

PRADEEP METALS LIMITED

PRADEEP METALS LIMITED

Regd Office: R-205, TTC Industrial Area, MIDC, Rabale, Navi Mumbai 400701

Website: www.pradeepmetals.com Telephone: +91 22 2769 1026

CIN: L99999MH1982PLC026191

NOTICE OF POSTAL BALLOT AND E-VOTING

(Notice pursuant to Section 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management & Administration) Rules, 2014)

Dear Member(s),

Notice is hereby given that, pursuant to section 110 of the Companies Act, 2013 (the "Act") read with Companies (Management and Administration) Rules, 2014 (the "Rules"), Pradeep Metals Limited (the "Company") is seeking consent of its Members for the special businesses to be transacted through Postal Ballot which includes voting by electronic means for the following items:

- 1) Authority for borrowing monies in excess of paid up capital and free reserves of the Company but not exceeding to Rs. 180 Crores.
- 2) Authority for creation of charges/ mortgages etc.-on-the properties-of-the Company for an amount not exceeding Rs. 180 Crores.
- 3) Giving Loans/ Guarantees or providing securities for and on behalf of Subsidiary Companies (including overseas subsidiaries) and/or making investments in such Subsidiary Companies (including overseas subsidiaries).

The proposed resolutions along with Explanatory Statement setting out the material facts and the reasons thereof are appended along with a Postal Ballot Form for your consideration. Please read carefully the instructions printed on the reverse of the Postal Ballot Form and return the form duly completed in all respects in the attached self - addressed postage prepaid envelope so as to reach the Scrutinizer by September 10, 2015 before 6.00 p.m. Please note that any Postal Ballot Form(s) received after the said date will be treated as if no reply has been received from the member. No other form or photocopy thereof is permitted.

RESOLUTIONS PUT THROUGH POSTAL BALLOT

ITEM NO. 1

To consider and, if thought fit, to give assent/dissent to the following resolution as Special Resolution:-

"RESOLVED THAT, in supersession of the earlier resolutions passed, the consent of the Members of the Company be and is hereby accorded in terms of Section 180 (1) (c) and other applicable provisions, if any, of the Companies Act, 2013 to the Board of Directors of the Company (hereinafter referred to as "the Board", which term shall be deemed to include any Committee thereof) for borrowing from time to time any sum or sums of monies, which together with the monies already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business) may exceed the aggregate of the paid up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose, provided that the total amount so borrowed by the Board shall not at any time exceed Rs.180 Crores (Rupees One Hundred and Eighty Crores)."

ITEM NO. 2

To consider and, if thought fit, to give assent/dissent to the following resolution as Special Resolution:-

"RESOLVED THAT pursuant to the provisions of Section 180(1)(a) of the Companies Act, 2013 and other applicable provisions of the said Act, if any, and the Memorandum and Articles of Association of the Company, consent of the Members of the Company be and is hereby accorded to the creation by the Board of Directors of the Company

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(hereinafter referred to as "the Board, which term shall be deemed to include any Committee thereof) from time to time of such mortgage, charges, liens, hypothecation, assignment, transfer and/or other securities in addition to the mortgages, charges, liens, hypothecation, assignment, transfer and/or other securities already created by the Company, on terms and conditions as the Board in its sole discretion may deem fit, on Company's assets and properties, both present and future, whether moveable or immovable, including whole or substantially the whole of the Company's undertaking(s) in favour of Lenders as may be agreed to by the Board for the purpose of securing the repayment of any loans/financial assistance/other borrowings, commitments, subject to maximum of Rs. 180 Crores (Rupees One Hundred and Eighty Crores).

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

ITEM NO. 3

To consider and, if thought fit, to give assent/dissent to the following resolution as Special Resolution:-

"RESOLVED THAT pursuant to the provisions of Section 186 of the Companies Act, 2013 and any other applicable provisions of the Companies Act, 2013 and rules made there under (including any statutory modification thereof for the time being in force and as may be enacted from time to time), subject to such approvals, consents, sanctions and permissions, as may be necessary, and the Articles of Association of the Company and all other provisions of applicable laws, consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "Board", which term shall include any Committee constituted by the Board or any person(s) authorized by the Board to exercise the powers conferred on the Board by this Resolution), to make investments by way of subscription, purchase or otherwise and/or to give loans to any subsidiary companies (including overseas subsidiaries) and/or give any guarantee or provide security in connection with a loan to any subsidiary company(ies) (including overseas subsidiaries) and/or acquire by way of subscription, purchase or otherwise, the securities of any subsidiary company(ies) (including overseas subsidiaries) upto an aggregate amount not exceeding Rs. 50 Crore (Rupees Fifty Crores) notwithstanding that the aggregate of the loans or guarantees or securities so far given or to be given and/ or investments so made by the Company may collectively exceed the limits prescribed under Section 186 of the Companies Act, 2013.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of the Company be and is hereby authorised to take from time to time all decisions and such steps as may be necessary for giving loans, guarantees or providing securities or for making such investments and to execute such documents, deeds, writings, papers and/or agreements as may be required and do all such acts, deeds, matters and things, as it may in its absolute discretion, deem fit, necessary or appropriate."

