

# KHATOD INVESTMENTS & FINANCE CO LTD

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Phone: 033 44500500, +91 9007077041; Email id: [khatodinv@gmail.com](mailto:khatodinv@gmail.com);  
Website: [www.khatodinv.com](http://www.khatodinv.com); CIN: L65993WB1990PLC084695

## NOTICE OF POSTAL BALLOT

[Pursuant to Sections 110 and 108 of the Companies Act, 2013 Read with Rules 22 And 20 of The Companies (Management And Administration) Rules, 2014]

Dear Members,

**Notice** is hereby given pursuant to Section 108 and Section 110 of the Companies Act, 2013 (“**Act**”) read with Rule 20 and Rule 22 of Companies (Management and Administration) Rules, 2014, as amended (“**Rules**”), Circular Nos. 14/2020 dated April 08, 2020, 17/2020 dated April 13, 2020, 22/2020 dated June 15, 2020, 33/2020 dated September 28, 2020, 39/2020 dated December 31, 2020, 10/2021 dated June 23, 2021, 20/2021 dated December 08, 2021, 3/2022 dated May 05, 2022 and 11/2022 dated December 28, 2022 issued by the Ministry of Corporate Affairs (“**MCA**”) (collectively referred to as “**MCA Circulars**”), and Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**Listing Regulations**”), Secretarial Standards on General Meeting (“**SS-2**”) and other applicable provisions of the Act, Rules, Circulars and Notifications issued thereunder (including any statutory modifications or re-enactment thereof for the time being in force and as amended from time to time), that the Special Resolutions as set out in this Notice is proposed for approval by the Shareholders of the Company by means of Postal Ballot by voting through electronic means (“remote e-voting”).

### SPECIAL BUSINESS:

#### 1. To appoint Mr. Sharad Kumar Bachhawat (DIN: 05161130) as an Independent Director of the Company

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

“**RESOLVED** that pursuant to the provisions of Section 149, 150, 152, 161 and the Companies (Appointment and Qualifications of Directors) Rules, 2014 read with Schedule IV (including any statutory modification(s) or re-enactment thereof for the time being in force), and applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**Listing Regulations**”), and pursuant to the terms and conditions recommended by the Nomination & Remuneration Committee, Mr. Sharad Kumar Bachhawat (DIN: 05161130) who was appointed as an Additional Director in the category of Non-executive Independent Director of the Company by the Board of Directors of the Company, and who has submitted a declaration that he meets the criteria for independence as provided under Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations and is eligible for appointment, and in respect of whom the Company has received a notice in writing in terms of Section 160 of the Act proposing his candidature, be and is hereby appointed as a Non-executive Independent Director of the Company not liable to retire by rotation, for a period of five years with effect from 13<sup>th</sup> January, 2023.”

#### 2. To increase the Borrowing Limits of the Company under Section 180(1)(c) of Companies Act, 2013

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

“**RESOLVED** that pursuant to the provisions of Section 180(1)(c) and any other applicable provisions 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 Company hereby accords its consent to the Board of Directors for borrowing any sum or sums of money from time to time from any one or more of the Company’s Bankers

and / or from any one or more other persons, firms, bodies corporate, or financial institutions whether by way of cash credit, advance or deposits, loans or bills discounting or otherwise and whether unsecured or secured by mortgage, charge, hypothecation or lien or pledge of the Company's assets and properties whether movable or otherwise or all or any of the undertakings of the Company notwithstanding that the moneys to be borrowed together with moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) will or 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 such that the total borrowing shall not exceed Rs. 100 Crores (Rupees One Hundred Crores only) excluding of any interest or charges but including the borrowing already availed, if any."

**"FURTHER RESOLVED** that for the purpose of giving effect to this Resolution, the Board of Directors of the Company be and is hereby authorized to finalize, settle an execute such documents / deeds / writings / papers and Agreements as may be required and to take all necessary steps and actions in this regard in order to comply with all the legal and procedural formalities and further to authorize any of its Committee(s)/Director(s) or any Officer(s) of the Company to do all such acts, deeds or things as it may in its absolute discretion deem necessary proper and fit."

