

**AVT NATURAL PRODUCTS LIMITED**  
**CHENNAI – 600 008**

**MINUTES OF THE ANNOUNCEMENT OF RESULTS OF THE POSTAL BALLOT AT 1.00 P.M. ON THURSDAY, THE 19<sup>TH</sup> SEPTEMBER 2013 AT THE REGISTERED OFFICE OF THE COMPANY AT NO.60, RUKMANI LAKSHMIPATHY SALAI, EGMORE, CHENNAI - 600 008.**

The Board of Directors at their meeting held on 31<sup>st</sup> July 2013 had approved the issue of Bonus Shares in the ratio of 1:1 (for every one equity share, one bonus share allotted), increase of Authorised Share Capital and the consequential amendment in the Clause V (being the Capital Clause) of the Memorandum of Association and Article 3 (a) of the Articles of Associations of the Company. The Board after discussion approved to conduct the Postal Ballot to get the approval of the Shareholders for the said items. The calendar of event for the Postal Ballot was also approved.

The Postal Ballot Notice dated 31<sup>st</sup> July 2013, pursuant to Section 192A of the Companies Act, 1956 read with the Companies (Passing of the Resolution by Postal Ballot) Rules 2011, for passing the above Resolutions by postal ballot, were despatched to the members of the Company on 16<sup>th</sup> August 2013.

The Board of Directors at its meeting held on 31<sup>st</sup> July 2013 had appointed Mr. V. Suresh, Practising Company Secretary, Chennai as Scrutinizer to receive and scrutinize the completed ballot forms received from the Members and for conducting the Postal Ballot process in a fair and transparent manner.

The Postal Ballot Forms and the self addressed business reply envelopes were also sent for use of all existing Members. The shareholders were requested to return the postal ballot forms duly completed along with the assent (in favour) or dissent (against) on the resolutions, so as to reach the scrutinizer on or before 18<sup>th</sup> September 2013.

After due scrutiny of all the postal ballot forms received by the Scrutinizer up to the close of working hours of 18<sup>th</sup> September 2013 (being last date fixed for return of the Postal Ballot forms duly filled in by the Members), had submitted his report on 19<sup>th</sup> September 2013 as detailed under :



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| SI No. | Description  | No. of valid ballots | In favour of the Resolution |       | Against the Resolution |      |
|--------|--|----------------------|-----------------------------|-------|------------------------|------|
|        |  |                      | Number of Votes cast        | %     | Number of Votes cast   | %    |
| 1      | Increase of Authorised Share Capital (Ordinary Resolution)                 | 581                  | 5,90,81,822<br>(573)        | 99.99 | 4,850<br>(8)           | 0.01 |
| 2      | Amendment of Memorandum of Association of the Company (Special Resolution) | 581                  | 5,90,77,151<br>(570)        | 99.98 | 9,521<br>(11)          | 0.02 |
| 3      | Amendment of Articles of Association of the Company (Special Resolution)   | 581                  | 5,90,77,047<br>(571)        | 99.98 | 9,625<br>(10)          | 0.02 |
| 4      | Issue of Bonus Shares (Ordinary Resolution)                                | 581                  | 5,85,17,164<br>(573)        | 99.94 | 5,69,508<br>(8)        | 0.06 |

*One Ballot was invalid for reason as certified by the Scrutinizer*

The Chairman after receiving the Scrutinizer's Report announced that the Resolutions at item No.1, 2, 3 and 4 of the Postal Ballot Notice were duly passed by the requisite majority and directed that the resolutions be recorded in the minute book recording the proceedings of general meetings of the members.

All the four Resolutions were duly approved by the members as under:

### **1. INCREASE OF AUTHORISED SHARE CAPITAL**

#### **ORDINARY RESOLUTION**

"RESOLVED that pursuant to the provision of the section 94 and other applicable provisions, if any, of the Companies Act, 1956, the approval of the Members be and is hereby given for increasing the authorized share capital of the Company from Rs. 11,00,00,000/- (Rupees Eleven Crore only) divided into 7,99,00,000 ( Seven crores ninety nine lakhs) Equity Shares of Re. 1/- (Rupee One) each, 1000 (One Thousand) - 12% Redeemable Cumulative Preference Shares of Rs. 100/- (Rupees One hundred) each and 30,00,000 (Thirty lakhs) – 7% Redeemable Cumulative Preference Shares of Rs. 10/- (Rupees ten) each to Rs. 19,00,00,000/- (Rupees Nineteen Crore only) divided into 15,99,00,000 ( Fifteen crore ninety nine lakhs ) Equity Shares of Re. 1/- (Rupee One) each, 1000 (One Thousand) - 12% Redeemable Cumulative Preference Shares of Rs. 100/- (Rupees One hundred) each and 30,00,000 (Thirty lakhs) – 7% Redeemable Cumulative Preference Shares of Rs. 10/- (Rupees ten) each".