**By Order of the Board
For Pradeep Metals limited**

**Sd/-
Abhinay Kapoor
Company Secretary**

**Place: Navi Mumbai
Date: July 3, 2015**

**REGISTERED OFFICE:
Pradeep Metals Ltd.,
R-205, MIDC, Rabale,
Navi Mumbai - 400701.**

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NOTES:

1. The statement pursuant to Section 102 of the Act stating all material facts and the reasons for the proposal is annexed herewith.
2. The Postal Ballot Notice is being sent to the Members whose names appear on the Register of Members / List of Beneficial Owners as received from the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited as on July 24, 2015. The Postal Ballot Notice is being sent to Members in electronic form to the email addresses registered with their Depository Participants (in case of electronic shareholding) / the Company's Registrar and Share Transfer Agents (in case of physical shareholding). For Members whose email IDs are not registered, physical copies of the Postal Ballot Notice are being sent by permitted mode along with a postage prepaid self addressed Business Reply Envelope.
3. Resolutions passed by the Members through postal ballot are deemed to have been passed as if they have been passed at a General Meeting of the Members.
4. The Company has appointed Ms. Shweta Gokarn, Practicing Company Secretary to act as Scrutinizer, for conducting the Postal Ballot process in a fair and transparent manner.
5. The Members can opt for only one mode of voting, i.e., either by physical ballot or e voting. In case Members cast their votes through both the modes, voting done by e voting shall prevail and votes cast through physical Postal Ballot Forms will be treated as invalid.
6. In case a Member is desirous of obtaining a printed Postal Ballot Form or a duplicate, he or she may send an e mail to investors@pradeepmetals.com. The Registrar and Transfer Agent/Company shall forward the same along with postage prepaid self addressed Business Reply Envelope to the Member.
7. Voting rights shall be reckoned on the paid up value of shares registered in the name of the Members as on July 24, 2015.
8. In compliance with Sections 108 and 110 of the Companies Act, 2013 and the Rules made thereunder, the Company has provided the facility to the Members to exercise their votes electronically and vote on all the resolutions through the e voting service facility arranged by NSDL. The instructions for electronic voting are annexed to this Notice.
9. A Member cannot exercise his vote by proxy on postal ballot.
10. Members desiring to exercise their vote by physical Postal Ballot are requested to carefully read the instructions printed in the Postal Ballot Form and return the Form duly completed and signed, in the enclosed self addressed Business Reply Envelope to the Scrutinizer, so that it reaches the Scrutinizer not later than close of working hours (i.e. 6:00 p.m. IST) on September 10, 2015. The postage will be borne by the Company. However, envelopes containing postal ballots, if sent by courier or registered /speed post at the expense of the Members will also be accepted. If any postal ballot is received after 06:00 p.m. IST on September 10, 2015, it will be considered that no reply from the Member has been received.
11. The Scrutinizer will submit his report to the Chairman after the completion of scrutiny, and the result of the voting by postal ballot will be announced by the Chairman or any Director of the Company duly authorized, at 3.30 p.m. IST, on or before September 14, 2015 at the registered office and will also be displayed on the website of the Company (www.pradeepmetals.com), besides being communicated to the Stock Exchanges, Depository, Registrar and Share Transfer Agent on the said date.
12. The date of declaration of results of the postal ballot, i.e. on or before September 14, 2015, shall be the date on which the resolution would be deemed to have been passed, if approved by the requisite majority.
13. All the material documents referred to in the explanatory statement will be available for inspection at the registered office of the Company during office hours on all working days from the date of dispatch of the Notice till September 10, 2015.

VOTING THROUGH ELECTRONIC MEANS

In compliance with Clause 35B of the Listing Agreement and Sections 108, 110 and other applicable provisions of the Companies Act, 2013, read with the related Rules, 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 NSDL for the purpose of providing e voting facility to all its Members.

The instructions for e voting are as follows:

1. Members whose email addresses are registered with the Company / Depository Participant(s) will receive an email from NSDL informing them of their User ID and Password. Once the Member receives the email, he or she will need to go through the following steps to complete the e voting process :
 - a) Open email and open the PDF file titled 'Pradeep Metals e voting.pdf', using your Client ID or Folio No. as password. The said PDF file contains your user ID and password for e voting. Please note that this password is an initial password.
 - b) Launch your internet browser and type out the following URL: <https://www.evoting.nsdl.com>
 - c) Click on Shareholder - Login
 - d) Enter the user ID and password (the initial password noted in step (a) above).
 - e) Click on Login.
 - f) The Password change menu will appear. Change the password to a password of your choice. The new password should have a minimum of 8 digits / characters or combination thereof. It is strongly recommended that you do not share your password with any other person and take utmost care to keep your password confidential.
 - g) The homepage of e voting will open. Click on 'e voting : Active Voting Cycles'
 - h) Select 'EVEN' (E Voting Event Number) of Pradeep Metals Limited.
 - i) Now you are ready for e voting as the Cast Vote page opens.
 - j) Cast your vote by selecting the option of your choice and click on 'submit'. Remember to 'Confirm' when prompted.
 - k) On confirmation, the message 'Vote cast successfully' will be displayed.
 - l) Once you have voted on a resolution, you will not be allowed to modify your vote.
 - m) Institutional Members (i.e. other than individuals, HUF, NRI etc.) are required to send a scanned copy (PDF/JPG Format) of the relevant Board resolution / authorization letter etc., together with attested specimen signature of the authorized signatory(ies) who is/are authorized to vote, to the Scrutinizer via e mail at csshwetagokarn@gmail.com with a copy marked to evoting@nsdl.co.in.
2. For Members whose email IDs are not registered with the Company/Depository Participant(s) and who receive the physical Postal Ballot Forms, the following instructions may be noted
 - a) The initial password is provided at the bottom of the Postal Ballot Form.
 - b) Please follow all the steps from a. to m. mentioned above, in order to successfully cast your vote.
3. In case of any queries, you may refer to the Frequently Asked Questions (FAQs) and e voting user manual for Members available in the 'Downloads' section of www.evoting.nsdl.com.
4. 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 Password' option available on the site to reset the password.
5. If you are already registered with NSDL for e voting, then you can use your existing user ID and password for casting your vote.
6. The e voting period commences on August 12, 2015 (9:00 a.m. IST) and ends on September 10, 2015 (6:00 p.m. IST). During this period, Members of the Company holding shares either in physical form or in dematerialized form, as on the relevant date, i.e. July 24, 2015, may cast their vote electronically. The e voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by a Member, he or she will not be allowed to change it subsequently.
7. The voting rights of Members shall be in proportion to their share of the paid up equity share capital of the Company as on the relevant date, i.e. July 24, 2015

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EXPLANATORY STATEMENT

[Pursuant to Section 102 of the Companies Act, 2013]

Item Nos. 1 and 2

Members of the Company, by way of Special Resolutions passed in its 31st Annual General Meeting held on September 4, 2014, had accorded their consent to the Board of Directors to borrow funds and to mortgage and/or create charge on all or anyone of the moveable/immovable properties or such other assets of the company, to the extent of Rs. 150 Crore. Board has proposed to increase the overall limit, upto which authority is accorded by Members to Board to borrow funds and mortgage from existing Rs. 150 Crore to Rs. 180 Crore, in order to meet the finance required for rising turnover and other purposes.

Accordingly, the consent of Members, as contained in item Nos. 1 and 2, is being sought in order to enable the Board to borrow the monies from time to time for meeting the business needs of the Company, subject to maximum of Rs. 180 Crore at any given time.

None of the Directors or Key Managerial Personnel of the Company or their respective relatives is concerned or interested in the said resolution. The Board of Directors recommends the Special Resolutions at Item Nos.1 and 2 for approval by the Members.

Item No. 3

As per the provisions of Section 186 of the Companies Act, 2013, the Board of Directors of a company can make any loan, investment or give guarantee or provide any security beyond the prescribed ceiling of (i) Sixty per cent of the aggregate of the paid-up capital and free reserves and securities premium account or, ii) Hundred per cent of its free reserves and securities premium account, whichever is more, if Special resolution is passed by the members of the Company.

As a measure of achieving greater financial flexibility and to enable optimal financing structure of the Subsidiaries of the Company for meeting their growth plans, this permission is sought pursuant to the provisions of Section 186 of the Companies Act, 2013 to give powers to the Board of Directors or any duly constituted committee thereof, for making further investment, providing loans or give guarantee or provide security in connection with loans to subsidiary companies (including overseas subsidiaries) for an amount not exceeding 50 crore.

The investment(s), loan(s), guarantee(s) and security(ies), as the case may be, will be made in accordance with the applicable provisions of the Companies Act, 2013 and relevant rules made there under. These investments are proposed to be made out of own/ surplus funds/internal accruals and or any other sources including borrowings, if necessary, to achieve long term strategic and business objectives.

None of the Directors or Key Managerial Personnel of the Company or their respective relatives is concerned or interested in the said resolution. The Board of Directors recommends the Special Resolution for approval by the Members

**By order of the Board of Directors
For Pradeep Metals Limited**

**Place: Navi Mumbai
Date: July 3, 2015**

**Sd/-
Abhinav Kapoor
Company Secretary**

**REGISTERED OFFICE:
Pradeep Metals Ltd.,
R-205, MIDC, Rabale,
Navi Mumbai - 400701.**