

**MINUTES OF POSTAL BALLOT PROCESS OF KIRLOSKAR ELECTRIC COMPANY LIMITED HAVING REGISTERED OFFICE AT INDUSTRIAL SUBURB, RAJAJINAGAR, BANGALORE 560 010 AS PER RESULT DECLARED ON 28<sup>TH</sup> FEBRUARY 2015 AT 5 PM.**

**Present:**

Mr. Vijay R Kirloskar, Executive Chairman  
Mr. Vinayak N Bapat, Managing Director  
Mr. Anand B Hunnur- Director - Sales  
Ms. K.s. Swapna Latha, Company Secretary

Mr. Vijay R Kirloskar, Executive Chairman took the chair and welcomed the members for announcement of postal ballot process conducted by company as per notice of postal ballot.

The chairman stated that the company had dispatched to all the shareholders, the notice of Postal Ballot dated 24<sup>th</sup> January 2015 on 27<sup>th</sup> January 2015 by courier and on 28<sup>th</sup> January 2015 by email u/s 110 of the Companies Act 2013 read with the Companies (Management and Administration) Rules 2014. The Report submitted by the Scrutinizer was taken on record and Chairman announced the results of the voting by Postal ballot as under:

**Special Business as Special Resolution:**

**1. Issue of Equity Shares to Promoters of the Company on preferential basis**

**RESOLVED THAT** pursuant to the provisions of Section 62 (1 ) (C) of the Companies Act, 2013 read with Rule 13 of the Companies (Share Capital & Debentures) Rules, 2014 and other applicable provisions, if any, of the enactment thereof and in accordance with the provisions of the Listing Agreements entered into by the Company with the stock exchanges where the equity shares of the Company are listed and any other rules/regulations/guidelines, notifications, circulars and clarifications issued thereon from time to time by the Government of India, the Securities and Exchange Board of India ("SEBI") including Chapter VII of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended ("**SEBI (ICDR) Regulations**"), the SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 2011 as amended and subject to such approvals, consents, permissions and sanctions as may be necessary or required from regulatory or other appropriate authorities, including but not limited to SEBI and all such other approvals, the consent of the Company be and is hereby accorded to the Board to create, issue, offer and allot 26,58,200 (Twenty Six Lakhs Fifty Eight Thousand Two Hundred) fully paid equity shares of Rs.10/- each ("Equity Shares") at a price of Rs.30.25 (Rupees Thirty and Twenty Five Paise) to Promoters on preferential basis, on such terms and conditions and in such manner, as the Board may, in its absolute discretion, think fit.

**RESOLVED FURTHER THAT** Equity Shares to be issued and allotted pursuant to this

  
CHAIRMAN

resolution shall be subject to the provisions of Memorandum and Articles of Association of the Company and shall rank pari-passu with the existing shares of the Company in all respects.

**RESOLVED FURTHER THAT** for the purpose of giving effect to any offer, issue or allotment of Equity Shares, the Board be and is hereby authorized to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary and desirable for such purpose, including without limitation, issuing clarifications on the issue and allotment of Equity Shares, resolving any difficulties, effecting any modifications to the foregoing (including any modifications to the terms of the issue) preparing, signing and filing applications with the appropriate authorities for obtaining requisite approvals, entering into contracts, arrangements, agreements, memoranda, documents for appointment of agencies for managing listing and trading of Equity Shares, to appoint such consultants, legal advisors and all such agencies as may be required for issuance of the Equity Shares.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to delegate all or any of the powers herein conferred, to any Committee of Directors or any one or more Directors/Officials of the Company.

**Special Business as Special Resolution:**

**2. Issue of Compulsorily Convertible Preference Shares (CCPS) to Promoters of the Company on preferential basis**

**RESOLVED THAT** pursuant to the provisions of section 62(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) (the "Act"), the relevant provisions of the Memorandum of Association and Articles of Association of the Company and the Listing Agreements entered into by the Company with the stock exchanges where the shares of the Company are listed, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended from time to time ("**SEBI (ICDR) Regulations**") and the provisions of the Securities and Exchange Board of India Act, 1992, including the rules, regulations and the guidelines notified thereunder and the circulars issued thereunder, and / or Securities and Exchange Board of India (SEBI) and all other applicable laws, issued 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 and which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the "**Board**", which term shall include any Committee thereof), consent, authority and