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## **2. AMENDMENT OF MEMORANDUM OF ASSOCIATION OF THE COMPANY**

### **SPECIAL RESOLUTION**

"RESOLVED that in accordance with the provisions of Section 16 and all other applicable provisions, if any, of the Companies Act, 1956, the existing Clause V of the Memorandum of Association of the Company be and is hereby altered by deleting the same and substituting in its place and stead, the following new Clause V:

The Authorised Share Capital of the Company is Rs.19,00,00,000/- (Rupees Nineteen Crore only) divided into 15,99,00,000 (Fifteen crore ninety nine lakhs) Equity Shares of Re.1/- (Rupee One) each, 1000 (One Thousand) – 12 % Redeemable Cumulative Preference Shares of Rs.100/- (Rupees One hundred) each, and 30,00,000 (Thirty lakhs) – 7% Redeemable Cumulative Preference Shares of Rs.10/- (Rupees ten) each, with power to increase and reduce the capital of the Company, and to alter, convert, classify into several classes of stock or shares, divide or sub-divide and consolidate the same with power attach thereto respectively such preferential, deferred, or special rights, privileges, conditions or restrictions, as may be determined by, or in accordance with the Articles of Association of the Company from time to time".

## **3. AMENDMENT OF ARTICLES OF ASSOCIATION OF THE COMPANY**

### **SPECIAL RESOLUTION**

"RESOLVED that in accordance with the provisions of Section 31 and all other applicable provisions, if any, of the Companies Act, 1956, the existing Article 3 (a) of the Articles of Association of the Company be altered by deleting the same and substituting, in its place and stead the following new Article:

The Authorised Share Capital of the Company is Rs.19,00,00,000/- (Rupees Nineteen Crore only) divided into 15,99,00,000 (Fifteen crore ninety nine lakhs) Equity Shares of Re.1/- (Rupee One) each, 1000 (One Thousand) – 12% Redeemable Cumulative Preference Shares of Rs.100/- (Rupees One hundred) each and 30,00,000 (Thirty Lakhs) - 7% Redeemable Cumulative Preference Shares of Rs.10/- (Rupees Ten) each".

## **4. ISSUE OF BONUS SHARES**

### **ORDINARY RESOLUTION**

RESOLVED that:

- (a) In accordance with the provisions of Articles 150 of the Articles of Association of the Company and subject to such consents and approvals as may be required, and such conditions and modifications, as may be considered necessary and agreed to by



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the Board of Directors of the Company (hereinafter referred to as the "Board" which expression shall also include a "Committee" thereof), the approval of the Members be and is hereby given that a sum not exceeding Rs.7,61,42,000/-, out of the Capital Redemption Reserve and General Reserves Account as at 31<sup>st</sup> March 2013, be capitalized and transferred to Share Capital Account and that the aforesaid sum of Rs.7,61,42,000/- be applied for allotment of 7,61,42,000 fully paid bonus shares of Re.1/- each to and amongst the holders of the equity shares on a date to be hereafter fixed by the Board ("the Record Date") in the proportion of 1(One) new equity share for every 1 (One) existing equity share held by them and that the new equity shares so issued shall be treated for all purposes as an increase in the nominal amount of the capital of the Company held by each such member and not as income;

- (b) The new equity shares of Re.1/- each to be allotted as Bonus Shares shall be subject to the Memorandum and Articles of Association of the Company and shall rank pari passu in all respects with and carry the same rights as the existing equity shares and shall be entitled to participate in full in any dividends to be declared after the Bonus Shares are allotted;
- (c) No letter of allotment shall be issued to the allottees of the Bonus Shares and the Bonus Share Certificates in respect of the new equity shares shall be issued and dispatched to the allottees thereof within the period prescribed or that may be prescribed in this behalf from time to time, except that the Bonus Shares will be credited to the demat accounts of the allottees who are holding the existing equity shares in demat form;
- (d) The allotment and issue of Bonus Shares to the extent that they relate to non-resident members of the Company, shall be subject to necessary compliance of the regulations of the Reserve Bank of India under Foreign Exchange Management Act, 1999, if necessary;
- (e) for the purpose of giving effect to this Resolution, the Board be and is hereby authorized to do all such acts and things and give such directions as may be necessary or desirable and to settle all questions or difficulties whatsoever that may arise with regard to the issue, allotment and distribution of the Bonus Shares".

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Place : Chennai  
Date : 9<sup>th</sup> October 2013

  
CHAIRMAN