



Himadri Speciality Chemical Ltd

(Formerly known as Himadri Chemicals & Industries Limited)

CIN: L27106WB1987PLC042756

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NOTICE OF POSTAL BALLOT/E-VOTING

Dear Member(s),

Notice is hereby given that pursuant to Section 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014, the Company is seeking the consent of its members in respect of the Special Business proposed to be passed through Postal Ballot, the details of such Special Business is more specifically provided in the appended Resolution.

Special Business

Item No. 1

Approval for raising of additional capital by way of one or more public or private offerings to eligible investors through an issuance of equity shares or other eligible securities for an amount not exceeding ₹ 1000 crores.

To consider and if thought fit to pass, the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Section 23, 41, 42, 62(1)(c), 71 and all other applicable provisions, if any, of the Companies Act, 2013, as amended, and the rules made thereunder (including any amendments, statutory modification(s) and/ or re-enactment thereof for the time being in force) (the **“Companies Act”**), the relevant provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure

Requirements) Regulations, 2018, as amended (**“ICDR”**), and in accordance with the provisions of the Memorandum and Articles of Association of the Company, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable, the provisions of the Foreign Exchange Management Act, 1999, as amended (the **“FEMA”**), and the regulations, circulars and guidelines issued thereunder, including the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, as amended, the Issue of Foreign Currency Convertible Bonds and Ordinary Shares (Through Depository Receipt Mechanism) Scheme, 1993, as amended, the Consolidated Foreign Direct Investment Policy issued by the Department of Industrial Policy & Promotion, the Depository Receipts Scheme, 2014, and all other applicable statutes, rules, regulations, guidelines, notifications, circulars and clarifications as may be applicable, as amended from time to time, issued by the Government of India (**“GOI”**), Ministry of Corporate Affairs (**“MCA”**), the Reserve Bank of India (**“RBI”**), BSE Limited and the National Stock Exchange of India Limited (**“Stock Exchanges”**), the Securities and Exchange Board of India (**“SEBI”**), the Competition Commission of India (**“CCI”**), and/or any other regulatory/ statutory

authorities, in India or abroad from time to time, to the extent applicable, and subject to the approvals, permits, consents and sanctions of any regulatory/statutory authorities and guidelines and clarifications issued thereon from time to time and subject to such conditions and modifications as may be prescribed by any of them while granting such approvals, permissions, consents and sanctions, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the **“Board”**, and which shall be deemed to include a duly constituted committee thereof), the Board be and is hereby authorized to create, offer, issue and allot (including with provisions for reservation on firm and/or competitive basis, of such part of issue and for such categories of persons, as may be permitted), with or without a green shoe option, such number of equity shares of the Company with a face value of ₹ 1/- each (Rupee one each) **“Equity Shares”**, Global Depository Receipts (**“GDRs”**), American Depository Receipts (**“ADRs”**), Foreign Currency Convertible Bonds (**“FCCBs”**), Foreign Currency Exchangeable Bonds (**“FCEBs”**) and/or other securities convertible into Equity Shares other than warrants, fully convertible debentures, non-convertible debentures along with warrants and/or convertible preference shares or any security convertible into the Equity Shares, in registered or bearer form, secured or unsecured, listed on a recognized stock exchange in India or abroad whether rupee denominated or denominated in foreign currency (all of which are hereinafter collectively referred to as the **“Securities”**), or any combination of Securities, in one or more tranches, in India or in course of international offering(s) in one or more foreign markets, in terms of the applicable regulations and as permitted under the applicable laws, in such manner in consultation with the lead manager(s) and/or other advisor(s) or otherwise, to qualified institutional buyers (**“QIBs”**) as defined under the ICDR or such other foreign/resident investors (whether incorporated bodies, foreign institutional investors, foreign portfolio investors

