

**Minutes of the Announcement of the Results of the Postal Ballot of Kothari Products Ltd. on Saturday, the 26<sup>th</sup> December, 2015 at the Registered Office of the Company situated at "Pan Parag House", 24/19, The Mall, Kanpur at 6 P.M.**

**PRESENT**

1. Sri Deepak Kothari -Chairman & Managing Director
2. Mr. Raj Kumar Gupta -Company Secretary
3. Mr. Adesh Tandon -Scrutinizer for Postal Ballot

**BACKGROUND**

The Board of Directors in its meeting held on 10<sup>th</sup> November, 2015 decided to get certain Special Resolutions passed, some of which were required to be passed through Postal Ballot under Section 110 of the Companies Act, 2013 and Companies (Management & Administration) Rules, 2014. These resolutions were relating to Issue of Bonus Shares in the Ratio of 1:2 (u/s 63 of the Companies Act, 2013), Increase of authorized share capital of the Company from Rs.21 Crores to Rs.31 Crores (u/s. 61, 13 & 14 of the Companies Act, 2013), To approve investment, giving of guarantees /securities /Loans (u/s 186 of the Companies Act, 2013), To approve creation of mortgage and/or charge (u/s 180(1)(a) of the Companies Act, 2013) & To borrow monies in excess of the prescribed limits u/s 180(1)(c) of the Companies Act, 2013. The Board of Directors at its above meeting held on 10<sup>th</sup> November, 2015 appointed Mr. Adesh Tandon, Practicing Company Secretary, Kanpur as Scrutinizer to receive and scrutinize the completed Postal ballot forms received from the Members and for conducting the Postal Ballot Process and also to scrutinize the e-voting process in a fair and transparent manner. The Board of Directors in the above meeting also appointed NSDL as the agency to provide e-voting facility to the members of the Company.

Accordingly in compliance with the aforesaid Rules, the Postal Ballot Notices dated 10<sup>th</sup> November, 2015 and the Postal Ballot Forms, pursuant to Section 110 of the Companies Act, 2013, for passing the aforesaid Resolutions by Postal Ballot were mailed to all such members of the Company who had their email ids registered with the Company/depositories and physically dispatched to all such members of the Company who did not have their email ids registered with the Company/depositories. The self-addressed business reply envelopes were also physically dispatched for the use of the Members. The aforesaid mailing / dispatch was completed on 24<sup>th</sup> November, 2015 and a Notice was published in the Newspapers in this regard on 25<sup>th</sup> November, 2015. The Shareholders were requested to return the postal ballot forms duly completed along with their assent (for) or dissent (against), so as to reach the scrutinizer on or before 26<sup>th</sup> December, 2015. Further, in compliance with Clause 35B of the Listing Agreement and Section 110 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, the Company had provided an option to the members holding shares in demat form and physical form, to vote on the postal ballot by way of

CERTIFIED TRUE COPY

For KOTHARI PRODUCTS LTD.

(RAJ KUMAR GUPTA)  
CS & COMPLIANCE OFFICER

remote e-voting to enable members to cast their vote electronically. Members having shares in demat form and in physical form could vote either by way of Postal Ballot Form or by way of e-voting. The voting period started on Friday, 27<sup>th</sup> November, 2015 at 9:00 A.M. and ended on Saturday, 26<sup>th</sup> December, 2015 at 5:00 P.M. The e-voting module was disabled by NSDL for voting thereafter.

After due scrutiny of the E-voting done and all the postal ballot forms received by Mr. Adesh Tandon, Scrutinizer, up to 5 p.m. on 26<sup>th</sup> December, 2015 (being last date fixed for E-voting and return of the Postal Ballot Forms duly filled in by the Members) , Mr. Adesh Tandon, submitted his report dated 26th December, 2015 detailing resolution-wise voting as under-

Sl. No.	Subject Matter of the Resolutions	Total No. of Votes Cast through Postal Ballot Form/E-Voting	No. of Invalid Votes	Net valid votes cast through postal ballot form/E-voting	No. of Votes in Favour		No. of Votes Against		Results of Voting
					Votes cast for the resolution		Votes cast against the resolution		
					No. of Votes	In %	No. of Votes	In %	
1.	Special Resolution pursuant to Article 58 & u/s. 63 of the Companies Act, 2013 to approve issue of Bonus Shares in the Ratio of 1 (One) Equity Share for every 2 (Two) Equity Shares held.	14925001	221	14924780	14924780	100	0	0	Resolution was passed unanimously
2.	Special Resolution u/s. 61, 13 & 14 of the Companies Act, 2013 to approve increase of Authorised Share Capital of the Company from Rs.21 Crores to Rs.31 Crores and consequent alteration of the Capital Clauses of the Memorandum and Articles of Association of the Company.	14925001	221	14924780	14924780	100	0	0	Resolution was passed unanimously
3.	Special Resolution to	14925001	221	14924780	14924113	99.99	667	.01	Resolution

CERTIFIED TRUE COPY

For KOTHARI PRODUCTS LTD.

