



## Walchandnagar Industries Ltd.

Regd. Office : 3 Walchand Terraces, Tardeo Road, Mumbai – 400034.

Corporate Identity Number (CIN) : L74999MH1908PLC000291

Tel.: (022) 40287110, Fax: (022) 23634527, E-mail: investors@walchand.com, Website: www.walchand.com

### POSTAL BALLOT NOTICE

#### Notice pursuant to Section 110 of the Companies Act, 2013

Dear Shareholder(s),

Notice is hereby given pursuant to Section 110 of the Companies Act, 2013 ("the Act") read with Rule 22 of the Companies (Management and Administration) Rules, 2014, that the Company seeks approval of Members to the following Special Business via Postal Ballot:

- (1) To authorise the Board of Directors to borrow up to ₹ 800 Crores (Rupees Eight Hundred Crores Only) over and above the paid-up share capital and free reserves.
- (2) To authorise the Company to renew the Consultancy Contract with Mr. Chakor L. Doshi.

An Explanatory Statement pursuant to Section 102 of the Act pertaining to the said Resolutions setting out the material facts and related particulars and the Postal Ballot Form ("the Form") are being sent along with this Notice for your consideration.

The Company has appointed Mr. Vinayak N. Deodhar, Practising Company Secretary, as Scrutinizer for conducting the Postal Ballot process in a fair and transparent manner.

Please read carefully the instructions printed on the Postal Ballot Form and return the Postal Ballot Form duly completed in all respects with the assent (for) or dissent (against), in the enclosed self-addressed envelope on which postage will be paid by the Company, so as to reach the Scrutinizer on or before the closing of Working Hours i.e. 6:00 p. m. on Monday, June 16, 2014.

Members may note that as required under the provisions of Section 108, 110 and other applicable provisions, if any, of the Act and the rules as applicable in that regard and Clause 35B of the Listing Agreement, the Company has engaged the services of Central Depository Services (India) Limited to provide e-voting facility to the Members of the Company. Accordingly, the Company is also providing e-voting facility as an alternate, which would enable Members to cast votes electronically, instead of returning Postal Ballot Form. Please read and follow the instructions on e-voting enumerated in the Notes and Instructions to this Notice.

Only members entitled to vote are entitled to fill in the Postal Ballot Form and send it to the Scrutinizer or vote under the e-voting facility offered by the Company, and any other recipient of this Notice who has no voting rights should treat the Notice as an intimation only. Detailed instructions to use the e-voting facility are given separately.

The Scrutinizer will submit his report to the Chairman of the Board of Directors after completion of the scrutiny and the result of the voting by Postal Ballot will be announced on Tuesday, June 24, 2014, at 5.00 PM (Appointed time) by the Chairman or Managing Director & C.E.O. or Managing Director of the Company. The Results will be uploaded on the website of the Company (www.walchand.com) and will be intimated to the Stock Exchanges on which the Company is listed. The Resolutions, if approved, will be taken as passed effectively on the date of declaration of results.

#### RESOLUTION NO. 1

**To authorise the Board of Directors to borrow up to ₹ 800 Crores (Rupees Eight Hundred Crores Only) over and above the paid-up share capital and free reserves.**

To consider and, if thought fit to give assent or dissent to the following Resolution as Special Resolution through Postal Ballot:

**"RESOLVED THAT** in supersession of the earlier resolution passed by the Members at the 103<sup>rd</sup> Annual General Meeting of the Company held on 9<sup>th</sup> February, 2012, consent of the Members of the Company be and is hereby accorded pursuant to the provisions of Section 180 (1) (c) and any other applicable provisions of the Companies Act, 2013 (including any statutory modification(s) thereof) and the rules there under for the time being in force, to the Board of Directors of the Company to borrow for the purpose of business of the Company, such sum or sums of monies as the Board may deem necessary from time to time, notwithstanding the fact that the monies so borrowed and the monies to be borrowed (apart from temporary loans obtained or to be obtained in the ordinary course of business) will exceed the aggregate of the paid up share capital of the Company and its free reserves, provided that the total outstanding amount of such borrowings shall not exceed ₹ 800 Crores (Rupees Eight Hundred Crores) over and above the aggregate of the paid up share capital of the Company and its free reserves at any time.