**3. To take approval of the shareholders of the Company for sale, transfer, lease or otherwise dispose off the Company's investment (held as stock) as per Section 180(1)(a) of Companies Act, 2013**

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

**"RESOLVED** that pursuant to the provisions of Section 180(1)(a), Section 110 and any other applicable provisions 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) and subject to the Memorandum and Articles of Association of the Company and further subject to the necessary approvals, consents, permissions and sanctions, (if any), of any relevant statutory, regulatory or government authorities, Company's lenders (if any), and such conditions or modifications as may be prescribed by any of them while granting any such approvals, which may be agreed to, in its sole discretion, by the Board of Directors of the Company, the consent, approval and authority of the Shareholders of the Company be and is hereby granted for sale, transfer, convey, assign or otherwise dispose off, the whole or part thereof, the Company's investment held as stock, in the share capital of other Body Corporate or Companies, in such manner so that the aggregate value of such disposal/transfer/sale is not more than Rs. 100 Crore (Rupees One Hundred One Crores only) approximately, on such terms and conditions as the Board of Directors may, in its absolute discretion, deem fit and appropriate in the best interests of the Company, without any further reference to or approval of the shareholders in this regard."

**"FURTHER RESOLVED** that for the purpose of giving effect to this Resolution, the Board of Directors of the Company be and is hereby authorised to do or cause to be done all such acts, deeds and things, including actions which may have been taken, as may be necessary, or deemed necessary or incidental thereto, from time to time, including finalizing, varying and settling the terms and conditions of the potential divestment; to settle and finalize all issues that may arise in this regard, without further referring to the Shareholders of the Company; to negotiate and finalize the Share Purchase Agreement and/ or any other transaction documents (including providing such representations, warranties, indemnities and covenants as may be required) and to execute, deliver and perform such agreements, other contracts, deeds, undertakings and other documents and subsequent modifications thereto; to file applications and make representations in respect thereof and seek the requisite approvals from the relevant authorities and third parties, including governmental authorities and lenders; to suitably inform and apply to all the concerned authorities, to settle any questions, difficulty or doubt that may arise in this regard, to file necessary Form with the Registrar of

Companies as deemed necessary in this regard and to take all necessary steps in the matter as it may in its absolute discretion and in the best interests of the Company deem necessary, desirable or expedient, to give effect to the above resolution.”

**By Order of the Board  
Khatod Investments & Finance Co Ltd**

**Sd/-  
Anushree Chowdhury  
Company Secretary**

**Place: Kolkata  
Date: 9<sup>th</sup> February, 2023**

## NOTES:

1. Explanatory Statement pertaining to the said resolutions setting out the material facts, as required under Section 102 of the Act and relevant details of the appointee as required under Regulation 36 of the Listing Regulations for the above s(s) of business is also annexed to this Notice.

2. The Board of Directors at its meeting held on 9<sup>th</sup> February, 2023 has appointed Ms. Prachi Todi, Practising Company Secretary (Mem No. 53022 No., CP No.22964) as the 'Scrutiniser' to conduct the Postal Ballot process in a fair and transparent manner and required consent for such appointment has been received.

3. In compliance with the provisions of Sections 108 and 110 of the Act, read with the Rules, as amended, SS-2 and Regulation 44 of the Listing Regulations, as amended, and Circular Nos. 14/2020 dated April 08, 2020, 17/2020 dated April 13, 2020, 22/2020 dated June 15, 2020, 33/2020 dated September 28, 2020, 39/2020 dated December 31, 2020, 10/2021 dated June 23, 2021, 20/2021 dated December 08, 2021, 3/2022 dated May 05, 2022 and 11/2022 dated December 28, 2022 issued by the Ministry of Corporate Affairs ("MCA") (collectively referred to as "MCA Circulars"), the Company is providing facility to the Members to exercise votes through remote electronic voting system ('e-voting'). The communication of assent or dissent of the Members would only take place through the remote e-voting. Members are requested to carefully read the instructions in the notes for remote e-voting before casting their votes.