(RAJ KUMAR GUPTA)  
CS & COMPLIANCE OFFICER

	approve increase in the limits for making investments, giving guarantees/Securities/Loans under section 186 of the Companies Act, 2013								was passed with requisite majority
4.	Special Resolution to approve increase in the limits for creation of mortgage and/or charge under section 180(1)(a) of the Companies Act, 2013	14925001	221	14924780	14924008	99.99	772	.01	Resolution was passed with requisite majority
5.	Special Resolution to borrow monies in excess of the limits prescribed u/s. 180 (1)(c) of the Companies Act, 2013.	14925001	221	14924780	14923986	99.99	794	.01	Resolution was passed with requisite majority

The Chairman after receiving the Scrutinizer's Report announced that the Special Resolution at Item No. 1 & 2 were passed unanimously and Special Resolutions at item Nos. 3, 4 & 5 were duly passed by the requisite majority. A copy of the Scrutinizer's Report was placed on the table and initialled by the Chairman for the purposes of identification. As per Section 110 of the Companies Act, 2013, the Postal Ballot proceedings are deemed to be the proceedings of a General Meeting. Accordingly the declaration made by the Chairman in respect of the resolutions mentioned herein above having been duly passed unanimously/ with requisite majority, is being recorded as minutes of the General Meeting in compliance of the provisions of the Act.

The detailed Resolutions passed through Postal Ballot as above are as under :-

**RESOLUTION NO. 1**

**As a Special Resolution**

“RESOLVED THAT pursuant to the recommendation of the Board of Directors and Article 58 of the Articles of Association of the Company, Section 63 of the Companies Act, 2013, SEBI (Issue of Capital and Disclosures Requirements) Regulations, 2009 and such other applicable provisions, if any, a sum of Rs.9,94,79,550 (Rupees Nine Crores Ninety Four lacs Seventy Nine Thousand Five Hundred and Fifty ) standing to the credit of the Company's General Reserves be capitalized and such amount be applied in paying up in full 99,47,955 (Ninety Nine Lacs Forty Seven Thousand Nine Hundred and Fifty Five) Bonus Equity Shares of Rs. 10/- each in the capital of the Company, to be allotted and distributed as fully paid-up Equity Shares to the members of the Company registered on such date as may

CERTIFIED TRUE COPY

For KOTHARI PRODUCTS LTD.



(RAJ KUMAR GUPTA)  
CS & COMPLIANCE OFFICER

hereafter be determined by the Board of Directors in the ratio of 1 (one) Equity Share for every 2 (Two) existing Equity Shares held in the Company.

FURTHER RESOLVED THAT the Equity Shares to be issued in pursuance of the aforesaid shall, in all respect, rank pari passu to the existing Equity Shares of the Company.

FURTHER RESOLVED THAT the Board of Directors of the Company be and is hereby authorized to do, sign and execute all such acts, deeds and documents as may be necessary to give effect to the aforesaid.”

### **RESOLUTION NO. 2**

#### **As a Special Resolution**

“RESOLVED THAT pursuant to Section 61, 13 & 14 of the Companies Act, 2013 and all other applicable provisions, if any, of The Companies Act, 2013, (including any statutory modifications or re-enactments thereof for the time being in force) the consent of the Company be and is hereby granted for increase in the Authorised Share Capital of the Company from Rs. 21,00,00,000/- (Rupees Twenty One Crores) divided into 2,10,00,000 (Two Crores Ten Lacs) Equity shares of Rs.10/- (Rupees Ten) each to Rs. 31,00,00,000/- (Rupees Thirty One Crores) divided into 3,10,00,000 (Three Crores Ten Lacs) Equity Shares of Rs.10/- (Rupees Ten) each.

FURTHER RESOLVED THAT the existing clause V of the Memorandum of Association of the Company be replaced with the following new Clause :-

“V. The Authorised Share Capital of the Company is Rs. 31,00,00,000/- (Rupees Thirty One Crores) divided into 3,10,00,000 (Three Crores Ten Lacs) Equity Shares of Rs.10/- (Rupees Ten) each.”

FURTHER RESOLVED THAT consequent to the aforesaid increase of the Authorised Share Capital of the Company, Article 3 of the Articles of Association of the Company be altered by substituting in its place the following new Article :-

“3. The Authorised Share Capital of the Company is Rs.31,00,00,000/- (Rupees Thirty One Crores) divided into 3,10,00,000 (Three Crores Ten Lacs) Equity Shares of Rs.10/- (Rupees Ten) each.”

