

# P. M. VALA

## COMPANY SECRETARIES

FLAT NO.15, "B" WING, NEW B. J. MARKET, JALGAON - 425 001

Ph: (0257) 222 5911 Cell : 98696 99875 / 88794 10333 / 93264 72099

E-mail : pmvala@yahoo.co.in/guroofinancial@yahoo.co.in

Date: October 10,2014

The Chairman

### AGARWAL INDUSTRIAL CORPORATION LIMITED

Eastern Court, Unit No.201-202, Plot No.12,

V.N.Purav Marg, S.T.Road, Chembur, Mumbai-400071

Dear Sir,

**Sub : Scrutiny of Postal Ballot Forms received in respect of following business proposed vide Notice of Postal Ballot dated August 14,2014 and as mentioned under Item No.1 to 3 of the Notice:**

**Item No.1- Special Resolution for authorization to the Board of Directors to borrow moneys on behalf of the Company;**

**Item No.2 Special Resolution for authorization to the Board of Directors to create mortgage/pledge/hypothecation/charge on all or any of the movable/immovable properties of the Company;**

**Item No.3 - Special Resolution or granting approval for adoption of new set of Articles of Association;**

I was appointed as the Scrutinizer by the Board of Directors on **August 14,2014** to scrutinize the votes on the aforesaid resolutions which could be cast by Postal Ballot (including voting through electronic means). I am submitting herewith my report for your perusal and record.

Thanking you,

Yours faithfully,

  
(CSP M Vala)

Encl:a/a.

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## SCRUTINIZER'S REPORT

The Chairman & Managing Director  
**AGARWAL INDUSTRIAL CORPORATION LIMITED**  
Eastern Court, Unit No.201-202, Plot No.12,  
V.N.Purav Marg, S.T.Road, Chembur, Mumbai-400071

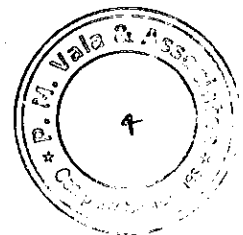
Dear Sir,

### **Sub : Passing of Resolution through Postal Ballot**

Pursuant to the resolution passed by the Board of Directors of **AGARWAL INDUSTRIAL CORPORATION LIMITED** ("The Company") on **August 14,2014**, I have been appointed as a Scrutinizer to receive, process and scrutinize the postal ballot papers in respect of the Special Resolutions as circulated in the postal ballot notice dated **August 14,2014**.

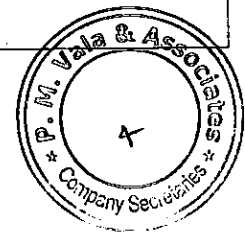
To enable wider participation of shareholders, pursuant to the provision of Section 108 of the Companies Act, 2013 and the Rules framed there under vide Companies (Management and Administration) Rules, 2014 and pursuant to SEBI's circular no. CIR/CFD/ DIL /6/ 2012, dated July 13, 2012 as amended by its circular CIR/CFD/POLICYCELL/2/2014 April 17, 2014, Companies listed on National Stock Exchange of India Limited (NSE) & BSE Limited (BSE), are required to provide e-voting facility to their shareholders on all shareholders resolutions to be passed at General Meetings or through Postal Ballot. Since **AGARWAL INDUSTRIAL CORPORATION LIMITED** falls within the requirements as specified in the Companies Act, 2013 and the above mentioned Circulars of SEBI, e-voting which has been made applicable, the Company has provided for the same.

**AGARWAL INDUSTRIAL CORPORATION LIMITED** accordingly has made arrangements with the Systems Provider Central Depository Services (India) Limited (CDSL) for providing a system of recording votes of the shareholders electronically through e-voting. The Company has also accordingly made arrangements through its Registrar and Transfer Agent i.e. **Ankit Consultancy Private Limited (Ankit)** herein after referred as (RTA) to set up the e-voting facility on the CDSL e-Voting website <http://www.evotingindia.com>.



