



September 29, 2017

To  
The Manager  
The Department of Corporate Services  
BSE Limited  
Floor 25, P. J. Towers,  
Dalal Street, Mumbai – 400 001

To  
The Manager  
The Listing Department  
National Stock Exchange of India Limited  
Exchange Plaza, Bandra Kurla Complex,  
Bandra (East), Mumbai – 400 051

**Scrip Code: 539450**

**Scrip Symbol: SHK**

Dear Sir/ Madam,

**Sub: Postal Ballot Notice – Disclosure under Regulation 30 of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”)**

Further to our letter dated August 10, 2017 and pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), we are enclosing a copy of the Postal Ballot Notice dated September 22, 2017 seeking approval of the Members for:

1. S H Kelkar Stock Appreciation Rights Scheme 2017 for the benefit of employees of the Company;
2. S H Kelkar Stock Appreciation Rights Scheme 2017 for the benefit of employees of the subsidiary company(ies);
3. Authorising SH Kelkar Employee Benefit Trust for secondary acquisition for implementation of SH Kelkar Stock Appreciation Rights Scheme 2017; and
4. Giving loan / provision of money by the Company to SH Kelkar Employee Benefit Trust for purchase of the shares of the Company for the implementation of SH Kelkar Stock Appreciation Rights Scheme 2017.

The Postal Ballot Notice together with Explanatory Statement and Postal Ballot Form is being sent to the Members whose names appear in the Registrar of Members / list of Beneficial Owners as on Friday, September 22, 2017, as received from the Registrar and Share Transfer Agent, National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL).

The Company has engaged the services of CDSL for providing e-voting facility to all its Members. The voting through postal ballot and e-voting will commence at 9.00 am on Tuesday, October 03, 2017 and shall end 5.00 pm on Wednesday, November 01, 2017. The results of postal ballot will be declared on or before Friday, November 03, 2017.

We request you to kindly take the same on record.

Thanking you,

Yours faithfully,  
For S H Kelkar and Company Limited

  
**Deepti Chandratre**  
Company Secretary & Compliance Officer  
Encl: a/a



**S H Kelkar And Company Limited**  
Lal Bahadur Shastri Marg, Mulund (West), Mumbai - 400 080. Tel : +91 22 2167 7777  
Regd. Office : Devkaran Mansion, 36, Mangaldas Road, Mumbai - 400 002. (INDIA)  
Phone : (022) 2206 96 09 & 2201 91 30 / Fax : (022) 2208 12 04  
www.keva.co.in  
CIN No. L74999MH1955PLC009593



## S H KELKAR AND COMPANY LIMITED

Registered Office: Devkaran Mansion, 36, Mangaldas Road, Mumbai - 400002  
Corporate Office: Lal Bahadur Shastri Marg, Mulund (West), Mumbai - 400 080  
CIN No: L74999MH1955PLC009593  
Tel No: +91222164 9163; Fax No: +91222164 9766  
Website: [www.keva.co.in](http://www.keva.co.in); Email Id: investors@keva.co.in

### POSTAL BALLOT NOTICE

Dear Member(s),

Notice is hereby given pursuant to the provisions of Section 110 and other applicable provisions if any, of the Companies Act, 2013 (“**Act**”), read with the Companies (Management and Administration) Rules 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**Listing Regulations**”) that the resolutions appended below are proposed to be passed by Members as Special Resolutions by way of postal ballot/electronic voting (“**e-voting**”) by giving their assent/dissent.

The Explanatory Statement to be annexed to Notice under Section 102 (1) of the Act setting out the material facts and reasons for the resolutions is also appended herewith and is being sent to you along with a Postal Ballot Form for your consideration.

The Board of Directors of the Company has appointed Mr. Ved Prakash (Membership No. 36837/CP. No. 16986), Designated Partner, M/s. S. Anantha & Ved LLP, Company Secretaries, Mumbai as the Scrutinizer (“**Scrutinizer**”) for conducting the postal ballot and evoting process in a fair and transparent manner.

Members desiring to exercise their vote by postal ballot are requested to carefully read the instructions printed on the Postal Ballot Form and return the same duly completed in the enclosed self-addressed Business Reply Envelope. Postage of such envelope will be borne and paid by the Company. Postal Ballot Forms, if sent at the expense of the Member(s), will also be accepted. The Postal Ballot Forms may also be deposited personally at the address given on the Business Reply Envelope. The duly completed Postal Ballot Form should reach the Scrutinizer not later than the close of working hours on Wednesday, November 01, 2017 (5.00 p.m.) - the last date for receipt of the completed Postal Ballot Forms - to be eligible for being considered, failing which it will be strictly considered that no reply has been received from the concerned Member.

