of the Companies Act, 2013, the number of votes cast in respect of such resolution will be counted according to the number of shares held by the concerned Shareholders. One share held will be equal to one vote.



- 1.2. In Compliance to the provisions of Rule 20 and 22 of the Companies (Management and Administration Rules), 2014 read with Clause 35B of the Listing Agreement, the Company has provided e-voting facility to all its Members to enable them to cast their votes electronically. The e-voting services were provided by The Central Depository Services (India) Limited (CDSL). The e-voting period commenced on 22<sup>nd</sup> August, 2014 from 9:00 AM (IST) and concluded on 20<sup>th</sup> September, 2014 at 5:00 PM (IST).
- 1.3. Particulars of all the Postal Ballot Forms received from the shareholders and the votes cast by electronic mode have been entered in a register separately maintained for the purpose in electronic mode.
- 1.4. The sealed Postal Ballot Forms received from the shareholders were kept under the safe custody of the Company.
- 1.5. All the Postal Ballot Forms, received up to the close of working hours (1700 hours) on 20th September, 2014, the last date and time fixed by the Company for receipt of the forms were considered for my scrutiny.
- 1.6. Envelopes containing Postal Ballot Forms received after working hours (1700 hours) on 20th September, 2014 were not considered for my scrutiny. These envelopes were not opened.
- 1.7. The Postal Ballot envelopes were opened from time to time and the last lot was opened on 20th September, 2014 after 1700 hours in the presence of my Authorized Representatives.
- 1.8. Particulars of all the Postal Ballot Forms received from the shareholders have been entered in the Electronic Register separately maintained for this purpose.
- 1.9. Envelopes containing Postal Ballot Forms which were returned undelivered were also not opened.
- 1.10. I have not found any Defaced/Mutilated Postal Ballot Form.
- 1.11. I downloaded the complete record of votes cast by electronic mode from Central Depository Services (India) Limited (CDSL) portal, the agency for providing and supervising electronic platform on 20<sup>th</sup> September, 2014 around 19.00 hours, which was closed by CDSL on 20<sup>th</sup> September, 2014 at 1700 hours.





2. In accordance with the Basis of Acceptance (as per Annexure-I) and Basis of Rejection (as per Annexure-II), and on proper scrutiny of all the Ballot papers, I report the result of the Postal Ballot as under :

2.1. Summary of the Postal Ballot votes casted through Physical Mode is as follows:-

1.	Total No. of Postal Ballot Forms Received	55	
2.	Less: Total No. of invalid Postal Ballot Forms (As per details attached in Annexure -III)	1	
3.	Total No. of Valid Postal Ballot Forms	54	
		Resolution no. 1	Resolution no. 2
4.	Total No. of Valid Postal Ballot Forms in favour of the Resolution	52	52
5.	Total No. of Valid Postal Ballot Forms against the Resolution	2	2
6.	Total No. of Votes casted	18,065	18,065
7.	Total No. of Votes in favour of the Resolution	18,063	18,063
8.	Total No. of Votes against the Resolution	2	2

2.2. Summary of the Postal Ballot votes casted through Electronic Voting System is as follows:

SL. No.		Resolution no. 1		Resolution no. 2	
		No. of Folio	No. of Votes	No. of Folio	No. of Votes
1.	Total No. of Votes casted through e-voting system	86	5,03,23,599	86	5,03,23,599
2.	Total No. of Votes casted in favour of the Resolution	77	5,03,19,467	82	5,03,23,537
3.	Total No. of Votes casted against the Resolution	9	4,132	4	62



2.3. Total summary of the votes casted (aggregate of Physical and Electronic Voting System) is as follows:-

**Resolution No.1**

Increase in the Borrowing Powers of the Board of Directors under Section 180(1)(c) of the Companies Act, 2013 up to Rs. 1500 Crores

SL No.	Votes casted	By Physical Ballot	By Electronic Voting	Total No. of Valid Votes	% of Total votes Cast
1.	Favour	18,063	5,03,19,467	5,03,37,530	99.99
2.	Against	2	4,132	4,134	0.01
		Total		5,03,41,664	100.00

**Resolution No.2**

Creation of Charges on the movable and immovable properties of the Company under Section 180(1)(a) of the Companies Act, 2013 both present and future, in respect of borrowings

SL No.	Votes casted	By Physical Ballot	By Electronic Voting	Total No. of Valid Votes	% of Total votes Cast
1.	Favour	18,063	5,03,23,537	5,03,41,600	100.00
2.	Against	2	62	64	0.00
		Total		5,03,41,664	100.00

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

For DROLIA & COMPANY  
(Company Secretaries)



(Pravin Kumar Drolia)  
Proprietor

F.C.S. No. 2366

Certificate of Practice No. 1362

Place: Kolkata

Date : 22<sup>nd</sup> September, 2014

"Annexure -I"