**RESOLVED FURTHER THAT** the Company hereby accords its consent under Section 180(1)(a) of the Companies Act, 2013, to mortgage and/or to charge in any manner, all or any of the immovable and/or movable properties including outstanding monies, receivables, claims, bills, documents, contracts, engagements, securities, investments and rights of the Company, both present and future, or the whole or substantially the whole of the undertaking or undertakings of the Company for securing any loan obtained or as may be obtained from any Bank or Consortium of Banks or Financial Institution/s, or Fund/s or any other Body/ies together with interest, costs, charges, expenses and any other money/s payable by the Company on such terms and conditions as the Board of Directors deem fit in the interest of the Company.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to do or cause to be done all such acts, deeds, matters and other things as may be required or considered necessary or incidental thereto for giving effect to the aforesaid resolution."

#### RESOLUTION NO. 2

**To authorise the Company to renew the Consultancy Contract with Mr. Chakor L. Doshi**

To consider and, if thought fit to give assent or dissent to the following Resolution as Special Resolution through Postal Ballot:

**"RESOLVED THAT** pursuant to the provisions of Section 188, Section 197 and all other applicable provisions if any, of the Companies Act, 2013 and pursuant to the Rules notified there under, consent of the Members of the Company be and is hereby accorded to Mr. Chakor L. Doshi, Chairman of the Company and a

relative of Mr. Chirag C. Doshi, Managing Director of the Company, to continue to provide professional services as Advisor / Consultant to the Company for an additional period of two years from 1<sup>st</sup> May, 2014 to 30<sup>th</sup> April, 2016 on payment of consultancy fees of ₹ 80,000/- per day of services rendered plus service tax as applicable, expenses on travelling, conveyance, lodging and boarding, reimbursement of incidental and out of pocket expenses, and permitted foreign exchange allowance and expenses in case of any assignment abroad.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to extend the aforesaid Consultancy Contract for a further period of 2 years after 30<sup>th</sup> April, 2016 on such terms as the Board of Directors deem fit, without any further approval of the Members for such extension."

By order of the Board of Directors

Sd/-

G. S. Agrawal

Vice President (Legal & Taxation) & Company Secretary

Place : Mumbai

Date : 08.05.2014

## **EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF COMPANIES ACT, 2013**

### **ITEM NO. 1**

The Members of the Company, at the 103rd Annual General Meeting held on February 9, 2012, had accorded by way of an Ordinary Resolution, their approval to the Board of Directors of the Company for borrowing monies on behalf of the Company, from time to time, upto an aggregate amount (apart from temporary loans obtained or to be obtained in the ordinary course of business) not exceeding at any time ₹ 800 Crores (Rupees Eight Hundred Crores) over and above the paid up share capital of the Company and its free reserves. However, after the coming into effect of the provisions of Section 180(1)(c) of the Companies Act, 2013, the Company needs to pass a Special Resolution to authorise the Board of Directors for making such borrowings.

As per Section 180(1)(c) of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013, the approval of the Members is therefore sought by way of a Special Resolution.

The Board of Directors accordingly recommends the Special Resolution as mentioned at item no. 1 of this Notice for approval of the Members of the Company.

None of the Directors and key managerial personnel are deemed to be concerned or interested, financially or otherwise in the proposed special resolution, except to the extent of their shareholding in the company.

### **ITEM NO. 2**

The Members of the Company, in the 101<sup>st</sup> Annual General Meeting held on January 20, 2010 had accorded, by Special Resolution, their consent to Mr. Chakor L. Doshi, Chairman of the Company and a relative of Mr. Chirag C. Doshi, to continue to provide professional services as Advisor / Consultant to the Company for an additional period of 2 years from 1<sup>st</sup> May, 2010 to 30<sup>th</sup> April, 2012, on payment of ₹ 80,000/- per day as Consultancy Fee plus expenses on travelling, lodging and boarding & reimbursement of incidental and out of pocket expenses, reimbursement of Service Tax, as applicable and permitted foreign exchange allowance and expenses in case of any assignments abroad. Vide the said Special Resolution, the Board was further authorised to extend the said consultancy period for additional two years, and pursuant to such authorization to the Board, such extension was approved by the Board in their meeting held on May 4, 2012. Hence, the approval of the Shareholders was valid up to April 30, 2014.