4. The Company has engaged the services of M/s. Central Depositories Services (India) Limited ('CDSL') as the Agency to provide e-voting facility to the members of the Company.

5. Members whose names appear in the Register of Members/List of Beneficial Owners as on **Friday, 10<sup>th</sup> February, 2023**, being the cut-off date, are entitled to vote on the Resolution set forth in this Postal Ballot Notice. The voting rights of Members shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date. In case of joint holders, any one of such holder(s) may vote. A person who is not a Member as on the cut-off date should treat this Notice of Postal Ballot for information purpose only.

6. In compliance with the said MCA Circulars and relevant circulars issued by the Securities and Exchange Board of India ('the SEBI') in this behalf, from time to time and in order to support the "Green Initiative in the Corporate Governance" by the Ministry of Corporate Affairs, the Postal Ballot Notice of the Company inter alia indicating the process and manner of e-voting is being sent only in electronic form, to all such Members whose email IDs are registered with Company/ Company's Registrar & Share Transfer Agent i.e., M/s Niche Technologies Private Limited ('RTA')/ Depositories/Depositories Participants for communication purposes.

Members may also note that the Postal Ballot Notice will also be available on Company's website at [www.khatodinv.com](http://www.khatodinv.com), Calcutta Stock Exchange Limited and on the website of the CDSL for their download.

7. In order to continue its endeavor towards paperless communication, the Company requests the Members who have not yet registered their e-mail ID and mobile numbers with the Company, to register their e-mail address and mobile numbers, *in respect of demat holdings* with the Depository through their Depository Participants. *Members who hold shares in physical form* are requested to register their e-mail address and mobile numbers with the Company's RTA at [nichetechpl@nichetechpl.com](mailto:nichetechpl@nichetechpl.com) mentioning their Name and Folio No. and requisite documents. The Members can also register their e-mail address with the Company by sending an email at [khatodinv@gmail.com](mailto:khatodinv@gmail.com) mentioning their Name and Folio No and requisite documents.

8. Members whose shares are in electronic mode are requested to inform change of address and updates of bank account(s) to their respective Depository Participants. Members holding shares in physical form are requested to notify change, if any, in their present residential address or bank mandates under signatures immediately to the Company / RTA of the Company, quoting their folio number.

9. Non-Resident Indian Members are requested to inform the RTA immediately of :

a. Change in their residential status on return to India for permanent settlement.

b. Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the Bank with pin code number, if not furnished earlier.

Members holding shares in electronic form may contact their respective Depository Participants for availing this facility.

10. All the relevant documents referred to in this Postal Ballot Notice and the Explanatory Statement will be available for inspection electronically until the last date of e-voting. Members seeking to inspect such documents can send an e-mail to [khatodinv@gmail.com](mailto:khatodinv@gmail.com).

11. The e-voting shall commence on **Thursday, 16<sup>th</sup> February, 2023 at 10.00 a.m. (IST)** and will end on **Saturday, 18<sup>th</sup> March 2023 at 5.00 p.m. (IST)**. The e-voting module shall be disabled by CDSL for voting thereafter. During this period, the Members of the Company holding shares as on the cut-off date, i.e., Friday, 10<sup>th</sup> February, 2023, may cast their vote by electronic means in the manner given below. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently.