  
CHAIRMAN

approval of the members of the Company be and is hereby accorded to create, offer, issue and allot 15,95,890 (Fifteen Lakhs Ninety Five Thousand Eight Hundred Ninety) Compulsorily Convertible Preference Shares ("CCPS") of Rs.100/-(Rupees One Hundred) in one or more tranches, to Promoters by way of private placement for a tenor not exceeding 18 months which will carry a preferential cumulative dividend of 0.1% (zero point one per cent) per annum, payable till the date of conversion into equity shares and CCPS held by the preference share holders will get converted into 57,45,150 equity shares of Rs.10/- each for cash at a premium of Rs.20.25 (Rupees Twenty and Twenty Five Paise) in two tranches in accordance with the SEBI Regulations and such issue and allotment of equity shares resultant on conversion of the preference shares may be made at such time or times as determined by the Board in such manner as the Board may in its absolute discretion think fit at the time of conversion.

**RESOLVED FURTHER THAT** the equity shares to be issued on conversion of the CCPS shall rank pari-passu in all respects including entitlement to dividend with the existing equity shares of the Company.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to take such steps and do all such acts, deeds and things as may be considered necessary, expedient, usual, proper or incidental in relation to the said matter and take such actions and give such directions as they may consider necessary or desirable and to obtain any approvals, permissions, sanctions, consents from SEBI, Stock Exchanges and such other authorities which may be necessary or desirable and to settle all questions, difficulties or doubts that may arise in relation to the issue of CCPS on preferential basis to give effect to this resolution.

**RESOLVED FURTHER THAT:**

- a. the Board be and is hereby authorised to decide and approve the other terms and conditions of the issue subject to agreement with the proposed allottees and also shall be entitled to vary, modify or alter any of the terms and conditions, as it may deem expedient, subject however to the compliance with the applicable guidelines, notifications, rules and regulations;
- b. the Board be and is hereby authorised to accept any amendments, modifications, variations and alterations as the Government of India / SEBI or any other regulatory authority may stipulate in that behalf and

the Board be and is hereby authorised to delegate all or any of its powers to a committee of directors or executives (as it may consider appropriate) to give effect to the aforesaid resolutions including to execute any documents on behalf of the Company before any governmental authority/ies and to appoint any professional advisers / consultants / lawyers in that regard.

  
CHAIRMAN

**Special Business as Special Resolution:**

**3. Sale of 100% stake of the Company held in its subsidiary Kirsons B.V.**

**RESOLVED THAT** pursuant to the applicable provisions of the Companies Act, 2013, and the Rules made thereunder, as amended from time to time (including any amendment thereto or re-enactment thereof for the time being in force) and in accordance with the relevant provisions of the Memorandum and Articles of Association of the Company, the provisions of the Listing Agreement and subject to the consents, approvals and/or permissions being obtained from appropriate authorities to the extent applicable and necessary, consent of the members of the Company be and is hereby accorded to the Board of Directors to sell the 100% stake (upto 2550 shares of Euro 100 each) of the Company in its wholly owned subsidiary, Kirsons B.V. to Luxquisite Parkland Private Limited, subsidiary of the Company, in one or more tranches for a consideration of Euro 7.923 million or rupee equivalent payable as mutually agreed.

**RESOLVED FURTHER THAT** for the purpose of giving effect to the above resolution, the Board of Directors of the Company or a Committee thereof, be and is hereby authorised to finalise all the terms and conditions and to take such actions and give all such directions as may be necessary or desirable and also to settle any question or difficulty that may arise in regard to the aforesaid proposed sale including but not limited to executing all the required documents as may be necessary from time to time and further to do all such acts, deeds, matters and things and to execute all such deeds, documents and writings as may be necessary, desirable or expedient with respect to the sale by the Company of its entire stake i.e. 2550 (Two Thousand Five Hundred and Fifty) shares of Euro 100 (One Hundred) each in Kirsons B.V.

The chairman stated that as mentioned in the said notice, M/s V Sreedharan, Company Secretary in Practice had carried out the scrutiny of all the postal ballot forms( both physical and by way of e voting) received upto the close of working hours on 27th February 2015 and had submitted his report on 28th February 2015, which was placed before and taken on record by the chairman.