As required under the erstwhile provision of Section 309 (1) of the Companies Act, 1956, the opinion of the Central Government was obtained to the effect that Mr. Chakor L. Doshi possesses the necessary qualification to render professional consultancy services. Now as per the provisions of Section 197 of the Companies Act, 2013, the Nomination and Remuneration Committee has expressed similar opinion in their meeting held on April 30, 2014. As per the provision of Section 188 of the Companies Act, 2013, the Audit Committee of the Board of Directors of the Company also approved the renewal of Consultancy Contract with Mr. Chakor L. Doshi at the existing professional fees of ₹ 80,000/- per day for next two years, with power to the Board to extend the period of consultancy contract by further two years, subject to approval of Members. As per the approval of the Audit Committee and recommendation of Nomination and Remuneration Committee, the Board of Directors approved the proposal, subject to the approval of the Shareholders, for renewal of Consultancy Contract with Mr. Chakor L. Doshi.

The details in respect of the proposed contract, as required under the Rules are as follows:

#### **Name of the Related Party**

Mr. Chakor L. Doshi

#### **Name of the Director or Key Managerial Personnel who is related, if any**

Mr. Chirag C. Doshi, Managing Director

#### **Nature of Relationship**

Mr. Chakor L. Doshi is the father of Mr. Chirag C. Doshi

#### **Nature, Material Terms, Monetary Value and Particulars of the Contract or Arrangement**

Contract to render professional consultancy services; Consultancy fees of ₹ 80,000 per day of service rendered (i.e. same rate as paid during the last contract period from 01.05.2010 to 30.04.2014), Period of Consultancy contract 2 years, with power to the Board to extend the contract by further 2 years on such terms as it may deem fit;

#### **Any other information relevant or important for the members to take a decision on the proposed resolution**

Mr. Chakor L. Doshi has been providing professional Consultancy services to the Company since 1994, with the approval of the Board/ Members of the Company as per the provisions of the Companies Act, 1956.

Previously Central Government, and now the Nomination & Remuneration Committee have expressed an opinion, as required under relevant provisions, that Mr Chakor L Doshi possesses the requisite qualification to render consultancy services.

The Nomination Committee has recommended, and the Audit Committee and the Board of Directors have approved the renewal of consultancy contract with Mr. Chakor L Doshi, subject to approval of Members.

Hence, the Board of Directors recommends passing of the resolution mentioned at item No. 2 in the notice.

None of the Directors, key managerial personnel except Mr. Chakor L. Doshi and Mr. Chirag C. Doshi are deemed to be concerned or interested, financially or otherwise in the proposed special resolution.

By order of the Board of Directors

Sd/-

G. S. Agrawal

Vice President (Legal & Taxation) & Company Secretary

Place : Mumbai

Date : 08.05.2014



## Walchandnagar Industries Limited

Regd. Office : 3 Walchand Terraces, Tardeo Road, Mumbai – 400034.

Corporate Identity Number (CIN) : L74999MH1908PLC000291

Tel.: (022) 40287110, Fax: (022) 23634527, E-mail: investors@walchand.com, Website: www.walchand.com

### POSTAL BALLOT FORM

(Please read the instructions carefully before filing this form)

Serial No.:

1. Name and Registered Address  
of the Sole / first named  
Member / Beneficial Owner :

2. Name(s) of the Joint holder(s) (if any) :

3. Registered Folio No./DP ID No. \*/Client ID No.\* :  
(\*Applicable to investors holding shares in  
dematerialized form)

4. No. of share(s) held :

I/We hereby exercise my / our vote in respect of the Special Resolutions to be passed through postal ballot for the business stated in the Notice of Postal Ballot dated May 08, 2014 issued by the Company by sending my / our assent / dissent to the said Special Resolutions by placing the tick mark ( ✓ ) in the appropriate column below :

Item No.	Particulars	No. of shares	I / We assent to the Resolution (FOR)	I/We dissent to the Resolution (AGAINST)
1.	Special Resolution to authorise the Board of Directors to borrow up to ₹ 800 Crores (Rupees Eight Hundred Crores Only) over and above the paid-up share capital and free reserves.			
2.	Special Resolution to authorise the Company to renew the Consultancy Contract with Mr. Chakor L. Doshi.			

