



CERTIFIED TRUE COPY OF RESOLUTION PASSED BY THE MEMBERS OF DEEPAK NITRITE LIMITED THROUGH POSTAL BALLOT ON 11TH JUNE, 2014

Issuance of Bonus Shares by capitalization of Reserves / Securities Premium Account :
(ITEM NO. 3 - SPECIAL RESOLUTION)

“RESOLVED THAT pursuant to the recommendation of Board of Directors and Article 189 of the Articles of Association of the Company, applicable provisions of Companies Act, 2013, SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended from time to time and subject to such consents and approvals as may be required from the appropriate authorities, the consent of the members be and is hereby accorded to the Company to capitalize a sum of ₹10,45,38,190/- (Rupees Ten crores Forty Five lacs Thirty Eight thousand One hundred Ninety only) out of its Free Reserves / Securities Premium Account or such other Reserve Account, as may be decided by the Board of Directors, for distribution among the holders of existing fully paid equity shares of ₹ 2/- each of the Company (subsequent to the subdivision of each equity share of ₹ 10/- each into 5 equity shares of ₹ 2/- each) whose names will appear in the Register of Members / Beneficial Owners' position of the Company on a date (Record Date) to be decided by the Board of Directors (which expression shall also include a Committee thereof), as an increase of the amount of the share capital of the Company held by each such member, and not as income or in lieu of dividend, credited as 5,22,69,095 new fully paid equity shares of ₹ 2/- each (subsequent to the sub-division of each equity share of ₹ 10/- each into 5 equity shares of ₹ 2/- each) as bonus shares in the proportion of one (1) new equity share of ₹ 2/- each for every one (1) existing fully paid equity share of ₹ 2/- each held.

RESOLVED FURTHER THAT the new equity shares of ₹ 2/- each to be allotted as bonus shares shall be subject to the terms of 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 fully paid equity shares of the Company and shall be entitled to dividend(s) to be declared after the bonus shares are allotted.

RESOLVED FURTHER THAT no letter of allotment shall be issued to the allottees of the new equity bonus shares and the share certificate(s) in respect of the new equity bonus 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 new equity bonus shares will be credited to the demat account of the allottees, who are holding the existing equity shares in electronic form.

RESOLVED FURTHER THAT the allotment of the new equity bonus shares to the extent that they relate to non-resident members of the Company, shall be subject to such approval, if any, of the Reserve Bank of India under the Foreign Exchange Management Act, 1999 as amended from time to time or rules made thereunder, as may be deemed necessary.

RESOLVED FURTHER THAT for the purpose of giving effect to the aforesaid resolutions, the Board / Committee of the Board be and is hereby authorized to do all such acts, deeds, matters and things whatsoever including settling any question, doubt or difficulties that may arise with regard to the issue or allotment of the bonus shares and to accept on behalf of the Company, any conditions, modifications, alterations, changes, variations in this regard as prescribed by the statutory authority(ies) and which the Board / Committee of the Board in its discretion thinks fit and proper.”

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For **DEEPAK NITRITE LIMITED**

ARVIND BAJPAI
Company Secretary

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**Explanatory Statement as required by Section 102 of the Companies Act, 2013 and
Explanation about reasons for passing the resolutions as required under Rule 22 (1) of the
Companies (Management and Administration) Rules, 2014**

ITEM NO. 3

The present Authorized Share Capital of the Company is ₹ 50 crores, Paid-up share capital is ₹ 10.45 crores and the Reserves as per the audited accounts as on 31st March, 2014 is ₹ 295.73 crores. The Board of Directors at their meeting held on 2nd May, 2014 have recommended the issue of bonus shares in the proportion of 1 (one) new equity share of ₹ 2/- (Rupees Two only) each fully paid-up for every 1 (one) existing equity share of ₹ 2/- (Rupees Two only) each of the Company (post-sub-division of the equity share capital of the Company) held by the members on a date (Record Date) to be hereafter fixed by the Board / Committee of the Board by capitalization of a sum of ₹ 10,45,38,190/- (Rupees Ten crores Forty Five lacs Thirty Eight thousand One hundred Ninety only) from the Free Reserves / Securities Premium Account or such other reserves accounts, as may be decided by the Board of Directors of the Company. The same is proposed to be utilized in full by issuing at par 5,22,69,095 new fully paid-up equity shares of ₹ 2/- (Rupees Two only) each as bonus shares.

The proposed issue of bonus shares will be made in accordance with the provisions of Companies Act, 2013 and guidelines issued by the Securities Exchange Board of India from time to time and subject to such approvals, if required, from the statutory authorities.

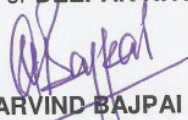
Further, it is necessary to authorize the Board of Directors / Committee of the Board to complete all the regulatory formalities prescribed by SEBI, Stock Exchanges on which the shares of the Company are listed and / or any other regulatory or statutory authority in connection with the issue of bonus shares.