**BASIS OF ACCEPTANCE**

**A. PHYSICAL BALLOT FORM:**

1. A Postal Ballot Form is complete in all respects including Duplicate Postal Ballot Form downloaded from the website of CDSL (<http://www.evotingindia.co.in>) as specified in the Postal Ballot Notice.
2. The assent or dissent has been given by any other mark, the Postal Ballot Form has been considered.
3. Joint shareholder(s) has /have signed the Postal Ballot Form Instead of first name shareholder, the vote cast by the joint named shareholders has/ have been considered.
4. Shareholder has assented or dissented without mentioning the number of shares, the entire shareholding has been considered.
5. Shareholder has voted for less number of shares than his actual shareholding, the number of shares (votes) indicated /cast has been considered.
6. Shareholder has voted for more than his actual shareholding, the actual shareholding has been considered.

**B. VOTING THROUGH ELECTRONIC MODE:**

7. Shareholder has voted only through E-Voting i.e. electronic mode.

Place: Kolkata  
Date : 22<sup>nd</sup> September, 2014



For DROLIA & COMPANY  
(Company Secretaries)

(Pravin Kumar Drolia)  
Proprietor

F.C.S. No. 2366  
Certificate of Practice No. 1362



"Annexure-II"

BASIS OF REJECTION

A. PHYSICAL BALLOT FORM:

1. Shareholder has not put any tick mark on either assent or dissent.
2. Ballot paper is not signed.
3. Specimen signature of the shareholder with the registrar and share transfer agent differs materially with that of the signature in the Postal Ballot Forms.
4. The specimen signature of the shareholder is not available at the time of scrutiny of the Postal Ballot Form on the electronic registry (www.evotingindia.co.in) of the registrar and share transfer agent i.e. Central Depository Services (India) Limited and consequently there is no way to verify the signature.
5. Shareholder has put tick mark for both assent and dissent without indicating number of shares.
6. Shareholder has sent a photocopy of the Postal Ballot Form.
7. In case where a Postal Ballot Form has been signed by Authorized Signatory / Power of Attorney Holder and certified true copy of board resolution /Power of Attorney /Letter of Authority together with attested specimen signatures of the duly authorized signatory not attached with the Postal Ballot Form.
8. Shareholder has signed the Postal Ballot Form in Pencil.
9. Shareholder has signed in the Column for the purpose of Assent/Dissent.
10. Shareholder has sent Scan Copy of Postal Ballot Form via E-mail.
11. Shareholder has sent Original as well as Duplicate Postal Ballot Form, and then Original Postal Ballot Form has / have been considered.
12. The Postal Ballot Form is received torn or defaced or mutilated to an extent that it is difficult for the Scrutinizer to identify either the member or the number of votes.

B. VOTING THROUGH ELECTRONIC MODE

13. Shareholder has voted by Physical Ballot Form and e-Voting both, then voting done through Valid Physical Postal Ballot has been considered and e-voting has been treated as 'Invalid'.
14. Institutional shareholder (other than individuals, HUF,NRI etc) have not sent scanned copy/hard copy of the relevant Board Resolution/Authority Letter/Power of Attorney.



For DROLIA & COMPANY  
(Company Secretaries)

*(Handwritten signature)*

(Pravin Kumar Drolia)  
Proprietor

F.C.S. No. 2366

Certificate of Practice No. 1362

Place: Kolkata

Date : 22<sup>nd</sup> September, 2014

"Annexure-III"

**REPORT FOR INVALID POSTAL BALLOT FORMS/ELECTRONICS VOTES**

SL. No.	Category	No. of Forms / Electronic Votes	Total number of Invalid votes (equity share of Rs. 2/- each)
<b>A. PHYSICAL BALLOT FORM:</b>			
1.	No votes polled	Nil	Nil
2.	Not signed	Nil	Nil
3.	Not properly filled up	1	875
4.	Authority Letter /Board Resolution not attached	Nil	Nil
5.	Power of Attorney not enclosed	Nil	Nil
6.	Signature not available	Nil	Nil
7.	Signature not tallied	Nil	Nil
8.	Votes Polled for both Against and for	Nil	Nil
9.	Photocopy of Postal Ballot Form sent	Nil	Nil
10.	Form found in Mutilated form	Nil	Nil
<b>B. VOTING THROUGH ELECTRONIC MODE</b>			
11.	Voted through e-voting and Physical both	Nil	Nil
12.	Authority Letter /Board Resolution not sent	Nil	Nil
<b>TOTAL</b>			



For DROLIA & COMPANY  
(Company Secretaries)

*(Signature)*  
(Pravin Kumar Drolia)  
Proprietor

F.C.S. No. 2366

Certificate of Practice No. 1362

Place: Kolkata

Date : 22<sup>nd</sup> September, 2014