Place :

Date :

\_\_\_\_\_  
(Signature of the Member/Beneficial Owner)

### ELECTRONIC VOTING PARTICULARS

EVEN (E VOTING EVENT NUMBER)	USER ID	PASSWORD / PIN

NOTE:

- 1) Kindly read the instructions printed overleaf before filing the form
- 2) Last date for receipt of Postal Ballot Forms by Scrutinizer is Monday, June 16, 2014

## NOTES AND INSTRUCTIONS:

1. The voting rights for the Equity Shares are one vote per Equity Share, registered in the name of the Shareholders/Beneficial Owners.
2. Voting by Postal Ballot, in the physical form or e-voting, can be exercised only by the Shareholder or his/her duly constituted attorney or in case of bodies corporate, the duly authorised person. Voting rights in a Postal Ballot cannot be exercised by a Proxy.
3. Voting period commences on and from May 17, 2014 and ends on June 16, 2014.
4. The result of the voting on the Resolutions will be declared at the Registered Office of the Company at 3, Walchand Terraces, Tardeo Road, Mumbai - 400034, on June 24, 2014 at 5.00 PM.
5. Kindly note that the Members can opt for only one mode of voting, i.e., either by Physical Ballot or e-voting. If you are opting for e-voting, then do not vote by Physical Ballot also and vice versa. However, in case Members cast their vote by Physical Ballot and e-voting, then voting done through valid Physical Ballot shall prevail and voting done by e-voting will be treated as invalid.
6. The Scrutinizer's decision on the validity of the Postal Ballot shall be final.

**Any query in relation to the Resolutions proposed to be passed by Postal Ballot may be sent to:**

The Company Secretary,  
Walchandnagar Industries Limited,  
3, Walchand Terraces, Tardeo Road, Mumbai - 400034.

### INSTRUCTIONS FOR VOTING BY:

#### (A) PHYSICAL POSTAL BALLOT FORM

1. A Shareholder desirous of exercising vote by physical Postal Ballot should complete the Postal Ballot Form in all respects and send it after signature to the Scrutinizer in the attached self-addressed envelope on which postage will be paid by the Company which shall be properly sealed with adhesive or adhesive tape. However, envelopes containing Postal Ballot Form, if sent by courier, at the expense of the Member will also be accepted. Members are requested to convey their assent or dissent in this Postal Ballot Form only. The assent or dissent received in any other form or manner shall be considered as invalid.
2. The self-addressed envelope bears the name of the Scrutinizer appointed by the Board of Directors of the Company and the address to which the same needs to be dispatched.
3. The Postal Ballot Form should be signed by the Shareholder as per specimen signature registered with the Registrar / Depository. In case the Equity Shares are jointly held, this Form should be completed and signed (as per specimen signature registered with Registrar/Depository) 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 Members may vote on the Postal Ballot mentioning the registration number of the POA or enclosing an attested copy of the POA. Unsigned Postal Ballot Forms will be rejected.
4. Duly completed Postal Ballot Form should reach the Scrutinizer not later than 6.00 pm on June 16, 2014. Postal Ballot Form received after that date will be strictly treated as if reply from such Member has not been received. The Members are requested to send the duly completed Postal Ballot Form well before the last date providing sufficient time for the postal transit.
5. In case of Equity Shares held by companies, trusts, societies, etc., the duly completed Postal Ballot Form should be accompanied by a certified copy of Board Resolution/authority and preferably with attested specimen signature(s) of the duly authorized signatories giving requisite authorities to the person voting on the Postal Ballot Form.
6. Shareholders are requested not to send any paper (other than the Resolution/ authority as mentioned under instruction above) along with the Postal Ballot Form in the enclosed self- addressed postage pre-paid 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.
7. There will be only one Postal Ballot Form for every folio / client ID irrespective of the number of the joint Members. On receipt of the duplicate Postal Ballot Form, the original will be rejected.
8. A Member may request for a duplicate Postal Ballot Form, if so required or can download the Postal Ballot Form from the Company's website (www.walchand.com) and the duly completed Postal Ballot Form should reach the Scrutinizer not later than the last date for voting mentioned above.
9. The votes should be cast either in favour of or against by putting the tick (√) mark in the column provided for assent or dissent. Postal Ballot Form bearing (√) in both the columns will render the Form invalid.
10. Incomplete, unsigned or improperly or incorrectly filled Postal Ballot Form shall be rejected.