alternate investment funds, venture capital funds, multilateral or bilateral financial institutions, mutual funds, insurance companies, pension funds, individuals or otherwise) who are eligible to acquire the Securities in accordance with all applicable laws, rules, regulations, guidelines and approvals, whether they be holders of the Equity Shares of the Company or not, for an aggregate amount not exceeding Rs. 1000 crores (Rupees one thousand crores only), at a price (inclusive of such premium) which shall be determined in accordance with the applicable rules and regulations, or the equivalent thereof in one or more foreign currencies, if any, in one or more tranches, by way of one or more public and/or private offerings, including by way of a qualified institutions placement (**“QIP”**) within the meaning of and in accordance with Chapter VI of the ICDR, as may be deemed appropriate, in the sole discretion of the Board, and in such manner and on such terms and conditions, including the terms of the issuance, security, fixing of record date, and at such price, whether at a premium or discount to market price as may be permitted under applicable law and/or as may be permitted by the relevant regulatory/statutory authority, in such manner and on such terms as may be deemed appropriate by the Board at its absolute discretion (the **“Issue”**) and without requiring any further approval or consent from the shareholders of the Company.”

“RESOLVED FURTHER THAT in case of any issue of Securities is made by way of a QIP in terms of Chapter VI of the ICDR (hereinafter referred to as **“Eligible Securities”** within the meaning of the ICDR):

- i. The allotment of Eligible Securities (or any combination of Eligible Securities as may be decided by the Board) shall be completed within a period of 365 days from the date of passing of this resolution or such other time as may be permitted under the ICDR from time to time;

- ii. In accordance with Regulations 179 (2) of the ICDR, a minimum of 10% of the Eligible Securities shall be allotted to mutual funds and if mutual funds do not subscribe to the aforesaid minimum percentage or part thereof, such minimum portion or part thereof, may be allotted to other QIBs and that no allotment shall be made directly or indirectly to any QIB who is a promoter or any person related to promoters of the Company;
- iii. In accordance with Regulations 176 of the ICDR, the Board may at its absolute discretion, issue the Eligible Securities (including upon conversion of the Eligible Securities) at a discount of not more than five percent or such other discount to the floor price as determined in terms of the ICDR and as permissible under the applicable law;
- iv. In accordance with Regulations 171 of the ICDR, the 'relevant date' for determination of the floor price of the Eligible Securities to be issued pursuant to the Issue shall be:
 - a. In case of allotment of Equity Shares, the date of meeting in which the Board of Directors of the issuer or the Committee of directors duly authorized by the board of directors of the issuer decides to open the proposed issue;
 - b. In case of allotment of eligible convertible securities, either the date of the meeting in which the Board of Directors of the issuer or the committee of directors duly authorized by the board of directors of the issuer decides to open the issue of such convertible securities or the date on which the holders of such convertible securities become entitled to apply for the Equity Shares.
- v. The Equity Shares shall not be eligible to be sold for a period of 1 year from the date of allotment, except on a recognized stock exchange or except as may be permitted from time to time by the SEBI (ICDR) Regulations."

"RESOLVED FURTHER THAT in case of any offering of Securities, including without limitation any GDRs/ADRs/FCCBs/FCEBs/other Securities convertible into Equity Shares, the Board is hereby authorized to issue and allot such number of Equity Shares as may be required to be issued and allotted upon conversion, redemption or cancellation of any such Securities referred to above in accordance with the terms of issue/offering in respect of such Securities and/or as may be provided in the offer document and/or offer letter and/or offering circular and/or listing particulars."

"RESOLVED FURTHER THAT in the event the Securities are proposed to be issued as FCCBs, FCEBs, ADRs or GDRs, the relevant date for the purpose of pricing the Securities shall be determined in accordance with the Issue of Foreign Currency Convertible Bonds and Ordinary Shares (Through Depository Receipt Mechanism) Scheme, 1993, as amended, the Depository Receipts Scheme, 2014, as the case may be (including any amendments thereto or re-enactment thereof, for the time being in force) or as may be permitted under applicable law."