The Company is pleased to offer e-voting facility as an alternative to its Members to enable them to cast their votes electronically instead of physical Postal Ballot Form. Members desirous to opt for e-voting as per the facilities arranged by the Company in accordance with Regulation 44 of the Listing Regulations are requested to read the instructions in the Notes under the section “Voting through Electronic Means.” References to postal ballot(s) in this Postal Ballot Notice include votes received electronically.

The Scrutinizer will submit his report to the Chairman or any other authorised director of the Company after the completion of the scrutiny of the postal ballots (including e-voting). The result of the postal ballot shall be declared on or before Friday, November 03, 2017. The result of the postal ballot along with Scrutinizer’s report will be posted on the Company’s website - [www.keva.co.in](http://www.keva.co.in) and website of CDSL - [www.evotingindia.com](http://www.evotingindia.com) besides communicating the same to the National Stock Exchange of India Limited and BSE Limited.

The resolutions passed through the postal ballot shall be deemed to have been passed at a General Meeting of Members convened on that behalf.

#### **Special Business:**

**1. To approve the SH Kelkar Stock Appreciation Rights Scheme 2017 for the benefit of the employees of the Company and in this regard, to consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:**

“**RESOLVED THAT** pursuant to Section 67 and other applicable provisions, if any, of the Companies Act, 2013 read with the Rules made thereunder, including any statutory modification(s) or re-enactment thereof, for the time being in force; the Memorandum of Association and Articles of Association of the Company; the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations 2014, as amended from time to time (“**SBEB Regulations**”); and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, which may be accepted by the Board of Directors of the Company (hereinafter referred to as the “**Board**” which term shall be deemed to include any committee of the Board, including Nomination and Remuneration Committee of the Board, which shall exercise its powers, including the powers, conferred by this resolution):

- a. the approval of the Members of the Company be and is hereby accorded to the SH Kelkar Stock Appreciation Rights Scheme 2017 (“**Scheme**”), salient features of which are detailed in the explanatory statement to this Notice and to the Board to grant Stock Appreciation Rights (“**SARs**”) to the employees of the Company, existing and future, working in India or outside India, including Directors whether whole-time directors or not (but excluding an employee who is a promoter of the Company or belonging to the promoter group of the Company, an Independent Director of the Company and a Director who either himself or through his relative or through any body corporate, directly or indirectly, holds more than 10% (ten per cent) of the outstanding equity shares of the Company) and to such other persons as may from time to time be allowed to be eligible for the benefit under the provisions of the applicable laws and regulations in force (all such persons are hereinafter collectively referred to as “**Employees**”) as may be decided by the Board under the Scheme;

- b. the Scheme be implemented through the SH Kelkar Employee Benefit Trust being set-up by the Company on such terms and conditions as may be determined by the Board in accordance with the provisions of the Scheme, SBEB Regulations and in accordance with other applicable laws and regulations in force; and
- c. subject to the provisions of the applicable laws and regulations in force including the SBEB Regulations, the Board is hereby authorized to:
  - i. administer, implement and superintend the Scheme through SH Kelkar Employee Benefit Trust being set-up by the Company;
  - ii. decide all other matters that must be determined in connection with a SARs under the Scheme;
  - iii. make fair and reasonable adjustment to the number of SARs in case of any corporate actions;
  - iv. formulate, approve, decide upon and bring into effect the Scheme subject to SBEB Regulations for the purpose of grant of SARs to the Employees and at any time, to modify, change, vary, alter, amend, suspend or terminate the Scheme subject to compliance with applicable laws and regulations; and
  - v. do all such acts, deeds, matters and things as it may in its absolute discretion deem expedient and to settle any questions, difficulties or doubts that may arise with respect to the above matter without requiring the Board to secure any further approval of the Members and the Board be and is hereby further authorized to nominate one or more representatives of the Company to execute such further deeds, documents and writings that may be considered necessary and to carry out any or all activities that the Board is empowered to do for the purpose of giving effect to this resolution."

**2. To approve the SH Kelkar Stock Appreciation Rights Scheme 2017 for the benefit of the employees of the Subsidiary Company(ies) of the Company and in this regard, to consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:**

**"RESOLVED THAT** pursuant to Section 67 and other applicable provisions, if any, of the Companies Act 2013 read with the Rules made thereunder, including any statutory modification(s) or re-enactment thereof, for the time being in force: the Memorandum of Association and Articles of Association of the Company; the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations 2014, as amended from time to time ("**SBEB Regulations**") and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, which may be accepted by the Board of Directors of the Company (hereinafter referred to as the "**Board**" which term shall be deemed to include any committee of the Board, including Nomination and Remuneration Committee of the Board, which shall exercise its powers, including the powers, conferred by this resolution):