**AGARWAL INDUSTRIAL CORPORATION LIMITED** through RTA has also uploaded the resolutions together with the explanatory statement on which e-voting is required and for generating Electronic Voting Sequence Number (EVSN) by the system provider. All necessary formalities in compliance with the requirements specified by CDSL, the system provider has been done by the Company through its RTA. Necessary instructions in this regard to be followed by the shareholders have also been duly mentioned in the Postal Ballot Notice dated August 14, 2014 sent to the shareholders by email and by Registered Post. The Register of Member was made up, for the purpose of dispatch of postal ballot to the shareholders as on September 8,2014.

Reference to the Companies Act, 2013	Type and Description of the Special Resolutions
(1) Special Resolution Pursuant to Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force )	Special Resolution under Section 180(1)(c) of the Companies Act, 2013 for authorizing the Board of Directors to borrow moneys on behalf of the Company upto a sum not exceeding Rs. 75 Crores.
(2) Special Resolution Pursuant to Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force )	Special Resolution under Section 180(1)(a) of the Companies Act, 2013 for authorizing the Board of Directors to create mortgage/pledge/ hypothecation/charge on all or any of the movable/immovable properties of the Company for securing the borrowings of the Company upto a sum not exceeding Rs. 75 Crores.
(3) Special Resolution Pursuant to Section 14 of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014 (including any statutory modification or re-enactment thereof for the time being in force )	Special Resolution under Section 14 of the Companies Act, 2013 for granting approval to adopt new set of Articles of Association of the Company in alignment with the Companies Act,2013.



I, report that the Postal Ballot Notice dated August 14, 2014 under Section 110 of the Companies Act, 2013 read with Rule 22 under the Chapter on Companies (Management and Administration) Rules, 2014 as notified by MCA on March 27, 2014 were dispatched to the shareholders holding shares in physical form by Registered Post aggregating to **1001** (\*inclusive of 84 returned email and resent by post) along with self-addressed prepaid Business Reply Envelope on or before **September 8,2014**.

In addition to the above, Postal Ballot Notices were also sent by **CDSL** via electronic mode to **856** Shareholders at their email addresses registered with the Depository Participants as per the data downloaded from the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) as on August 22,2014 (cut-off date). As per the information provided by Central Depository Services (India) Limited (CDSL) out of the **856** emails sent **84\*** emails have bounced. The details of such cases have been provided to me by Central Depository Services (India) Limited (CDSL). I further report that as stated in the Notice sent to the Shareholders, the Company had fixed 6.00 PM on Tuesday, October 7, 2014 as the last date for receipt of Postal Ballots and for E-voting.

As stated in sub rule 3 of Rule 20 under the Chapter on Companies (Management and Administration) Rules, 2014 as notified by MCA on March 27, 2014 an advertisement was published by the Company in **Free Press Journal - English Newspaper, Nav Shakti (Marathi) -Vernacular Newspapers on September 08,2014** containing information about the completion of dispatch of the Postal Ballot Notices both by Registered Post and by email, wherever applicable, to the shareholders along with other related matters mentioned therein.

I report that I have received the Postal Ballot forms from the shareholders during the period starting from **Monday, 8<sup>th</sup> September 2014 till Tuesday, October 7,2014**. All the Postal Ballot forms together with all votes cast by E-voting through CDSL received up to 6.00 P.M. Tuesday, October 7, 2014, being the last date fixed by the Company for receipt of the ballot forms/e-voting, were considered for my scrutiny.

**103** Envelopes containing Postal Ballot forms were returned undelivered and these envelopes were not opened and will be taken up for destruction by the Company after announcement of the results.

The Postal Ballots forms received at the my address in the name of the Scrutinizer were opened and then taken up for scrutiny by CS P.M.Vala and passed on to the RTA Ankit Consultancy Private Limited. This process was carried out on a weekly basis.