The Directors, the Chief Financial Officer and Company Secretary, being the Key Managerial Personnel of the Company and their relatives are deemed to be concerned or interested in the resolution at Item No. 3 only to the extent of shares held, if any, by them in the Company. The proposed Resolution does not relate to or affect any other Company.

Your approval is sought by voting through Postal Ballot or through e-voting, as the case may be pursuant to the provisions of Section 110 of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014 for passing the Resolution under Item No. 3 as set out in this Notice.

CERTIFIED TRUE COPY

For **DEEPAK NITRITE LIMITED**



ARVIND BAJPAI
Company Secretary

CERTIFIED TRUE COPY OF RESOLUTION PASSED BY THE MEMBERS OF DEEPAK NITRITE LIMITED THROUGH POSTAL BALLOT ON 11TH JUNE, 2014

Sub-division of each equity share of ₹ 10/- into 5 equity shares of ₹ 2/- each :
(ITEM NO. 1 - ORDINARY RESOLUTION)

“RESOLVED THAT pursuant to the provisions of Section 61 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modifications or re-enactment thereof for the time being in force), and in accordance with Article 10 of the Articles of Association of the Company and subject to the approvals, consents, permissions and sanctions, if any, required from any authority and subject to such conditions as may be agreed to by the Board of Directors of the Company (hereinafter referred to as “the Board”, which term shall also include any Committee thereof), consent of the Members be and is hereby accorded to sub-divide each Equity Share of the Company having Face value of ₹ 10/- (Rupees Ten only) into 5 (Five) Equity Shares of Face value of ₹ 2/- (Rupees Two only) each fully paid-up and consequently, the Authorized Share Capital of the Company of ₹ 50,00,00,000/- (Rupees Fifty Crores only) would comprise of 15,00,00,000 (Fifteen Crores only) Equity Shares of ₹ 2/- (Rupees Two only) each and 20,00,000 (Twenty Lacs) Preference Shares of ₹ 100/- (Rupees One Hundred only) each with effect from the “Record Date” to be determined by the Board for this purpose.

RESOLVED FURTHER THAT pursuant to the sub-division of the Equity Shares of the Company, each Equity Share of the Face value of ₹ 10/- (Rupees Ten only) as existing on the Record Date shall stand sub-divided into 5 (Five) Equity Shares of the Face value of ₹ 2/- (Rupees Two only) each fully paid-up, with effect from the Record Date.

RESOLVED FURTHER THAT on sub-division, the 5 (five) Equity Shares of the Face value of ₹ 2/- (Rupees Two only) each be issued in lieu of one Equity Share of ₹ 10/- (Rupees Ten only) each, subject to the terms of 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 fully paid Equity Shares of ₹ 10/- (Rupees Ten only) each of the Company and shall be entitled to dividend(s) to be declared after the sub-division of equity shares.

RESOLVED FURTHER THAT upon sub-division of Equity Shares of the Company as aforesaid, the existing share certificate(s) in relation to the existing Equity Shares of Face value of ₹ 10/- (Rupees Ten only) each held in physical form shall be deemed to have been automatically cancelled and be of no effect on and from the Record Date and that no letter of allotment shall be issued to the allottees of the new Equity Shares of ₹ 2/- (Rupees Two only) each on sub-division and the Company may, without requiring the surrender of existing share certificate(s), directly issue and dispatch the new share certificate(s) of the Company, in lieu of such existing share certificate(s), within the period prescribed or that may be prescribed in this behalf, from time to time and in the case of shares held in dematerialized form, the number of sub-divided Equity Shares be credited to the respective beneficiary accounts of the shareholders with the Depository Participants, in lieu of the existing credits representing the Equity Shares before sub-division.

RESOLVED FURTHER THAT the Board be and is hereby authorized to fix a Record Date and to take such steps as may be necessary for obtaining approvals, statutory, contractual or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto, and to execute all deeds, applications, documents and writings that may be required, on behalf of the Company and generally to do all such acts, deeds, matters and things and to give, from time to time, such directions as may be necessary, proper and expedient or incidental for the purpose of giving effect to this resolution.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of its powers to any Committee thereof as it may deem appropriate in this regard.”



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Amendment to Clause V of the Memorandum of Association of the Company :
(ITEM NO. 2 - SPECIAL RESOLUTION)

“RESOLVED THAT pursuant to the provisions contained in Section 13, 61 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s), amendment or re-enactment thereof), the existing Clause V of the Memorandum of Association of the Company be and is hereby amended by deletion of the existing Clause V and by substitution thereof by the following clause:

‘V. The Authorized Shares Capital of the Company is ₹ 50,00,00,000/- (Rupees Fifty crores only) divided into 15,00,00,000 (Fifteen crores) Equity Shares of ₹ 2/- (Rupees Two only) each, and 20,00,000 (Twenty lacs) Preference Shares of ₹ 100/- (Rupees One Hundred only) each with the rights, privileges and conditions attaching thereto as are provided by the Articles of Association of the Company for the time being with power to increase and reduce the Capital of the Company and to divide the Shares in the Capital for the time being into several classes and to attach thereto respectively such preferential, deferred, qualified or special rights with the Articles of Association of the Company and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may for the time being provided by the Articles of Association of the Company.’