- a. the approval of the Members of the Company be and is hereby accorded to the SH Kelkar Stock Appreciation Rights Scheme 2017 ("**Scheme**"), salient features of which are detailed in the explanatory statement to this Notice and to the Board to grant Stock Appreciation Rights ("**SARs**") to the employees of the Subsidiary Company(ies), existing and future, working in India or outside India, including Directors whether whole-time directors or not of the Subsidiary Company(ies) (but excluding an employee who is a promoter or belonging to the promoter group of the Company, an Independent Director and a Director who either himself or through his relative or through anybody corporate, directly or indirectly, holds more than 10% (ten per cent) of the outstanding equity shares of the Company) and to such other persons as may from time to time be allowed to be eligible for the benefit under the provisions of the applicable laws and regulations in force (all such persons are hereinafter collectively referred to as "**Employees**") as may be decided by the Board under the Scheme;
- b. the Scheme be implemented through the SH Kelkar Employee Benefit Trust being set up by the Company on such terms and conditions as may be determined by the Board in accordance with the provisions of the Scheme, SBEB Regulations and in accordance with other applicable laws and regulations in force;
- c. subject to the provisions of the applicable laws and regulations in force including the SBEB Regulations, the Board be and is hereby authorized to:
  - i. administer, implement and superintend the Scheme through the SH Kelkar Employee Benefit Trust being set up by the Company;
  - ii. decide all other matters that must be determined in connection with a SARs under the Scheme;
  - iii. make fair and reasonable adjustment to the number of SARs in case of any corporate actions;
  - iv. formulate, approve, decide upon and bring into effect the Scheme subject to SBEB Regulations for the purpose of grant of SARs to the Employees and any time, to modify, change, vary, alter, amend, suspend or terminate the Scheme subject to compliance with applicable laws and regulations; and
  - v. do all such acts, deeds, matters and things as it may in its absolute discretion deem expedient and to settle any questions, difficulties or doubts that may arise with respect to the above matter without requiring the Board to secure any further approval of the Members and the Board be and is hereby further authorized to nominate one or more representatives of the Company to execute such further deeds, documents and writings that may be considered necessary and to carry out any or all activities that the Board is empowered to do for the purpose of giving effect to this resolution."

3. **To authorize the SH Kelkar Employee Benefit Trust for secondary acquisition for implementation of the SH Kelkar Stock Appreciation Rights Scheme 2017 and in this regard, to consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:**

**“RESOLVED THAT** pursuant to the applicable provisions of the Companies Act 2013 read with the Rules made thereunder, including any statutory modification(s) or re-enactment thereof, for the time being in force; the Memorandum of Association and Articles of Association of the Company; the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations 2014, as amended from time to time (**“SBEB Regulations”**); and subject to such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, which may be accepted by the Board of Directors of the Company (hereinafter referred to as the **“Board”** which term shall be deemed to include any committee of the Board, including Nomination and Remuneration Committee of the Board, which shall exercise its powers, including the powers, conferred by this resolution):

- a. the consent of Members of the Company be and is hereby accorded to the Board to implement SH Kelkar Stock Appreciation Rights Scheme 2017 (**“Scheme”**) through the SH Kelkar Employee Benefit Trust, an independent trust being set up by the Company, and for the SH Kelkar Employee Benefit Trust to acquire/ purchase equity shares of the Company through secondary market for the purpose of implementation of the Scheme, provided the secondary acquisition by the said Trust shall not exceed the limits under Regulation 3(10) and regulation 3(11) of the SBEB Regulations; and
- b. the Board be and is hereby authorized on behalf of the Company to nominate one or more representatives of the Company to execute such deeds, documents and writings that may be considered necessary and to carry out any or all activities that the Board is empowered and is hereby further authorized to do all such acts, deeds, matters and things as may be deemed necessary, desirable, proper or expedient for the purpose of giving effect to this resolution and for matters connected therewith or incidental thereto.”

4. **To approve giving loan/provision of money by the Company to the SH Kelkar Employee Benefit Trust for purchase of the shares of the Company for the implementation of SH Kelkar Stock Appreciation Rights Scheme 2017 and in this regard, to consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:**

**“RESOLVED THAT** pursuant to Section 67 of the Companies Act, 2013 read with the Companies (Share Capital and Debentures) Rules, 2014, including any statutory modification(s) or re-enactment(s) thereof, for the time being in force (**“Act”**); the Memorandum and Articles of Association of the Company and the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations 2014, as amended from time to time:

- I. subject to the Section 186 and other applicable provisions, if any, of the Act read with the Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force); and
- II. subject to such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, which may be accepted by the Board of Directors of the Company (hereinafter referred to as the **“Board”** which term shall be deemed to include any committee of the Board, including Nomination and Remuneration Committee of the Board, which shall exercise its powers, including the powers, conferred by this resolution):
  - a. the consent of the Members of the Company be and is hereby accorded to the Board to grant loan(s) in one or more tranches and/or to give guarantee or provide security in connection with loan(s) granted or to be granted to the SH Kelkar Employee Benefit Trust being set up by the Company, for enabling SH Kelkar Employee Benefit Trust to make secondary acquisition of the shares of the Company for the purpose of the SH Kelkar Stock Appreciation Rights Scheme 2017 such that total amount of loan outstanding shall not exceed INR 75,00,00,000/- (Indian Rupees Seventy Five Crores); and
  - b. the Board be and is hereby authorized on behalf of the Company to nominate one or more representatives of the Company to execute such deeds, documents and writings that may be considered necessary and to carry out any or all activities that the Board is empowered and is hereby further authorized to do all such acts, deeds, matters and things as may be deemed necessary, desirable, proper or expedient for the purpose of giving effect to this resolution and for matters connected therewith or incidental thereto.”

**By Order of the Board of Directors  
of S H KELKAR AND COMPANY LIMITED  
CIN: L74999MH1955PLC009593**

**Deepti Chandratre  
Company Secretary**

Date: September 22, 2017  
Regd. Office: Devkaran Mansion, 36, Mangaldas Road, Mumbai – 400002  
e-mail: investors@keva.co.in



## NOTES:

1. The explanatory statement pursuant to Section 102 of the Act setting forth the material facts and reasons for the proposal is annexed herewith. The Postal Ballot Notice ("**Notice**") shall also be available on the website of the Company- [www.keva.co.in](http://www.keva.co.in).
2. The Notice is being sent to all the Members whose names appear in the Register of Members / Register of Beneficial Owners maintained by the depositories as on Friday, September 22, 2017. The Notice is being sent to Members who have registered their email IDs for receipt of documents in electronic form to their email addresses registered with their Depository Participants / the Company's Registrar and Transfer Agent. i.e. Link Intime India Private Limited. For Members whose email IDs are not registered, physical copies of the Notice along with Postal Ballot Form are being sent by permitted mode.
3. Members whose names appear on the Register of Members / Register of Beneficial Owners maintained by the depositories as on Friday, September 22, 2017 will be considered for the purpose of voting / e-voting. A person who is not a Member as on Friday, September 22, 2017 shall treat this Notice for information purpose only.
4. Voting rights shall be reckoned in proportion to the paid-up equity shares registered in the name of the Member as on Friday, September 22, 2017.
5. The postal ballot period commences on Tuesday, October 03, 2017 (9.00 a.m.) and ends on Wednesday, November 01, 2017 (5.00 p.m.).
6. Members who have received the Notice by e-mail and who wish to vote through physical ballot form may send an email to [investors@keva.co.in](mailto:investors@keva.co.in). The Registrar and Transfer agent/Company shall forward the Postal Ballot Form along with postage prepaid self - addressed Business Reply Envelope to the Member.
7. There will be only one Postal Ballot Form for every folio irrespective of the number of joint shareholder(s).
8. Resolutions passed by the Members with requisite majority through postal ballot shall be deemed to have been passed at a General Meeting of Members convened on that behalf.
9. A Member cannot exercise his vote by proxy on postal ballot.
10. The Scrutinizer will submit his report after completion of the scrutiny of ballot forms and the result of the voting by Postal Ballot will be announced in accordance with the provisions of Section 110 and other applicable provisions (if any) of the Act on or before Friday, November 03, 2017.
11. Resolutions passed by the Members with requisite majority through postal ballot shall be deemed to have been passed on the last date of receipt of Postal Ballot Forms /e-voting (i.e. Wednesday, November 01, 2017). All the material documents referred to in the explanatory statement will be available for inspection at the registered office of the Company at Devkaran Mansion 36, Mangaldas Road, Mumbai - 400002 during the office hours on all working days until the last date for receipt of votes by postal ballot/e-voting.
12. Incomplete, unsigned on incorrect, defaced or mutilated Postal Ballot Forms will be rejected. The Scrutinizer's decision on the validity of a postal ballot will be final and binding.
13. Voting through electronic means:

In compliance with the provisions of Sections 108, 110 and other applicable provisions of the Act read with the Companies (Management and Administration) Rules 2014 and Regulation 44 of the Listing Regulations, the Company is pleased to provide e-voting facility to all its Members, to enable them to cast their votes electronically instead of dispatching the physical postal ballot form by post. The Company has engaged the services of Central Depository Services (India) Limited (CDSL) for the purpose of providing e-voting facility to all its Members.

The e-voting period commences on Tuesday, October 03, 2017 (9.00 a.m.) and ends on Wednesday, November 01, 2017 (5.00 p.m.). During this period, Member(s) of the Company, holding shares either in physical form or in dematerialized form, as on the relevant date i.e. Friday, September 22, 2017, may cast their vote by e-voting. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently. The Members can opt for only one mode of voting i.e either through postal ballot or e-voting. In case Members cast their votes through both the modes, voting done through e-voting shall prevail and votes casted through Postal Ballot Forms shall be treated as invalid.