Since e-Voting facility was provided by CDSL, the details of the e-Voting exercised by the shareholders as also the votes exercised through Postal Ballots, which were duly scrutinized and processed, were duly complied by the RTA. While the details of the e-Voting was provided by the System Provider namely CDSL, the compilation of the Register, in respect of Postal Ballots containing the statement of shareholder's name, folio number, postal ballot number, number of shares held, number of votes exercised, votes in favour, votes against and those votes which were rejected were generated by the RTA which have been duly scrutinized.

On scrutiny, I report that out of 1773 shareholders, 3 Shareholders have exercised their vote through e-Voting and 32 Shareholders have exercised their votes through Postal Ballot Forms, as received. The Details of polling results for the item placed for consideration by the members are given below:

**Item No. 1 : Special Resolution** pursuant to Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force )

**"RESOLVED THAT** in supersession of all earlier resolutions passed in this regard and pursuant to the provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the consent be and is hereby accorded to the Board of Directors or any Committee constituted by the Board (hereinafter referred to as 'the Board') to borrow, from time to time, whether by way of working capital facilities/term loans/corporate loans/debentures/other credit facilities in Indian rupees and/or foreign currency at its discretion, either from bank(s), financial institution(s), body corporate(s) or any other lending institution(s) or person(s), whether in India or abroad (including moneys that may be borrowed by issue of debentures whether convertible or not, zero coupon bonds or such other securities as the Board in its absolute discretion may determine) on such terms and conditions as may be considered suitable by the Board, notwithstanding that the moneys to be borrowed together with the moneys 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 and free reserves, that is to say, reserves not set apart for any specific purpose, of the Company, provided that the maximum outstanding amount of moneys so borrowed by the Board shall at any time not exceed Rs. 75 Crores (Rupees Seventy Five Crores only)."

**"RESOLVED FURTHER THAT** the Board be and is hereby authorized to take such actions and steps, delegation of authority, as may be necessary and to settle all matters arising out of and incidental thereto and to sign and execute on behalf of the Company such agreements, deeds, applications, documents and writings as may be required in this regard and generally to do all such acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this resolution."



Total No. of Shareholders		1,773	
Total No. of Shares		55,12,900	
Receipt of Postal Ballot Forms		From September 8,2014 till October 7,2014	
		Number of Votes	Number of Shares
Total votes cast through e-Voting	A	3	2,950
Total Votes Cast through Postal Ballot Forms Received	B	32	29,42,900
Grand Total of e-Voting /Postal Ballot Form (A+B)	C	35	29,45,850
Less : Invalid e-Voting /Postal Ballot Forms(on account of signature mismatch, for/against option not indicated)	D	0	0
Net e-Voting/ Postal Ballot Forms (C-D)	E	35	29,45,850

**NOTE :**

Votes cast in favour or against has been considered on the basis of number of shares held as on the date reckoned for the purpose of postal ballot or the number of shares mentioned in the postal ballot whichever is less.

**Summary of Postal Ballot:**

Promoter/ Public	No. of shares held	No. of votes polled	% of Votes Polled on outstanding shares	No. of Votes - in favour	No. of Votes - against	% of Votes in favour on votes polled	% of Votes against on votes polled
	1	2	(3)=[(2)/(1)]*100	4	5	(6)=[(4)/(2)]*100	(7)=[(5)/(2)]*100
Promoter and Promoter Group	2,940,545	2,940,545	100.00	2,940,545	0	100.00	0.00
Public-Institutional holders	0	0	0.00	0	0	0.00	0.00
Public-Others	2,572,355	5,305	0.21	5,305	0	100.00	0.00
<b>Total</b>	<b>5,512,900</b>	<b>2,945,850</b>	<b>53.44</b>	<b>2,945,850</b>	<b>0</b>	<b>100.00</b>	<b>0.00</b>

Percentage of votes cast in favour: 100%, Percentage of vote cast against : 0 %



## RESULTS :

As the number of votes casted in favour of the Resolution i.e. 100 % is more than three times the number of votes cast against i.e. 0% , I report that the Special Resolution under Section 110 of the Companies Act, 2013 and the Companies (Management and Administration) Rules, 2014 as set out in the Notice of Postal Ballot dated August 14,2014 has been passed by the shareholders with requisite majority. The Resolution is deemed to have been passed as on the date of the announcement of the results.