"RESOLVED FURTHER THAT the issue of Securities shall be subject to the following terms and conditions:

- i. The Equity Shares that may be issued and allotted directly or on conversion of other convertible or exchangeable securities that may be issued as aforesaid shall be subject to the provisions of the Memorandum and Articles of Association of the Company and rank pari-passu with the then existing Equity Shares of the Company in all respects including dividend;
- ii. The number and/or conversion price in relation to Equity Shares that may be issued and allotted on conversion of other convertible securities that may be issued as aforesaid shall be appropriately adjusted for corporate actions such as bonus issue, rights issue, stock split and consolidation of share capital, merger, de-merger, transfer of undertaking, sale of division or any such capital or corporate restructuring;

- iii. In case Securities other than Equity Shares are issued pursuant to the aforesaid issue, such Securities shall be converted into Equity Shares within 60 (sixty) months from the date of allotment; and
- iv. No subsequent qualified institutions placement shall be made until the expiry of six months from the date of the prior qualified institutions placement approved by way of this resolution.”

“**RESOLVED FURTHER THAT** without prejudice to the generality of the above, the Securities may have such features and attributes or any terms or combination of terms in accordance with domestic and international practices to provide for the tradability and free transferability thereof as per applicable law including but not limited to the terms and conditions in relation to payment of interest, additional interest, premium on redemption, prepayment and any other debt service payments whatsoever including terms for issue of additional Equity Shares or variation of the conversion price of the Securities during the duration of the Securities and the Board be and is hereby authorized in its absolute discretion, in such manner as it may deem fit, to dispose of such of the Securities that are not subscribed in accordance with applicable law.”

“**RESOLVED FURTHER THAT** the Board be and is hereby authorized to appoint lead manager(s), underwriters, depositories, custodians, registrars, bankers, lawyers, advisors, debenture trustees and all such agencies as are or may be required to be appointed, involved or concerned and to remunerate them by way of commission, brokerage, fees or the like and also to reimburse them out of pocket expenses incurred by them and also to enter into and execute all such arrangements, agreements, memoranda, documents, etc. with such agencies.”

“**RESOLVED FURTHER THAT** for the purpose of giving effect to the above, the Board, where required in consultation with the lead managers and/or other advisors, be and is hereby authorized on behalf of the Company, to do all such acts, deeds,

matters and sign/execute all such documents as may be required in furtherance of, or in relation to, or ancillary to, the Issue, including the finalization and approval of the draft as well as final offer document(s), determining the form and manner of the Issue, identification and class of the investors to whom the Securities are to be offered, utilization of the issue proceeds, authorizing any Director(s) or Officer(s) of the Company to sign offer documents, execute any necessary documents, agreements, forms, deeds, appointment of intermediaries, open and close the period of subscription of the Issue, determine the issue price, premium amount on issue/conversion of the Securities, if any, rate of interest and all other terms and conditions of the Securities, utilization of the Issue proceeds, signing of declarations, file any necessary forms with regulatory authorities and allot the Securities and to amend, vary or modify any of the above as the Board may consider necessary, desirable or expedient and to take such steps and to do all such acts, deeds, matters and things as they may deem fit and proper for the purposes of the Issue and resolve and settle all questions or difficulties that may arise in regard to such Issue.”

Item No. 2

Approval of Contracts/Arrangements with Proposed Related Party.

To consider and if thought fit, to pass, the following resolution as an Ordinary Resolution:

“**RESOLVED THAT** pursuant to Section 188 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactments thereof for the time being in force) and Regulation 23(4) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactments thereof for the time being in force) and also pursuant to the

approval given by the Audit Committee and the Board of Directors, the approval of the Shareholders be and is hereby accorded to the Company to continue with its ongoing business transactions entered into with Tuaman Engineering Limited (“TEL”), the intended related party, during the financial year 2018-19, for an aggregate amount of Rs 274.40 Crores (Rupees Two Hundred Seventy Four Crores Forty Lakhs Only) on the detailed terms and conditions as provided in the explanatory statement annexed hereto.”