The instructions for e-voting are as follows:

The instructions for shareholders voting electronically are as under:

- i) Log on to the e-voting website: [www.evotingindia.com](http://www.evotingindia.com).
- ii) Click on "Shareholders" tab.
- iii) Enter your User ID
  - a) For CDSL: 16 digits beneficiary ID
  - b) For NSDL: 8 Character DP ID followed by 8 Digits Client ID
  - c) Members holding shares in Physical Form should enter Folio Number registered with the Company.
- iv) Enter the Image Verification as displayed and Click on Login.
- v) If you had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- vi) If you are a first time user, follow the steps given below:

|     |   |
|-----|---|
| PAN | Enter your 10 digit alpha-numeric PAN issued by Income Tax Department. Members who have not updated their PAN with the Company/Depository Participant are requested to use 10 digit sequence number printed in BOLD at TOP RIGHT SIDE of the address sticker affixed on this Annual Report. |
|-----|---|

- vii) After entering these details appropriately, click on “SUBMIT” tab.
- viii) Members will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password can also be used for voting on resolutions of any other company on which they are eligible to vote provided that such company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- ix) Click on Electronic Voting Sequence Number (EVSN) – 170925011 of SH Kelkar and Company Limited. This will take you to the voting page.
- x) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same, the option “YES / NO” for voting. Select the option “YES” or “NO” as desired. The option “YES” implies that you assent to the Resolution and option “NO” implies that you dissent to the Resolution.
- xi) Click on the “RESOLUTIONS FILE LINK”, if you wish to view the entire Resolution details.
- xii) After selecting the resolution you have decided to vote, now click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- xiii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- xiv) You can also take out print of the voting done by you by clicking on “Click here to print” option on the voting page.
- xv) If you have forgotten the changed password then enter the User ID, Image Verification Code and click on Forgot Password & enter the details as prompted by the system.
- xvi) Note for Non-Individual Shareholders and Custodians:
  - a) Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - b) A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - c) After receiving the login details a compliance user should be created using the admin login and password. The compliance user would be able to link the account(s) for which they wish to vote on.
  - d) The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - e) A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- xvii) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

## STATEMENT OF MATERIAL FACTS PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

### Items 1 to 4

In today's competitive world, employees are company's most important resource and asset. The Company fully recognizes the above fact and wants its employees to participate and share the fruits of growth and prosperity along with the Company. The Company believes in rewarding its employees and employees of the Subsidiary Company(ies) including Directors (other than Promoters of the Company, Independent Directors and Directors holding directly or indirectly more than 10% of the outstanding Equity Shares of the Company) of the Company for their continuous hard work, dedication and support, which has led the Company on the growth path.

The Company intends to implement a stock appreciation rights scheme i.e. SH Kelkar Stock Appreciation Rights Scheme 2017 (“**Scheme**”) with a view to attract and retain key talents working with the Company and Subsidiary Company(ies) of the Company by way of rewarding their performance and motivate them to contribute to the overall corporate growth and profitability.

The objectives of the Scheme are:

- a) To promote desired behaviour amongst employees for meeting long term business objectives of the Keva Group;
- b) To enable retention of desired employees in the Keva Group;
- c) To enable attraction of talent especially to challenging roles; and
- d) To provide a wealth building dimension to the remuneration structure.

The Scheme is a cash-settled incentive scheme. The incentive is linked to the appreciation in the market price of the equity shares of the Company over the tenure of the Scheme. The Scheme involves secondary acquisition of equity shares of the Company by an independent trust to be set up by the Company. The Company will grant loans to such trust to make secondary acquisition for the purpose of the Scheme. The Scheme will be regulated, implemented and administered by the Board of Directors and/or the Company's Nomination and Remuneration Committee.

The Scheme of the Company will be governed by SEBI (Share Based Employee Benefits) Regulations, 2014 (“**SBEB Regulations**”) (including any circulars, notifications, clarifications issued thereunder) and the provisions of the Companies Act, 2013 and the Rules made thereunder (“**Act**”). The Nomination and Remuneration Committee (“**NRC**”) of the Board of Directors constituted by the Company pursuant to the provisions of Section 178 of the Act will act as the Compensation Committee for the

purpose of implementation, administration and superintendence of the Scheme in accordance with the SBEB Regulations. The NRC and the Board of Directors of the Company have approved the Scheme on Thursday, August 10, 2017 subject to the approval of the Members. Your Directors therefore seek approval of the Members for implementation of the Scheme and allied matters as set out in the notice for Postal Ballot/ e-voting.