RESOLVED FURTHER THAT the Board of Directors or a Committee thereof be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable and expedient for giving effect to this resolution and/or otherwise considered by them in the best interest of the Company.”

CERTIFIED TRUE COPY

For DEEPAK NITRITE LIMITED



ARVIND BAJPAI
Company Secretary

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**Explanatory Statement as required by Section 102 of the Companies Act, 2013 and
Explanation about reasons for passing the resolutions as required under Rule 22 (1) of the
Companies (Management and Administration) Rules, 2014**

ITEM NO. 1 & 2

The Equity Shares of the Company are listed on the BSE Limited (BSE) and National Stock Exchange of India Limited (NSE). With a view to broad base the investor base by encouraging the participation of the small investors and also to increase the liquidity of equity shares of the Company, the Board of Directors at its meeting held on 2nd May, 2014 have approved the sub-division of each equity share of face value of ₹ 10/- (Rupees Ten only) of the Company into 5 (five) equity shares of face value ₹ 2/- (Rupees Two only) each, subject to approval of members. The Company is seeking approval of the members through Postal Ballot for sub-division of each of the existing equity shares of the Company.

Accordingly, each issued equity share of nominal value ₹ 10/- (Rupees Ten only) of the Company existing on the Record Date shall stand sub-divided into 5 (Five) equity shares of nominal value ₹ 2/- (Rupees Two only) each.

The Record Date for the aforesaid sub-division of the equity shares will be fixed by the Board of Directors or Committee thereof after the approval of the shareholders is obtained, pursuant to this Postal Ballot.

At present, the Authorized Share Capital of the Company is ₹ 50,00,00,000/- (Rupees Fifty Crores only) divided into 3,00,00,000 (Three Crore) Equity Shares of ₹ 10/- (Rupees Ten only) each and 20,00,000 (Twenty lacs) Preference Shares of ₹ 100/- (Rupees One hundred only) each. The Issued, Subscribed and Paid-up Share Capital of the Company is divided into 1,04,53,819 (One Crore Four Lacs Fifty Three Thousand Eight Hundred Nineteen) Equity Shares of ₹ 10/- (Rupees Ten only) each amounting to ₹ 10,45,38,190/- (Rupees Ten crores Forty Five lacs Thirty Eight thousand One hundred Ninety only).

The proposed sub-division of equity shares of the Company from ₹ 10/- (Rupees Ten only) per equity share to ₹ 2/- (Rupees Two only) per equity share, requires amendment to the Memorandum of Association of the Company. Accordingly, Clause V of the Memorandum of Association is proposed to be altered in the manner set out in Resolution at Item No. 2, to reflect the alteration in the authorized share capital of the Company, i.e. from ₹ 50,00,00,000/- (Rupees Fifty crore only) divided into 3,00,00,000 (Three crore) Equity Shares of ₹ 10/- (Rupees Ten only) each, and 20,00,000 (Twenty lacs) Preference Shares of ₹ 100/- (Rupees One hundred only) each to 15,00,00,000 (Fifteen crores) Equity Shares of ₹ 2/- (Rupees Two only) each, and 20,00,000 (Twenty lacs) Preference Shares of ₹ 100/- (Rupees One hundred only) each.

The resolution as set out in Item No. 2 of the notice for altering Clause V of the Memorandum of Association of the Company to reflect the corresponding changes in the Capital Clause of the Memorandum of Association of the Company, consequent to the proposed Sub- Division of each existing Equity Share of ₹ 10/- (Rupees Ten only) into 5 (five) Equity Shares of ₹ 2/- (Rupees Two only) each.

Accordingly, the Board seeks approval of the Members for Resolutions at Item Nos. 1 and 2 for the proposed sub-division of each Equity Share of nominal value of ₹ 10/- (Rupees Ten only) of the Company into 5 (five) Equity Shares of ₹ 2/- (Rupees Two only) each and the consequent amendments to Clause V of the Memorandum of Association of the Company.

The Board is of the opinion that the aforesaid sub-division of the nominal value of equity shares is in the best interest of the members and hence commends passing of the Resolutions at Items Nos. 1 and 2 through Postal Ballot.



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A copy of the Memorandum of Association of the Company along with the proposed amendments is available for inspection by the members at the Registered Office of the Company during working hours between 11.00 a.m. to 1.00 p.m. on all days except Saturdays, Sundays and Public Holidays till the conclusion of the Postal Ballot.

The Directors, the Chief Financial Officer and Company Secretary, being the Key Managerial Personnel of the Company and their relatives are deemed to be concerned or interested in the resolutions at Item Nos. 1 and 2 only to the extent of shares held by them, if any, in the Company. The proposed Resolutions do not relate to or affect any other Company.

Your approval is sought by voting through Postal Ballot or through e-voting, as the case may be, pursuant to the provisions of Section 110 of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014 for passing the Resolution under Item No. 1 and 2 as set out in this Notice.

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For **DEEPAK NITRITE LIMITED**



ARVIND BAJPAI
Company Secretary