“RESOLVED FURTHER THAT the Board of Directors and/or any Committee constituted there for, be and is hereby authorised to do or cause to be done all such acts, matters, deeds and things and to settle any questions, difficulties or doubts that may arise with regard to any transactions including existing transactions, if any, with the intended related party and execute all such agreements, documents and writings on an ongoing basis, in its absolute discretion, as may be necessary or desirable for the purpose of giving effect to this resolution.”

Notes:

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 is annexed hereunder and forms part of the Notice.
2. The Notice is being sent to all the members whose names appear in the Register of Members/ Beneficiary Position maintained by the Depositories as on 14 December 2018.
3. Voting rights shall be reckoned on the paid-up value of equity shares registered in the name of the members as on 14 December 2018.
4. Members, who have registered their email addresses with the registrar of the Company or with Depository Participant (DP), they would be sent Notice of postal ballot through e-mail under the Green Initiative of Ministry of Corporate Affairs and other members would be through the permitted mode along with the

Postal Ballot Form and postage pre-paid self-addressed envelope.

5. Voting through electronic means

- a. In compliance with the provisions of Section 110 of the Act read with Rules 20 and 22 of the Companies (Management and Administration) Rules, 2014, as amended, and Regulation 44 of the SEBI (LODR) Regulations, 2015, the Company is pleased to provide its members facility to exercise their right to vote on resolutions proposed to be considered through Postal Ballot by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than through physical Postal Ballot Form (‘remote e-voting’) will be provided by National Securities Depository Limited (‘NSDL’).
- b. Mr. Samir Kumar Ghosh, Practicing Company Secretary (CP No. 2018) has been appointed as the Scrutinizer to scrutinize the remote e-voting process and conducting the postal ballot in fair and transparent manner.
- c. Members are requested to note that the business may be transacted through electronic voting system and the Company is providing facility for voting by electronic means. It is hereby clarified that it is not mandatory for a member to vote using remote e-voting facility. A Member may avail of the facility at his/her/its discretion, as per the instructions provided.
- d. Members are requested to cast their vote only through one mode (e-voting or physical Postal Ballot Form). In case members cast their votes through both the modes, the votes cast through e-voting shall prevail and the votes cast through physical Postal Ballot Form shall be considered as invalid.

- e. The voting period **begins on 01 January 2019 at 9.00 a.m. (IST) and ends on 30 January 2019 at 5.00 p.m. (IST)**. During this period, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e, 14 December 2018, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter.
 - f. A person who is not a Member as on the cut-off date should treat this Notice for information purposes only.
 - g. The process/manner for availing e-voting facility and the instructions for shareholders voting electronically are as under:
 - b) **For Members who hold shares in demat account with CDSL:** 16 Digit Beneficiary ID (For example if your Beneficiary ID is 12***** then your user ID is 12*****).
 - c) **For Members holding shares in Physical Form:** EVEN Number followed by Folio Number registered with the company (For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***).
5. Your password details are given below:
- a. If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b. If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need enter the 'initial password' and the system will force you to change your password.
 - c. How to retrieve your 'initial password'?
- i. If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - ii. If your email ID is not registered, your 'initial password' is communicated to you on your postal address.

Step 1: Log-in to NSDL e-Voting system

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/>.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen. Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details will be as per details given below:
 - a) **For Members who hold shares in demat account with NSDL:** 8 Character DP ID followed by 8 Digit Client ID (For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****).

6. If you are unable to retrieve or have not received the “Initial password” or have forgotten your password:
 - a. Click on **“Forgot User Details/ Password?”**(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b. **“Physical User Reset Password?”** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c. If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.
7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open.

Step 2 : Cast your vote electronically on NSDL e-Voting system.

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle is in active status.
3. Select “EVEN” of the Company.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to

cast your vote and click on “Submit” and also “Confirm” when prompted.