The salient features of the Scheme and various disclosures in terms of the Act and SBEB Regulations and the Circular issued in relation thereto are as follows:

**1. Maximum number of SARs to be granted:**

The maximum aggregate number of equity shares that may be acquired from the secondary market by SH Kelkar Employee Benefit Trust (“Trust”) in a financial year and thereby the Units that may be granted in a financial year under the Scheme shall not exceed the limit as specified under Regulation 3(10) of the SBEB Regulations. Further, the Trust shall at no time hold Shares (acquired from the secondary market) more than the limit as specified under Regulation 3(11) of the SEBI (SBEB) Regulations. The NRC shall determine the grant of SARs in its absolute discretion.

**2. Identification of classes of employees entitled to participate in Scheme:**

- a. a permanent employee of the Company working in India or outside India; or
- b. a Director whether a whole time director or not but excluding an Independent Director; or
- c. an employee as defined in clauses (a) or (b) of a Subsidiary, in India or outside India.  
But does not include:
  - a. an employee who is a Promoter or a person belonging to the Promoter Group of the Company; or
  - b. a director who either himself or through his relative or through any body corporate, directly or indirectly, holds more than ten percent of the outstanding equity shares of the Company.

**3. Transferability of SARs:**

The SARs cannot be assigned, alienated, pledged, attached, hypothecated, sold or otherwise transferred or encumbered by the Unit Holder. Any purported assignment, alienation, pledge, attachment, sale, transfer or encumbrance not permitted herein shall be void and unenforceable against the Company.

**4. Requirements of vesting and period of vesting:**

The vesting criteria of the Units Granted to Eligible Employees shall be provided in the Letter of Grant. The NRC shall be empowered to amend the vesting criteria as it may deem fit, subject to relevant rules and regulations, and duly notify the Unit Holder regarding such amended vesting criteria.

**5. SAR price or pricing formula:**

SAR Price means the product of the number of Shares bought by the Trust and the price of each Share divided by the total number of Shares bought by the Trust. It is clarified herein that the price of each Share while arriving the SAR Price, shall take into account all the costs relating to the acquisition of Shares, including but not limited to the applicable securities transaction tax, brokerage and other incidental administrative expenses.

**6. Exercise period and the process of Exercise:**

The Units shall automatically stand exercised upon vesting.

**7. Appraisal process for determining the eligibility of employees under the Scheme:**

- a. The Scheme shall be applicable to the Employees and hence the Units may be granted to the Employees of the Company and its Subsidiaries, as determined by the NRC at its sole discretion, which decision shall be final and binding on all concerned.
- b. All Employees to whom the NRC decides to grant the Units would be informed about the same by way of a written communication through the Letter of Grant duly signed by the authorized signatory of the Company.

**8. Maximum number of SARs to be issued per employee and in aggregate:**

The number of SARs that may be granted per employee of the Company under the Scheme, in any financial year and in aggregate shall be as determined by the NRC.

**9. Details about the exercise of voting rights in respect of shares acquired pursuant to the Scheme:**

Neither the Trustees of the Trust nor the employees are entitled to vote in respect of the equity shares held by the Trust. Thus, no person shall be entitled to exercise the voting rights in respect of the shares purchased under the Scheme.

**10. Accounting and Disclosure Policies:**

The Company shall follow the 'Guidance Note on Accounting for Employee Share-based Payments' and/or any relevant Accounting Standards as may be prescribed by the Institute of Chartered Accountants of India from time to time, including the disclosure requirements prescribed therein.

**11. Method of valuation of SARs:**

The SARs are valued at the market price of the equity shares of the Company (corresponding to the SARs) as at the end of the reporting period. The intrinsic value of the SARs (i.e. the excess of the market value of the shares as at the end of the reporting period and the grant price of the SARs) is recognized as employee compensation cost over the vesting period after adjusting amount recoverable from the Trust.

**12. Administration and implementation of the Scheme by an Independent Trust:**

The Scheme will be administered and implemented by the NRC through the Trust which is an Independent Trust being set up by the Company. The Scheme involves secondary acquisitions by the Trust. Thus, the Trust would be responsible for purchase of the equity shares in respect of the SARs granted to the eligible employees and selling them upon vesting so as to confer the Appreciation Value to the eligible employees. SBEB Regulations require a separate approval of shareholders through Special Resolution for implementation of an employee benefit scheme through a Trust and also if such employee benefit scheme involves secondary acquisition. Accordingly, consent of the Members is sought for approving the Special Resolution to authorise the Trust to implement the Scheme and make secondary acquisition for the same.

**13. Particulars of the Trustees:**

The equity shares of the Company shall be registered in the name of the Trustee i.e. Barclays Wealth Trustees (India) Private Limited. The name, address, occupation and nationality of Trustee are as under:

| Name   | Address   | Occupation                       | Nationality |
|--|---|----------------------------------|-------------|
| Barclays Wealth Trustees (India) Private Limited | 208, Ceejay House, Shivsagar Estate, Dr Annie Besant Road, Worli, Mumbai – 400 018, India | Fiduciary & Trusteeship Services | Indian      |

The Trustee is neither Promoter or Director nor Key Managerial Personnel (“KMP”) of the Company nor is it related to the Promoters, Directors or KMP in its personal capacity.