**Item No. 2 : Special Resolution** pursuant to Section 180(1)(a) and other applicable provisions, if any, of the Companies Act,2013' (including any statutory modification or re-enactment thereof for the time being in force ).

**"RESOLVED THAT** in supersession of all earlier resolutions passed in this regard and pursuant to the provisions of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013(including any statutory modification(s) or re-enactment thereof, for the time being in force), the consent be and is hereby accorded to the Board of Directors or any Committee constituted by the Board (hereinafter referred to as 'the Board') for creating the mortgage/pledge/hypothecation/charge on the whole or part of the Company's land, building thereon, machinery, stocks, book debts and all other assets whether movable or immovable of the Company situated in India or abroad in one or more tranches and/or conferring power to enter upon and take possession of the assets of the Company in certain events to or in favour of any of the financial institution(s), bank(s), body corporate(s), lending institution(s) or person(s) to secure the working capital facilities/term loans/corporate loans/debentures/other credit facilities raised/to be raised by the Company from such financial institution(s), bank(s), body corporate(s), lending institution(s) or person(s) together with interest at the respective agreed rates, compound/additional interest, commitment charge, charges on prepayment or on redemption, costs, charges, expenses and all other moneys payable/to be payable to the financial institution(s), bank(s), body corporate(s), lending institution(s) or person(s) in terms of their respective agreements/letters of sanction/memorandum of terms and conditions, entered into/to be entered into by the Company in respect of the said working capital facilities/term loans/corporate loans/ debentures/other credit facilities up to a sum not exceeding Rs. 75 Crores (Rupees Seventy Five Crores only) at any time."

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to take such actions and steps as may be necessary and to settle all matters arising out of and incidental thereto and to finalize the form, extent and manner of and the documents and deeds, as may be applicable, for creating the mortgage/pledge/hypothecation/ charge on the whole or part of the Company's land, building thereon, machinery, stocks, book debts and all other assets whether movable or immovable of the Company situated in India or abroad on such terms and conditions as may be decided by the Board in consultation with the lenders and generally to do all such acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this resolution."



Total No. of Shareholders		1,773	
Total No. of Shares		55,12,900	
Receipt of Postal Ballot Forms		From September 8,2014 till October 7,2014	
		Number of Votes	Number of Shares
Total votes cast through e-Voting	A	3	2,950
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Grand Total of e-Voting /Postal Ballot Form (A+B)	C	35	29,45,850
Less : Invalid e-Voting /Postal Ballot Forms(on account of signature mismatch, for/against option not indicated)	D	0	0
Net e-Voting/ Postal Ballot Forms (C-D)	E	35	29,45,850

**NOTE :**

Votes cast in favour or against has been considered on the basis of number of shares held as on the date reckoned for the purpose of postal ballot or the number of shares mentioned in the postal ballot whichever is less.

**Summary of Postal Ballot:**

Promoter/ Public	No. of shares held	No. of votes polled	% of Votes Polled on outstand ing shares	No. of Votes - in favour	No. of Votes – against	% of Votes in favour on votes polled	% of Votes against on votes polled
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Promoter and Promoter Group	2,940,545	2,940,545	100.00	2,940,545	0	100.00	0.00
Public- Institutional holders	0	0	0.00	0	0	0.00	0.00
Public-Others	2,572,355	5,305	0.21	5,305	0	100.00	0.00
<b>Total</b>	<b>5,512,900</b>	<b>2,945,850</b>	<b>53.44</b>	<b>2,945,850</b>	<b>0</b>	<b>100.00</b>	<b>0.00</b>

Percentage of votes cast in favour : 100%, Percentage of vote cast against : 0 %





## RESULTS :

As the number of votes casted in favour of the Resolution i.e. 100 % is more than three times the number of votes cast against i.e.0% , I report that the Special Resolution under Section 110 of the Companies Act, 2013 and the Companies (Management and Administration) Rules, 2014 as set out in the Notice of Postal Ballot dated August 14,2014 has been passed by the shareholders with requisite majority. The Resolution is deemed to have been passed as on the date of the announcement of the results.

