

CERTIFIED TRUE COPY OF THE RESOLUTION PASSED AT THE EXTRA ORDINARY GENERAL MEETING OF TRANSFORMERS & RECTIFIERS (INDIA) LTD. ON 3RD JUNE, 2013 AT 2.00 P.M. AT THE REGISTERED OFFICE OF THE COMPANY

Resolution No. 1 : Alteration of Articles 228 of the Articles of Association of the Company – Special Resolution

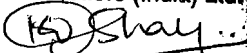
"RESOLVED THAT pursuant to the provisions of Section 31 and all other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification(s), enactment(s) or re-enactment(s) thereof for the time being in force) and other Rules and Regulations as may be applicable, the existing Article 228 of the Articles of Association of the Company be altered by inserting new sub-articles as 228(4) and 228(5) after the existing Article 228 in the following manner:

228(4)- The Board may in their meeting, as an alternate to General Meeting as said in Article 228 (1) above, make issue of Bonus Shares to the Members, subject to such approvals, consents as may be required, from time to time, and as per rules/regulations or Acts applicable in connection therewith. For the purpose of the above Bonus issue, the Board shall follow the aforesaid Article 228(1) to 228(3) for proper implementation of the procedure thereof.

228(5)- Allotment or distribution of Bonus Shares shall not be made to those Members who furnish to the Company an advance written intimation waiving their entitlement to receive such allotment or distribution of shares credited as fully paid-up pursuant to this Article 228(1) to 228(4) as the case may be, and accordingly the corresponding amount shall not be capitalised."

"RESOLVED FURTHER THAT the Board of Directors be and are hereby authorised to perform all acts, deeds and things, execute documents, and make all filings, as may be necessary to give effect to the above resolution and to take all such steps for giving any such direction as may be necessary or desirable and to settle any questions or difficulties whatsoever that may arise for the purpose of giving effect to this resolution."

For, Transformers & Rectifiers (India) Ltd.


Company Secretary

Resolution No. 2 : Issue of Bonus Shares - Special Resolution

"RESOLVED THAT pursuant to the provisions of the Section 81 and other applicable provisions of the Companies Act, 1956 and Article 228 of the Article of Association of the Company and subject to the provisions of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, Reserve Bank of India (RBI) and subject to such approvals, permissions and sanctions as may be necessary and also subject to such terms, conditions and modifications as may be prescribed in granting approvals, permissions, sanctions, by appropriate authority or authorities and agreed to by the Board of Directors of the Company (hereinafter called the Board, which term shall be construed as to include any Committee which the Board may have constituted or may hereafter constitute to exercise the powers including the powers conferred vide this resolution), the consent of the Company be and is hereby accorded to the Board for capitalization of Rs. 33,28,000/- (Rupees Thirty Three Lacs Twenty Eight Thousand Only) out of Securities Premium Account and/ or any other reserves being eligible for the purpose and as may be deemed appropriate and suitable by the Board, by issue of bonus shares with face value of Rs. 10/-each to be credited as fully paid up to the existing equity shareholders of the company (except to the Promoter/ Promoters group who have agreed to forgo/ waive their entitlement/ right in proposed bonus issue), whose names appear on the Register of the Member / list of beneficial owners maintained by the Depositories as on such date to be fixed by the Board (record date), in proportion of 1 (One) equity share for every 9 (Nine) equity shares held by them, subject to the following terms and conditions:

- 1) The new equity shares shall be allotted subject to the provisions of Memorandum and Articles of Association of the Company and shall in all respect rank *pari passu* with the existing fully paid up equity shares of the Company including the right to participate in full in dividend, if any, that may be declared for the financial year in which the bonus shares are allotted;
- 2) No allotment letters shall be issued to the allottees of the said bonus shares. The share certificate in respect of the said bonus shares allotted shall be sent to the respective allottees within prescribed time, except in case of allottees who are holding the existing equity shares in electronic/demat form, to whom the bonus shares will be credited to their demat accounts;
- 3) No fractional certificates shall be issued in respect of any fractional entitlement, but that new equity shares in respect of fractions shall be consolidated and allotted to any such person(s), appointed by the Board on the express understanding that such person (s) shall sell the new equity shares so allotted to such person (s) at such price (s) as they may think fit, as soon as

For, Transformers & Rectifiers (India) Ltd.

Company Secretary

practicable, and pay to the Company the net sale proceeds (after deducting all expenses, if any, incidental to the sale), which proceeds shall be distributed by the Company pro-rata amongst the shareholders entitled thereto;

4) The allotment of bonus shares to non-resident members of the Company shall be subject to approval, if necessary, of Reserve Bank of India under the Foreign Exchange Management Act, 1999 and Rules framed there under.

"RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board (hereinafter called the Board, which term shall be construed as to include any Committee which the Board may have constituted or may hereafter constitute to exercise the powers including the powers conferred vide this resolution) be and is hereby authorized to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary or desirable and to settle any question, difficulty or doubt that may arise in regard to the issue or distribution of new equity shares, which shall be final and binding on all members of the Company and other interested persons."

Certified True Copy

For Transformers & Rectifiers (India) Ltd.



Company Secretary

Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956

Item no. 1

The present Article 228 of the Articles of Association of the Company confers powers upon members of the Company, for capitalization of reserves of the Company and distribution thereof amongst the members by way of bonus shares or otherwise. It is felt that seeking the approval of the Members of the Company each time would prolong the time between the recommendation by the Board and the actual allotment of Bonus Shares. In order to enable the Board to expeditiously complete the process of issue of Bonus Shares, it is proposed that the Board be authorised to capitalise the reserves of the Company in a manner as they may deem expedient without seeking approval from the Members of the Company.

In terms of provisions of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, for expeditious disposal of future bonus issues, it is proposed that powers with regard to capitalization of profits / reserves be conferred upon the Board of Directors, as an alternate way to implement the Bonus Issue, as now permitted under law, in addition to existing mode, by way of general meeting as set out in the existing Article 228(1) of Articles of Association of the Company. Hence a new sub-article (4) is inserted after the existing Article 228(3) of Articles of Association of the Company.

Presently in the existing Article 228 provides, inter alia, for Capitalization of Reserves of the Company for distribution of fully paid up shares to its Members and there is no waiver clause. It is proposed to amend the said article by insertion of new sub-article 228(5) after the Article No. 228(4) as aforesaid, for enabling the company, inter alia, to issue and allot Bonus shares by capitalization of Reserves, to its members excluding those members who furnish to the Company written intimation waiving their entitlement to such distribution or allotment of fully paid up shares.

Pursuant to the provisions of Section 31 of the Companies Act, 1956 any amendment in the Articles of Association requires approval of shareholders by special resolution. A Copy of Articles of Association of the Company, showing the proposed amendments, is kept for the inspection of the members on all working days excluding Bank holidays and Sundays from 11 am to 4 pm at the registered office of the Company up to the date of the Extraordinary General Meeting of the Company.

Your Directors recommend the Resolution as set out in Item no. 1 for approval of members.

None of the Directors is concerned or interested in passing the said resolution.

For, Transformers & Rectifiers (India) Ltd.

Company Secretary

Item No. 2

As per the amended Rule 19(2)(b) and Rule 19A of the Securities Contracts (Regulation) Rules, 1957 (“SCRR”) and the corresponding provision (Clause 40A) of the Listing Agreement, every listed company is required to maintain a minimum public shareholding of at least 25% of the total capital.

Presently the public shareholding in the Company is only 23.18 % and the rest (76.82%) being held by the Promoter and Promoters Group.

The Securities and Exchange Board of India (“SEBI”) under clause 40A of the Listing Agreement has prescribed the methods in which a company may increase its public shareholding in order to comply with the SCRR. One of the methods prescribed by SEBI is ‘Bonus issue to public shareholders, with promoters/promoter group shareholders foregoing their bonus entitlement’ (“Bonus Method”).

Your Directors have decided, subject to your approval and other approvals, to adopt the Bonus Method to increase the public holding in the Company.

The Board at its meeting held on May 3, 2013 recommended issue of Bonus Shares to all shareholders of the Company under public category (except to the Promoter/ Promoters group who have agreed to forgo/ waive their entitlement/ right in proposed bonus issue), whose names appear on the Register of the Members / list of beneficial owners maintained by the Depositories as on such date to be fixed by the Board (record date), in proportion of 1 (One) equity share for every 9 (Nine) equity shares held by them by capitalization of Rs. 33,28,000/- (Rupees Thirty Three Lacs Twenty Eight Thousand Only), standing to the credit of the Securities Premium Account of the Company and transferred to the Equity Share Capital Account by issue and allotment of 3,32,800 (Three Lacs Thirty Two Thousand Eight Hundred) equity shares of Rs. 10/- (Rupees Ten) each fully paid-up.

The shareholders belonging to the Promoter/ Promoters Group have agreed to forgo their right for bonus entitlement. The above proposal will result in the dilution of the holding of Promoter/ Promoters group in the Company from 76.82% to 74.90%.

The Bonus Shares so allotted shall rank pari passu in all respects with the existing equity share of the Company.

Your Directors recommend the Resolution as set out in Item no. 2 for approval of members.

None of the Directors of the Company are in any way concerned or interested in the foregoing resolution, except, to the extent of bonus shares which may be received by them, their relatives or any concern in which they are interested in proportion to their respective shareholding in the Company.

Certified True Copy

For Transformers & Rectifiers (India) Ltd.



Company Secretary