12. The Scrutiniser shall, after conclusion of the voting period, unblock the votes cast through remote e-voting and prepare report of the votes cast in favour or against, if any, and submit the same to the Chairman of the Company. The results of the voting will be declared by placing the same along with the Scrutiniser's report on the Company's website viz., <https://www.khatodinv.com/results.php> and will also be communicated to the stock exchanges, within two working days from last date of voting, i.e., on or before Tuesday, **21<sup>st</sup> March, 2023** and the outcome will be made available at the registered office of the Company. Subject to receipt of requisite number of votes, the resolution(s) mentioned in the Notice, if passed by requisite majority shall be deemed to have been passed on **Saturday, 18<sup>th</sup> March 2023** i.e., last date of the voting period.

13. The Special Resolution shall be declared as passed if the number of votes cast in favour of the resolution is three times than the number of votes, if any, cast against the resolution by members so entitled and voted.

14. The details of the process, manner and instruction for remote e-voting are as under:

I. Pursuant to SEBI Circular No. SEBI/ HO/ CFD/ CMD/ CIR/ P/ 2020/242 dated December 09, 2020, under Regulation 44 of Listing Regulations, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions.

II. In terms of the said SEBI circular, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-voting facility.

Pursuant to above SEBI Circular, Login method for e-Voting for **Individual shareholders holding securities in Demat mode CDSL/NSDL** is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	<p>1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or visit <a href="https://www.cdslindia.com/">https://www.cdslindia.com/</a> and click on Login icon and select New System Myeasi.</p> <p>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the e-voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting the vote during the remote e-Voting period.</p> <p>3) If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a>.</p> <p>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> homepage. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account.</p>

	After successful authentication, user will be provided links for the respective ESP i.e. CDSL where the e-Voting is in progress.
Individual Shareholders holding securities in demat mode with NSDL.	<p><b>1. NSDL IDeAS facility</b></p> <p><b>If the user is registered for the NSDL IDeAS facility:</b></p> <p>(a) Please visit the e-Services website of NSDL viz. <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile.</p> <p>(b) Once the homepage is launched, click on the “<b>Beneficial Owner</b>” icon under “<b>Login</b>” which is available under “<b>IDeAS</b>” section.</p> <p>(c) A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services.</p> <p>(d) Click on “<b>Access to e-Voting</b>” under e-Voting services and you will be able to see e-Voting page.</p> <p>(e) Click on options available against company name or <b>e-Voting service provider i.e. NSDL</b> and you will be re-directed to e-Voting website of NSDL for casting your vote during the e-Voting period.</p> <p><b>If the user is not registered for IDeAS e-Services</b></p> <p>(a) Option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>.</p> <p>(b) Select “<b>Register Online for IDeAS Portal</b>” or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a>.</p> <p>(c) Upon successful registration, please follow steps as given in points (a) to (e) above.</p> <p><b>2. Visit the e-Voting website of NSDL.</b></p> <p>(a) Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile.</p> <p>(b) Once the home page of e-Voting system is launched, click on the icon “<b>Login</b>” which is available under “<b>Shareholder/Member</b>” section.</p> <p>(c) A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen.</p> <p>(d) After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the e-voting period.</p>
Individual Shareholders (holding securities in demat mode) login through their depository participants	<p><b>1)</b> You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility.</p> <p><b>2)</b> On logging in, you will be able to see e-Voting option. On clicking e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature.</p> <p><b>3)</b> Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the e-Voting period.</p>

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at above mentioned website.

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL**

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 22 55 33.
Individual	Members facing any technical issue in login can contact NSDL helpdesk

Shareholders holding securities in Demat mode with NSDL	by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30
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**Login method for e-Voting for Physical shareholders and shareholders other than individual holding in Demat form.**