**14. Interest of the Promoters, Directors and Key Managerial Personnel in the Scheme or Trust and the effect thereof:**

The Directors and KMP are interested to the extent of their eligibility to receive SARs under the Scheme. None of the Independent Directors or the Promoters is entitled to any benefit under the Scheme.

**15. The amount of loan to be provided by the Company to the Trust, its tenure, utilization, repayment terms, etc.:**

The Company proposes to provide financial assistance to the Trust for secondary acquisition of equity shares of the Company for the purpose of implementation of the Scheme. The terms of such loans shall *inter alia* include the following:

- Amount of loan:** The maximum amount of the loan to be given by the Company and outstanding at any point of time shall not exceed INR 75,00,00,000/- (Indian Rupees Seventy Five Crores).
- Tenure of Loan/Repayment terms:** The tenure of the loan will be 5 years from the date of disbursement which may be extended for a further period as may be mutually agreed between the Company and the Trustees.
- Utilisation:** The loan can be utilised by the Trust for acquisition of shares of the Company for the purpose of implementation and administration of the Scheme.
- Interest on loan:** The interest rates shall be as agreed between the Company and the Trust on an annual basis for every financial year within 3 months of end of the previous financial year provided that such Interest Rate shall be equal to the average interest rate incurred, if any, by the Company in the relevant previous financial year.

In terms of Section 67 of the Act read with the Companies (Share Capital and Debentures) Rules, 2014, permit companies to provide monies to a trust for purchase of shares of the company for the benefit of the employees of the Company. Accordingly, consent of the Members is sought for approving the Special Resolution set out at Item No. 4 of the Notice for provision of monies to the Trust for secondary acquisition of equity shares of the Company for the implementation of the Scheme.

**16. Secondary acquisition by the Trust for the purpose of implementation of the Scheme and ceiling limits thereof:**

Under the Scheme, the Trust shall acquire/purchase equity shares of the Company subject to limits specified in Regulation 3(10) and 3(11) of the SBEB Regulations.

The Board of Directors of the Company recommends the Special Resolutions set out at Item Nos. 1 to 4 of the Notice for the approval of the Members of the Company.

None of the Directors, KMP of the Company including their relatives is interested or concerned in the resolution, except to the extent of their entitlements, if any, under the Scheme.

**By Order of the Board of Directors  
of S H KELKAR AND COMPANY LIMITED  
CIN: L74999MH1955PLC009593**

**Deepti Chandrate  
Company Secretary**

Date: September 22, 2017  
Regd. Office: Devkaran Mansion, 36, Mangaldas Road, Mumbai – 400002  
e-mail: investors@keva.co.in



**S H KELKAR AND COMPANY LIMITED**

Registered Office: Devkaran Mansion, 36, Mangaldas Road, Mumbai - 400002  
 Corporate Office: Lal Bahadur Shastri Marg, Mulund (West), Mumbai - 400 080  
 CIN No: L74999MH1955PLC009593  
 Tel No: +91222164 9163; Fax No: +91222164 9766  
 Website: www.keva.co.in; Email Id: investors@keva.co.in

**POSTAL BALLOT FORM**

(To be returned to Scrutinizer appointed by the Company)

Postal Ballot No.:

1. Name and Registered Address of the sole/first named Member :
2. Name(s) of Joint-Holder(s), if any :
3. DP ID No. / Client ID No. :
4. Number of equity shares held :

I/We hereby exercise my/our vote in respect of the under-mentioned resolutions set out in the Notice dated September 22, 2017 to be passed by means of Postal Ballot by sending my/our assent or dissent to the said resolutions by placing the tick (v) mark in the appropriate box below:

| Item No. | Brief Particulars of the Resolution  | No. of Equity Share(s) | I/We assent to the Resolution (For) | I/We dissent to the Resolution (Against) |
|----------|--|------------------------|-------------------------------------|--|
| 1.       | Special Resolution to approve the S H Kelkar Stock Appreciation Rights Scheme 2017 for the benefit of the employees of the Company.  |                        |                                     |  |
| 2.       | Special Resolution to approve the S H Kelkar Stock Appreciation Rights Scheme 2017 for the benefit of the employees of the Subsidiary Company(ies) of the Company.   |                        |                                     |  |
| 3.       | Special Resolution to authorize the S H Kelkar Employee Benefit Trust for secondary acquisition for implementation of the S H Kelkar Stock Appreciation Rights Scheme 2017.  |                        |                                     |  |
| 4.       | Special Resolution to approve giving loan/provision of money by the Company to the S H Kelkar Employee Benefit Trust for purchase of the shares of the Company for the implementation of S H Kelkar Stock Appreciation Rights Scheme 2017. |                        |                                     |  |

Place:

Date:

-----  
 Signature of the Member

**Electronic Voting Particulars**

| <b>EVSN<br/>(Electronic Voting Sequence Number)</b> | <b>*Default PAN</b> |
|---|---------------------|
| <b>170925011</b>                                    |                     |

Note:

- (i) Please read the instructions printed overleaf before exercising your vote through this form or e-voting.
- (ii) Last date for receipt of Postal Ballot Forms by the Scrutinizer is Wednesday, November 01, 2017.