6. Upon confirmation, the message “Vote cast successfully” will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders:

- i. Institutional shareholders (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. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail skghosh_1938@yahoo.co.in to with a copy marked to evoting@nsdl.co.in.
- ii. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on www.evoting.nsdl.com to reset the password.

In case of any queries, you may refer to the Frequently Asked Questions (FAQs) for members and e-voting user manual for members available at the Downloads sections of <https://www.evoting.nsdl.com> or contact NSDL by email at evoting@nsdl.co.in or call on.: 1800 222 990.

6. Members desiring to exercise vote by physical Postal Ballot are requested to carefully read

- the instructions printed on the Postal Ballot Form and return the Form duly completed and signed in the attached self-addressed, pre-paid postage envelopes so as to reach the Scrutinizer on or before the close of the business hours on 30 January 2019 upto 5 P.M.IST.
7. The voting rights of shareholders shall be in proportion to their shares of the paid-up Equity Share Capital of the Company.
 8. The Scrutinizer's decision on the validity of the Postal Ballot and e-voting shall be final and binding.
 9. The resolution, if passed with requisite majority, shall be deemed to be passed on the last date specified by the Company for receipt of duly completed e-voting or Postal Ballot Forms.
 10. The relevant documents, if any, referred to in the accompanying Notice and Explanatory Statement will be open for inspection by the Members at the Registered Office of the Company during working days (except Saturdays, Sundays and Public Holidays) between 10.00 am to 01.00 p.m.(IST).
11. The Scrutinizer shall submit his report after the completion of scrutiny of the Postal Ballot Forms including e-voting. The results of the Postal Ballot will be announced at the corporate office by Director of the Company on or before 01 February 2019 by 5.00 p.m. (IST).
 12. The Results declared along with Scrutinizer's Report shall be placed on the Company's website at www.himadri.com and on the website of NSDL and shall also be communicated to the Stock Exchanges on which shares of the Company are listed.
- By Order of the Board of Directors
Sd/-
Bajrang Lal Sharma
Company Secretary
FCS: 8148
- Place: Kolkata
Date: 18 December 2018

EXPLANATORY STATEMENT

(PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013):

Item No. 1:

It is proposed that the Board of Directors be authorised by way of an enabling resolution to raise funds to facilitate and meet the additional capital expenditure requirements for the ongoing and future projects of the Company and its subsidiaries, working capital requirements, debt repayment, investment in subsidiary companies, general corporate purpose including but not limited to pursuing new business opportunities, acquisitions, meeting the issue expenses etc. As the validity of the earlier approval obtained from the Shareholders on 8 December 2017 through

Postal Ballot for raising of funds has expired, hence the fresh approval is sought for the same.

The proposed resolution is an enabling resolution authorising the Board of Directors to mobilize adequate resources in one or more tranche or tranches, at such suitable time or times, to meet the growing needs of the Company by way of issue of any of the above mentioned securities.

This Special Resolution enables the Board to issue Securities for an aggregate amount not exceeding ₹ 1000 Crores/- or its equivalent in any foreign currency.

In the event of the issue of the Equity Shares as aforesaid by way of QIP:

- The relevant date for the purpose of pricing of the Equity Shares would, pursuant to Chapter VI of the SEBI (ICDR) Regulations, be the date of the meeting in which the Board or duly authorized committee thereof decides to open the proposed issue of Equity Shares;
- The pricing for this purpose shall be in accordance with Regulation 176 of Chapter VI of the SEBI (ICDR) Regulations. The Company may offer a discount of not more than 5% (Five percent) on the floor price calculated under the SEBI (ICDR) Regulations for the QIP or such other discount as may be permitted under SEBI (ICDR) Regulations, as amended from time to time;
- The issue and allotment of Equity Shares shall be made only to Qualified Institutional Buyers (QIBs) within the meaning of SEBI (ICDR) Regulations and such Equity Shares shall be fully paid up on its allotment;
- The Equity Shares shall not be eligible to be sold for a period of 1 year from the date of allotment, except on a recognized stock exchange or except as may be permitted from time to time by the SEBI (ICDR) Regulations;
- in terms of Chapter VI of the ICDR Regulations, the allotment of the Specified Securities, or any combination of Specified Securities, as may be decided by the Board, shall be completed within a period of 365 days from the date of this resolution or such other time as may be permitted under the ICDR Regulations, from time to time;