- a. The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- b. Click on “Shareholders” module.
- c. Now enter your User ID
  - For CDSL: 16 digits beneficiary ID,
  - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- d. Next enter the Image Verification as displayed and Click on Login.
- e. If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and
- f. voted on an earlier e-voting of any company, then your existing password is to be used.
- g. If you are a first-time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>• Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name in CAPITAL letters and the 8 digits of the sequence number in the PAN field.</li> <li>• In case the sequence number is less than 8 digits enter the applicable number of 0’s before the number after the first two characters of the name in CAPITAL letters. E.g., If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li> </ul>
DOB or Bank Account Number (Dividend Bank Details)	<p>Enter the Bank Account Number (Dividend Bank Details) or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account with the depository or in the company records for your folio.</p> <p>If both the details are not recorded with the depository or company then please enter the member-id / folio number in the Bank Account Number details field as mentioned in above instruction (c).</p>

- h. After entering these details appropriately, click on “SUBMIT” tab.
- i. Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions 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.
- j. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- k. Click on the EVSN relevant for the Company “**Khatod Investments & Finance Co Ltd**”.

- l. On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and the option NO implies that you dissent to the Resolution.
- m. Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- n. 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.
- o. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- p. You can also take out print of the voting done by you by clicking on “Click here to print” option on the voting page.
- q. If Demat account holder has forgotten the same password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- r. Note for Institutional Shareholders & Custodians :
  - Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to <https://www.evotingindia.com> and register themselves as Corporate.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details they have to create a compliance user which should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

**PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORYES.**

- For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to [khatodinv@gmail.com](mailto:khatodinv@gmail.com)
  - For Demat shareholders -Please update your email id & mobile no. with your respective Depository Participant (DP)
  - For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting through Depository.
- s. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact them at 1800 200 5533.
  - t. Shareholders can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store, iPhone and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.

15. The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date i.e. 10<sup>th</sup> February, 2023.



16. Corporate / 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 at [csprachi92@gmail.com](mailto:csprachi92@gmail.com) with a copy marked to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

## **EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE ACT AND REGULATION 36 OF THE LISTING REGULATIONS**

### **Item no. 1- To appoint Mr. Sharad Kumar Bachhawat (DIN: 05161130) as an Independent Director of the Company**

The Board of Directors, on the recommendation of Nomination and Remuneration Committee, appointed Mr. Sharad Kumar Bachhawat, as an Additional Director in the category of Non-executive Independent Director of the Company, at its meeting held on 13<sup>th</sup> January, 2023 for a term of five years with effect from 13.01.2023, under Section 149, 150, 152 and 161 of the Companies Act, 2013 ('the Act') and Articles of Association of the Company subject to the approval of the Shareholders and any other approval as may be required from time to time.

As per Regulation 25(2A) of the Listing Regulations, the appointment of independent director shall be subject to the approval of shareholders by special resolution. Further, pursuant to amendment (effective from 1<sup>st</sup> January 2022) to Regulation 17(1C) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), a listed entity is required to obtain the approval of shareholders for appointment of a person on the Board of Directors at the next general meeting or within a time period of three months from the date of appointment, whichever is earlier. Therefore, the Company is seeking approval of Shareholders for appointment of Mr. Bachhawat as an Independent Director of the Company by means of a Postal Ballot.

The Company has received a declaration from Mr. Sharad Kumar Bachhawat, being eligible for appointment as an Independent Director providing his consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014, (as amended from time to time). Further, He is not disqualified from being appointed as Director in terms of Section 164 of the Act, as amended from time to time. The Company has also received a declaration from Mr. Bachhawat confirming the criteria of Independence as prescribed under Section 149(6) of the Act and under the Regulation 16(b) of the Listing Regulations, (as amended from time to time). Also, in terms of Regulation 25(8) of the Listing Regulations, he has confirmed that he is not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact his ability to discharge his duties.

Further, the Company has received a notice in writing from a member proposing the candidature of Mr. Sharad Kumar Bachhawat to be appointed as an Independent Director of the Company, in terms of Section 160 of the Act and other applicable provisions of the Act.