The chairman then announced the result of the postal ballot as per the Scrutinizer's report as follows:

  
CHAIRMAN

**Resolution No.1**

Particulars	Postal Ballot		E-Voting		Total		% of total paid-up equity capital (i.e. 5,05,21,367 Equity Shares of Rs. 10/- each)
	No. of members voted through Postal ballot forms	No. of votes cast (Equity Shares of Rs. 10/- each)	No. of member voted through e voting system	No. of votes cast (Equity Shares of Rs. 10/- each)	No. of members voted through Postal ballot forms & through e voting system	No. of votes cast (Equity Shares of Rs. 10/- each)	
Total postal ballot forms / e votes received	300	1,07,59,158	32	2,06,33,534	332	3,13,92,692	62.14
Less: Invalid postal ballot forms (as per register)	27	39,20,846	0	0	27	39,20,846	7.76
Net valid postal ballot forms (as per register)	273	68,38,312	32	2,06,33,534	305	2,74,71,846	54.38
Postal ballot forms with assent for the Resolution as a percentage of net valid shares polled	229	68,32,662	30	2,06,33,292	259	2,74,65,954	99.98
Postal ballot forms with dissent for the Resolution as a percentage of net valid shares polled	44	5,650	2	242	46	5,892	0.02

The Chairman stated that price for issuance of equity shares has been recalculated at Rs.30.44 per share which is as per requirement of SEBI regulations regarding relevant date

  
 CHAIRMAN

**Resolution No.2**

Particulars	Postal Ballot		E-Voting		Total		% of total paid-up equity capital (i.e. 5,05,21,367 Equity Shares of Rs. 10/- each)
	No. of members voted through Postal ballot forms	No. of votes cast (Equity Shares of Rs. 10/- each)	No. of member voted through e voting system	No. of votes cast (Equity Shares of Rs. 10/- each)	No. of members voted through Postal ballot forms & through e voting system	No. of votes cast (Equity Shares of Rs. 10/- each)	
Total postal ballot forms / e votes received	300	1,07,59,158	32	2,06,33,534	332	3,13,92,692	62.14
Less: Invalid postal ballot forms (as per register)	30	39,20,944	0	0	30	39,20,944	7.76
Net valid postal ballot forms (as per register)	270	68,38,214	32	2,06,33,534	302	2,74,71,748	54.38
Postal ballot forms with assent for the Resolution as a percentage of net valid shares polled	228	68,32,617	30	2,06,33,292	258	2,74,65,909	99.98
Postal ballot forms with dissent for the Resolution as a percentage of net valid shares polled	42	5,597	2	242	44	5,839	0.02

The Chairman stated that price for conversion of CCPs into equity shares has been recalculated at Rs.30.44 per share which is as per requirement of SEBI regulations regarding relevant date

  
**CHAIRMAN**

**Resolution No. 3**

Particulars	Postal Ballot		E-Voting		Total		% of total paid-up equity capital (i.e. 5,05,21,367 Equity Shares of Rs. 10/- each)
	No. of members voted through Postal ballot forms	No. of votes cast (Equity Shares of Rs. 10/- each)	No. of member r voted through e voting system	No. of votes cast (Equity Shares of Rs. 10/- each)	No. of members voted through Postal ballot forms & through e voting system	No. of votes cast (Equity Shares of Rs. 10/- each)	
Total postal ballot forms / e votes received	300	1,07,59,158	32	2,06,33,534	332	3,13,92,692	62.13
Less: Invalid postal ballot forms (as per register)	31	7,703	0	0	31	7,703	0.01
Net valid postal ballot forms (as per register)	269	1,07,51,455	32	2,06,33,534	301	3,13,84,989	62.12
Postal ballot forms with assent for the Resolution as a percentage of net valid shares polled	229	1,07,45,833	28	2,06,33,042	257	3,13,78,875	99.98
Postal ballot forms with dissent for the Resolution as a percentage of net valid shares polled	40	5,622	4	492	44	6,114	0.02


The chairman thereafter stated that the special resolution at item no. 1, 2, 3 of the postal ballot set out in the notice dated 24th January 2015 were duly passed by the requisite majority of the shareholders.

The proceedings concluded with a vote of thanks to chairman.

Date: 28.02.2015

Place: Bangalore

  
Chairman

  
CHAIRMAN