The Resolution, if passed, will have the effect of allowing the Board to issue and allot Securities to the investors who may or may not be the existing Members of the Company. Since the proposed Special Resolution may result in issue of shares of the Company otherwise than to the existing

Members of the Company in the manner laid down under Section 62 of the Companies Act, 2013, consent of the Members is being sought pursuant to the provisions of Sections 23, 41, 42, 62, 71 and all other applicable provisions of the Companies Act, 2013 and the SEBI Listing Regulations, 2015.

The Equity Shares allotted or to be allotted upon conversion of any securities would be listed on BSE and NSE and shall rank pari -passu in all respect with the existing equity shares of the Company. The issue/ allotment/ conversion would be subject to the applicable regulatory approvals, if any. The conversion of securities held by foreign investors, into equity shares would be subject to the applicable foreign investment cap.

As and when the Board does take a decision on matter on which it has the discretion, necessary disclosure will be made to the relevant stock exchanges on which the equity shares are listed under the provisions of the SEBI Listing Regulations, 2015.

The Members may please note that the appended resolution is only an enabling resolution and the detailed terms and conditions for the offer will be determined in consultation with lead managers, advisors, underwriters and such other authorities and agencies as may be required to be consulted by the Company, in due consideration of prevailing market conditions and other relevant factors. As the price of the securities shall be determined at a later stage, exact number of securities to be issued shall also be crystallized later. However, an enabling resolution is being proposed to give adequate flexibility and discretion to the Board to finalize the terms of the offer.

The Board recommends the Resolution set out in the Notice as at Item No. 1, to be passed as a Special Resolution.

None of the Directors and Key Managerial Personnel of the Company or their relatives are concerned or interested, financial or otherwise, in the aforesaid resolution.

Item No. 2:

The Promoters of the Company intend to acquire certain stake in Tuaman Engineering Limited (“TEL”) and upon acquisition of such stake, they may be inducted as directors on the Board of TEL. The Company envisages that, the provisions of Section 188 shall thereby be attracted and the approval of the Shareholders shall be required for the transactions with TEL.

Tuaman (TEL) has been recognized as one of the strong and reliable player in the Engineering Procurement & Construction (EPC) with good credentials. It has successfully executed multi-discipline, turnkey engineered and construction projects in the field of hydrocarbons (oil & gas), steel, energy, chemical, fertilizer, railways and infrastructure segments and has dealt with big corporates including Indian Oil Corporation Limited (IOCL), Bharat Petroleum Corporation Limited (BPCL), Bharat Oman Refiners Limited, Chennai Petroleum Corporation Limited (CPCL), Assam Petrochemicals Limited (APL) Graphite India Limited, GAIL and many more;

The Company has ongoing business transactions with TEL and has recently awarded to TEL an Engineering, Procurement and Construction (EPC) contract including all Engineering, Procurement, Construction and Commissioning of all disciplines such as Civil, Mechanical, Electrical, instrumentation and control in relation to expansion of Carbon Black project at the Mahistikry

Plant, Haripal, Hooghly and has also entered into contracts with TEL for Design, Engineering (Civil, Mechanical, Electrical, Instrumentation), Supply, Installation, pre Commissioning, Commissioning and Testing of Dynamic Refiner Unit and reformer unit for the Mahistikry plant.

The aforesaid contracts are in progress and the Company envisages that the proposed acquisition of stake and induction of the Promoter, as Directors on the Board of TEL shall result in TEL becoming a related party of the Company as per the applicable provisions of Companies Act, 2013 and the existing aforesaid business transactions shall fall within the ambit of the provisions of Section 188 of the Companies Act, 2013.