Mr. Sharad Kumar Bachhawat, born on 7<sup>th</sup> February, 1970, is the son of Late Tej Karan Bachhawat. He started his career in cosmetics and manufacturing of readymade garment. He is a learned person having experience of more than 17 years in the field of Real Estate Business. He has served as Independent Director in other Company where his valuable guidance and support has led to the growth and efficient management of the Company. He is also socially active and is involved with various organizations which contributes towards the betterment of the society at large. He has also served as the president of the Sports Club and has emerged as a good Leader. Presently, he is an Independent Director in various companies.

Mr. Bachhawat has also affirmed to the Company that he has registered himself with the databank maintained by the Indian Institute of Corporate Affairs (IICA) as an Independent Director in compliance with the prescribed Rules under the Act. As per the opinion of the Board, he fulfils the criteria specified in the Act & the Rules framed thereunder and the Listing Regulations for his appointment as an Independent Director and it is desirable to avail his services as an Independent Director.

The Board of Directors based on the recommendations of the Nomination and Remuneration Committee considers the appointment of Mr. Sharad Kumar Bachhawat as an Independent Director in the interest of the Company and recommends the Special Resolution as set out at Item no. 1 of the postal ballot notice for approval of the Shareholders.

Except Mr. Sharad Kumar Bachhawat, being an appointee, and his relatives, none of the Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise, in the resolution as set out in the Notice.

Disclosure under Regulation 36(3) of the Listing Regulations and Secretarial Standard-2 issued by the Institute of Company Secretaries of India are set out in the Annexure to the Explanatory Statement. This Explanatory Statement may also be regarded as an appropriate disclosure under the Listing Regulations.

**Item No. 2 - To increase the Borrowing Limits of the Company under Section 180(1)(c) of Companies Act, 2013**

Pursuant to the provisions of Section 180(1)(c) of the Companies Act, 2013 read with the Companies (Meeting of Board and its Powers) Rules, 2014 (the "Rules") (as amended from time to time), the Board of Directors have the powers to borrow money, where the money to be borrowed, together with the money already borrowed by the company could exceed aggregate of its paid-up share capital, free reserves and securities premium, apart from temporary loans obtained from the company's bankers in the ordinary course of business provided a consent by way of Special Resolution by the Shareholders of the Company has been obtained.

Keeping in view the future plans of the Company and to fulfill long term strategic and business objectives, the Board of Directors at its meeting held on 9<sup>th</sup> February, 2023 has proposed and approved for seeking the shareholder approval for availing borrowing limit upto an aggregate limit of Rs. 100 Crores (Rupees One Hundred Crores only) subject to the approval of shareholders of the Company by means of a postal ballot. The resolution as set out at Item No. 2 of the postal ballot notice is placed before the Shareholders for their approval.

None of the Directors or Key Managerial Personnel (KMP) or relatives of directors and KMP are concerned or interested in this resolution.

The Board of Directors recommends resolution as set out in the postal ballot notice for approval of the Shareholders of the Company by way of a Special Resolution.

**Item No. 3 - To take approval of the shareholders of the Company for sale, transfer, lease or otherwise dispose off the Company's investment (held as stock) as per Section 180(1)(a) of Companies Act, 2013**

The Company is a Non-Banking Financial Company (non-deposit taking and non systematically important NBFC company), engaged in Non-fund based activities, the Company was formed with the object of lending money and negotiating loans, draw, accept, endorse, discount, buy, sell and deal in Bill of Exchange, Promissory notes, bonds, debentures, coupons and other negotiable instrument and securities, issue on commission, subscribe for, take, acquire and hold, sell, exchange and deal in shares, stock, bonds, obligations or securities of any Government, local authority or Company. In certain circumstances the Company sell the stock held, in the best interests of its members and such sale at times may attract the provisions of Section 180 (1)(a) of the Companies Act, 2013.