#### (B) E-VOTING

1. The Company has engaged Central Depository Services (India) Limited ("CDSL"), to provide e-Voting facility to its Shareholders.
2. The voting time ends at 6.00 p.m. on June 16, 2014. The e-Voting module shall be disabled by CDSL for voting thereafter.

3. User ID and password are provided at the bottom of Postal Ballot Form.
4. The following are the steps to be followed for e-Voting:
  - i. Open your web browser during the voting period and log on to the e-Voting website www.evotingindia.com
  - ii. Click on "Shareholders" to cast your votes.
  - iii. Select the Electronic Voting Sequence Number (EVSN) along with "Name of the Company" from the drop down menu and click on Submit.
  - iv. Now, fill up the following details in the appropriate boxes:

User-ID	As given in the enclosed Postal Ballot Form.
Password	Your unique password has been printed on the enclosed Postal Ballot Form.
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 the default number: 9999 in the PAN field or use physical Postal Ballot Form for voting.

- v. After entering these details appropriately, click on "SUBMIT" tab.
- vi. Members holding shares in Physical form will then reach directly to the voting screen.
- vii. Members holding shares in Demat form will now reach Password Change menu wherein they are required to mandatorily change their login password in the new password field. The new password has to be minimum eight characters consisting of at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character. Kindly note that this password is to be also used by the Demat holders for voting for resolution of any other Company on which they are eligible to vote, provided that 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.
- viii. You can also update your mobile number and e-mail ID in the user profile details of the folio which may be used for sending communication(s) regarding CDSL e-Voting system in future. The same may be used in case the Member forgets the password and the same needs to be reset.
- ix. If you are holding shares in Demat form and had logged on to www.evotingindia.com and casted your vote earlier for EVSN of any company, then your existing login id and password are to be used.
- x. For Members holding shares in physical form, the password and default number can be used only for e-Voting on the resolutions contained in this Postal Ballot Notice.
- xi. On the voting page, you will see Resolution Description and against the same the option 'YES/NO' for voting. Enter the number of shares (which represents number of votes) under YES/NO or alternatively you may partially enter any number in YES and partially in NO, but the total number in YES and NO taken together should not exceed your total shareholding.
- xii. Click on the Resolution File Link if you wish to view the entire Postal Ballot Notice.
- xiii. After selecting the resolution you have decided to vote on, 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.
- xiv. Once you 'CONFIRM' your vote on the resolution, you will not be allowed to modify your vote.
- xv. Institutional members (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail at vndeodhar@gmail.com with a copy marked to helpdesk.evoting@cdslindia.com. File naming convention should be "Corporate Name\_EVSN".
- xvi. In case you have any queries or issues regarding e-Voting, please contact helpdesk.evoting@cdslindia.com or you can refer to "User Manual for Shareholders to cast their votes" under help section on CDSL e-Voting website (www.evotingindia.com).
- xvii. Members have option to vote either through e-Voting or through Ballot Form. If a member has opted for e-Voting, then he/she should not vote by Postal Ballot also and vice-a-versa. However, in case members cast their vote both via physical ballot and e-Voting, then voting through Postal Ballot shall prevail and voting done by e-Voting shall be treated as invalid.