FURTHER RESOLVED THAT the Board of Directors of the Company be and is hereby authorized to do, sign and execute all such acts, deeds and documents as may be necessary to give effect to the aforesaid.”

### **RESOLUTION NO. 3**

#### **As a Special Resolution**

“RESOLVED THAT in supersession of the Special Resolution passed through Postal Ballot on 24<sup>th</sup> March, 2014 and pursuant to the

CERTIFIED TRUE COPY

For KOTHARI PRODUCTS LTD.



(RAJ KUMAR GUPTA)  
CS & COMPLIANCE OFFICER

provisions of Section 186 of the Companies Act, 2013, read with the Companies (Meetings of Board and its Powers) Rules, 2014, and other applicable provisions, if any, of the Companies Act, 2013 and subject to such approvals, consents, sanctions and permissions of appropriate authorities, departments or bodies as may be necessary, the consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the Board) for making investments of the surplus funds of the Company in the Shares of Companies specified in BSE 500 Index, Units of Mutual Funds registered with SEBI and also Mutual Funds of Nationalised/Scheduled Banks/Foreign Banks and/or UTI or any other Corporate Bodies formed under the Act of Parliament, making Loan, giving any guarantee, or providing security, in connection with a loan made by any other person to, or to any other person by, any body corporate from time to time, in excess of 60% of the paid-up share capital, free reserves and Securities Premium Account of the company or 100% of the free reserves and Securities Premium Account of the Company whichever is more, subject to maximum of Rs.4000 Crores outstanding at any one point of time.

FURTHER RESOLVED THAT the Board of Directors of the Company be and is hereby authorized to take from time to time, all decisions and steps in respect of the aforesaid Loans/Investments/Guarantees/Securities including its timings, amount and such other terms and conditions as applicable, and to vary/modify any such terms and conditions including availing of the same in one or more tranches, as and when they deem fit and proper, in the interest of the company and to do and perform all such acts, deeds, matters and things, as well as to sign and execute such papers, documents, deeds and instruments as may be deemed necessary for the purpose of the aforesaid and to exercise all rights and powers which would vest in the company in this regard.”

#### **RESOLUTION NO. 4**

##### **As a Special Resolution**

“RESOLVED THAT in supersession of the Special Resolution passed through Postal Ballot on 24<sup>th</sup> March, 2014 the consent of the Company be and is hereby accorded under section 180(1)(a) and all other applicable provisions of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force), to the Board of Directors (hereinafter referred to as “the Board”) to mortgage and/or charge, in addition to the mortgage(s)/charge(s) created/to be created by the Company, in such form and manner and with such ranking and at such time and on such terms and conditions as the Board may determine, subject to maximum amount of Rs.2500 Crores of charges outstanding at any time, on all or any of the movable and/or immovable property(ies) of the company, both present and future of every nature & kind whatsoever together with the powers to take over the management of the business and concern of the Company, in certain events of defaults, in favour of lenders for securing the borrowings availed/to be availed by the Company by way of loans and securities issued by the Company together with interest at the respective agreed rates, additional interest, all other costs, charges and expenses and all other monies payable by

CERTIFIED TRUE COPY

For KOTHARI PRODUCTS LTD.

(RAJ KUMAR GUPTA)  
C.S. COMPLIANCE OFFICER

the Company in respect of said loans/borrowings/debentures/other securities and containing such specific terms and conditions and covenants in respect of enforcement of security as may be stipulated in that behalf and agreed to between Board of Directors and the Lender(s)/Agent(s) and Trustee(s)".

"RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors be and is hereby authorized to finalise, settle and execute such documents/deeds/writings/papers/agreements as may be required and to do all such acts, deeds, matters and things, as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in regard to creating mortgages/charges as aforesaid."

**RESOLUTION NO. 5**

**As a Special Resolution**

"RESOLVED THAT the Board of Directors of the Company be and is hereby authorized, pursuant to the provisions of section 180 (1) (c) of the Companies Act, 2013 and other applicable provisions, if any of the aforesaid Act (including any statutory modifications thereto or re-enactments thereof), to borrow money, from time to time, at its discretion either from the Company's banks or any other bank, financial institution or any other leading institutions or persons on such terms and conditions as may be considered suitable by the Board of Directors up to a limit not exceeding in the aggregate Rs. 2500 Crores (Rupees Two Thousand Five Hundred Crores), notwithstanding that the money to be borrowed together with moneys already borrowed by the Company (including temporary loans obtained from the Company's bankers in the ordinary course of business), will exceed the aggregate of the paid up capital of the Company and its free reserves."

**Place : Kanpur**

**Dated : 18<sup>th</sup> JANUARY, 2016**

Sd/-  
**(CHAIRMAN)**

**CERTIFIED TRUE COPY**

For KOTHARI PRODUCTS LTD.

  
**(RAJ KUMAR GUPTA)**  
CS & COMPL. OFFICER