Consequently, the Board of Directors subject to the approval of members of the Company by a special resolution and other applicable laws and subject to such other approvals, consents, permissions and sanctions as may be necessary, at its meeting held on 9<sup>th</sup> February, 2023 approved to sell, transfer, convey, assign or

otherwise dispose off, the whole or part of the Company's investment held as stock, in the equity shares of its other group and non-group companies, to any potential investors/buyers (either by themselves and/or through their affiliates), the terms and conditions, methods and modes in respect thereof, determining the exact effective date, and finalizing and executing and registering the necessary documents including agreements, deeds, sale deed, agreement for sale and such other deeds documents and writings, deeds of conveyances and irrevocable powers of attorney, share transfer forms, etc., and such other documents in the best interest of the Company.

Members of the Company are further requested to note that Section 180 (1)(a) of the Companies Act, 2013 mandates that the Board of Directors of a company shall exercise the power to sell, lease or otherwise dispose off the whole or substantially the whole of any undertaking(s) of the company, only with the approval of the Shareholders of the Company by way of a special resolution.

An Undertaking for the purposes of Section 180(1) of the Companies Act, 2013 is an undertaking in which the investment of the company exceeds twenty percent of its net worth as per the audited balance sheet of the preceding financial year or an undertaking which generates twenty percent of the total income of the company during the previous financial year. Substantially the whole of the undertaking for the purposes of Section 180(1) is in any financial year, shall mean twenty percent or more of the value of the undertaking as per the audited Financial Statements of the preceding financial year. Given the said investments held as stock in the equity shares of group and non-group Companies share capital, may exceeds the thresholds specified herein, and in order to such disinvestment requires approval of the members by a special resolution under Section 180(1)(a) of the Act. Therefore, the resolution as set out at Item No. 3 of the postal ballot notice is placed before the Shareholders for their approval.

The Board is of the opinion that the aforementioned proposal is in the best interest of the Company and hence, the Board recommends passing of the special resolution for the approval of the members of the Company.

None of the Directors, Key Managerial Personnel of the Company and their respective relatives are in any way, concerned or interested, financially or otherwise, in the said resolution except to the extent of their respective shareholding, if any, in the Company.

**Details of Directors seeking appointment through Postal Ballot**

[Pursuant to the requirements of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India]

Sl. No.	Name of Director	Mr. Sharad Kumar Bachhawat		
1	DIN	05161130		
2	Date of Birth	7 <sup>th</sup> February, 1970		
3	Age	52 years		
4	Date of First Appointment on the Board	13 <sup>th</sup> January, 2023 as an Additional Director designated as Independent Director.		
5	Qualifications	Under Graduate		
6	Experience and expertise in Specific functional Area	Managerial Qualities		
7	Terms and conditions of appointment or re-appointment	As per the Nomination & Remuneration Committee and Explanatory Statement to the Notice.		
8	Details of remuneration sought to be paid.	Nil		
9	Details of remuneration last drawn (including sitting fees, if any)	Nil		
10	Attendance at Board, Committee & General Meetings held from the date of his appointment and Postal ballot Notice	Board Meetings	Board Committee Meetings	General Meeting
		2 out of 2	3 out of 3	Not Applicable
11	Number of Shares held in Equity Capital of the Company	Nil		
12	Directorship held in other Companies	<ul style="list-style-type: none"> <li>• RDB Realty &amp; Infrastructure Limited</li> <li>• RDB Rasayans Ltd</li> <li>• S.D. Infrastructure &amp; Real Estate Private Limited</li> </ul>		
13	Chairman/Member of Committees of Board of Director of other Listed Companies	<p>Chairman in 3 Committees (namely, CSR Committee, Nomination &amp; Remuneration Committee and Stakeholders Relationship Committee and Member of Audit Committee of <b>RDB Rasayans Ltd.</b></p> <p>Chairman in 4 committees (namely, Audit Committee, CSR Committee, Nomination &amp; Remuneration Committee and Stakeholders Relationship Committee of <b>RDB Realty &amp; Infrastructure Ltd</b></p>		
14	Disclosure of relationships between Directors/KMP inter-se	None		
15	Listed entities from which resigned in the past Three years	None		