The provisions of Section 188 of the Companies Act, 2013 read with rule 15 (3) of Companies (Meetings of Board and its Powers) Rules, 2014 provides that certain transaction or transactions to be entered into either individually or taken together with the previous transactions during a financial year requires previous approval of the shareholders.

Therefore, to comply with the requirements of the provisions of Section 188 of the Companies Act, 2013, and to enable the Company to continue with the aforesaid business transactions with TEL, the consent of the members is being sought as an Ordinary resolution as an abundant precautionary measure.

The relevant details as required under Rule 15 of the Companies (Meeting of the Board and its Powers) Rules, 2014 are as follows:

Sl. no.	Name of the Proposed Related Party	Name of the Director or Key Managerial Personnel who is proposed to be related, if any	Nature of Relationship*	Monetary Value of the Contract (₹ in Crores)	Nature and Material Terms/Particulars of the contract or arrangement
1.	Tuaman Engineering Limited	<ul style="list-style-type: none"> ● Shyam Sundar Choudhary ● Bankey Lal Choudhary ● Vijay Kumar Choudhary ● Anurag Choudhary ● Amit Choudhary ● Tushar Choudhary 	Promoter Directors will be interested as they will be inducted on the Board of the TEL and intends to acquire 2% or more stake along with their relatives in TEL	255.00	Engineering, Procurement and Construction (EPC) contract including all Engineering, Procurement, Construction and Commissioning of all disciplines such as Civil, Mechanical, Electrical, instrumentation and control in relation to expansion of Carbon Black project at the Mahistikry Plant, Haripal, Hooghly, West Bengal

Sl. no.	Name of the Proposed Related Party	Name of the Director or Key Managerial Personnel who is proposed to be related, if any	Nature of Relationship*	Monetary Value of the Contract (₹ in Crores)	Nature and Material Terms/Particulars of the contract or arrangement
2.	Tuaman Engineering Limited	<ul style="list-style-type: none"> ● Shyam Sundar Choudhary ● Bankey Lal Choudhary ● Vijay Kumar Choudhary ● Anurag Choudhary ● Amit Choudhary ● Tushar Choudhary 	Promoter Directors will be interested as they will be inducted on the Board of the TEL and intends to acquire 2% or more stake along with their relatives in TEL	14.50	Design, Engineering (Civil, Mechanical, Electrical, Instrumentation), Supply, Installation, pre Commissioning, Commissioning and Testing of Dynamic Refiner Unit at the Mahistikry Plant, Haripal, Hooghly, West Bengal
3.	Tuaman Engineering Limited	<ul style="list-style-type: none"> ● Shyam Sundar Choudhary ● Bankey Lal Choudhary ● Vijay Kumar Choudhary ● Anurag Choudhary ● Amit Choudhary ● Tushar Choudhary 	Promoter Directors will be interested as they will be inducted on the Board of the TEL and intends to acquire 2% or more stake along with their relatives in TEL	4.90	Design, Engineering (Civil, Mechanical, Electrical, Instrumentation), Supply, Installation, pre Commissioning, Commissioning and Testing of Refiner Unit at the Mahistikry Plant, Haripal, Hooghly, West Bengal
		TOTAL		274.40	

None, of the directors and Key Managerial Personnel KMP(s) or their relatives except Mr. Shyam Sundar Choudhary, Mr. Bankey Lal Choudhary, Mr. Vijay Kumar Choudhary, Mr. Anurag Choudhary, Mr. Tushar Choudhary and Mr. Amit Choudhary and their relatives, are concerned or interested, financial or otherwise, in the aforesaid resolution.

Your Directors recommend the resolution set out in Item No. 2 be passed as an Ordinary Resolution.

By Order of the Board of Directors
Sd/-

Bajrang Lal Sharma

Place: Kolkata

Company Secretary

Date: 18 December 2018

FCS: 8148

Enclosures:

1. Postal Ballot Form
2. Postage pre-paid self-addressed envelope