## SH KELKAR AND COMPANY LIMITED

### INSTRUCTIONS

1. A Member desirous of exercising vote by Postal Ballot should complete the Postal Ballot Form in all respects and send it after signature to the Scrutinizer in the attached postage prepaid self - addressed Business Reply Envelope which shall be properly sealed with adhesive tape. However, envelopes containing Postal Ballot Form, if sent by courier at the expense of the Member but using the postage prepaid self - addressed Business Reply Envelope, will also be accepted.
2. The self-addressed Business Reply Envelope bears the name and address of the Scrutinizer appointed by the Board of Directors of the Company.
3. The Postal Ballot Form should be signed by the Member as per specimen signature registered with Company/ Depository Participant. In case shares are jointly held, this Form should be completed and signed (as per specimen signature registered with the Company) by the first named Member and in his/her absence, by the next named Member. Holders of Power of Attorney (POA) on behalf of the Member may vote on the Postal Ballot mentioning the registration no. of the POA or enclosing an attested copy of POA. Unsigned Postal Ballot Form will be rejected.
4. Consent must be accorded by placing a tick mark (✓) in the column 'I/We assent to the Resolution' or dissent must be recorded by placing a tick mark (✓) in the column, 'I/We dissent to the Resolution'.
5. Duly completed Postal Ballot Form should reach the Scrutinizer not later than the close of working hours (5.00 p.m.) on Wednesday, November 01, 2017. The Members are requested to send the duly completed Postal Ballot Form well before Wednesday, November 01, 2017 providing sufficient time for postal transit.
6. Voting rights shall be reckoned in proportion to the paid-up equity shares registered in the name of the Member as on Friday, September 22, 2017.
7. In case of shares held by Companies, Trusts, Societies, etc., the duly completed Postal Ballot Form should be accompanied by certified copy of Board Resolution/ Authority and preferably with the attested specimen signature(s) of the duly authorised signatory(s) giving requisite authority to the person on the Postal Ballot Form.
8. Members are requested not to send any paper (other than the resolution /authority as mentioned under Sr. No. 3 and Sr. No. 7 above) along with the Postal Ballot Form in the enclosed postage prepaid self - addressed Business Reply Envelope as all such envelopes will be sent to the Scrutinizer and if any extraneous paper is found in such envelope, the same would not be considered and would be destroyed by the Scrutinizer.
9. A Member cannot exercise his vote by proxy on postal ballot.
10. There will be only one Postal Ballot Form for every folio irrespective of the number of joint shareholder(s).
11. Incomplete, unsigned or incorrect, defaced or mutilated postal ballot forms will be rejected.
12. Members from whom no postal ballot is received / is received after the aforesaid stipulated period, shall not be counted for the purpose of passing of the resolution(s).
13. The Scrutinizer's decision on the validity of a postal ballot will be final and binding.
14. The result of the voting on the resolutions will be declared at the Corporate Office of the company on or before Friday, November 03, 2017. The results will be informed to the stock exchanges on which the shares of the Company are listed and hosted on the Company's website [www.keva.co.in](http://www.keva.co.in) accordingly.
15. The Company is pleased to offer e-voting facility as an alternative for all the Members to enable them to cast their votes electronically instead of dispatching Postal Ballot Form. E-voting is optional. The detailed procedure of e-voting has been provided in the Postal Ballot Notice.
16. Members can opt for only one mode of voting i.e. either by Postal Ballot or through e-voting. In case a Member is opting for voting by Postal ballot, then please do not cast your vote by e-voting and vice-versa. In case Members cast their votes both by Postal Ballot and e-voting, the votes cast through e-voting shall prevail and votes cast through Postal Ballot Form shall be considered invalid.
17. A Member seeking duplicate Postal Ballot Form or having any query pertaining to the resolutions proposed to be passed by Postal Ballot or the Postal Ballot process can write to the Company Secretary, S H Kelkar and Company Limited, Lal Bahadur Shastri Marg, Mulund (West), Mumbai – 400080, Maharashtra, India or to the E-mail ID : [www.keva.co.in](mailto:www.keva.co.in). Duly completed and signed duplicate Postal Ballot Forms should, however, reach the Scrutinizer not later than the closing of working hours (5.00 p.m.) on Wednesday, November 01, 2017.