**Item No. 3 : Special Resolution** pursuant to Section 94 of the Companies Act,2013 read with Rule 15 of the Companies (Management and Administration) Rules ,2014 (including any statutory modification or re-enactment thereof for the time being in force )

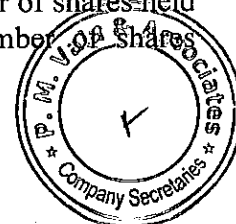
**"RESOLVED THAT** pursuant to the provisions of Section 14 and other applicable provisions of the Companies Act, 2013 read with the Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the consent be and is hereby accorded for adoption of the draft regulations contained in the new set of Articles of Association of the Company, in substitution and to the entire exclusion, of the regulations contained in the existing set of Articles of Association of the Company."

**"RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things as may be deemed necessary, proper or expedient to give effect to this resolution."

Total No. of Shareholders		<b>1,773</b>	
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Grand Total of e-Voting /Postal Ballot Form (A+B)	C	<b>35</b>	<b>29,45,850</b>
Less : Invalid e-Voting /Postal Ballot Forms ( on account of signature mismatch, for/against option not indicated)	D	<b>0</b>	<b>0</b>
Net e-Voting/ Postal Ballot Forms (C-D)	E	<b>35</b>	<b>29,45,850</b>

### NOTE.:

Votes cast in favour or against has been considered on the basis of number of shares held as on the date reckoned for the purpose of postal ballot or the number of shares mentioned in the postal ballot whichever is less.



Summary of Postal Ballot:

Promoter/ Public	No. of shares held	No. of votes polled	% of Votes Polled on outstand ing shares	No. of Votes - in favour	No. of Votes - against	% of Votes in favour on votes polled	% of Votes against on votes polled
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Public- Institutional holders	0	0	0.00	0	0	0.00	0.00
Public-Others	2,572,355	5,305	0.21	5,305	0	100.00	0.00
<b>Total</b>	<b>5,512,900</b>	<b>2,945,850</b>	<b>53.44</b>	<b>2,945,850</b>	<b>0</b>	<b>100.00</b>	<b>0.00</b>

Percentage of votes cast in favour : 100%, Percentage of vote cast against :0 %

**RESULTS :**

As the number of votes casted in favour of the Resolution i.e. 100% is more than three times the number of votes cast against i.e.0% , I report that the Special Resolution under Section 110 of the Companies Act,2013 and the Companies (Management and Administration) Rules, 2014 as set out in the Notice of Postal Ballot dated August 14,2014 has been passed by the shareholders with requisite majority. The Resolution is deemed to have been passed as on the date of the announcement of the results.

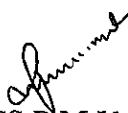
I further report that as per the Postal ballot Notice dated August 14,2014 and the Board and the Board resolution dated August 14,2014, the Chairman or any other person as authorised in this regard may declare and confirm the above results of voting by postal ballot in respect of the resolution referred herein by August 14,2014, as intimated to the Stock Exchanges. The results of Postal Ballot together with the Scrutinizer's Report would be displayed on Company's website [www.aicltd.in](http://www.aicltd.in) and on the website of CDSL within 2 days of passing of the resolutions and shall also be communicated to the Stock Exchanges.

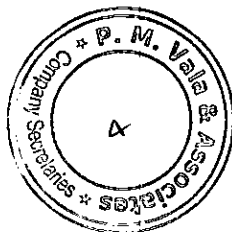


I further report that as per Rule 22 of the Companies (Management and Administration) Rules 2014, the Company has duly complied with the applicable provisions. I further report that as per the said Rules, the records maintained by me including the data as obtained from CDSL, the System Provider for the e-Voting facility extended by them as also a Register recording the consent or otherwise received from the shareholders , voting through postal ballot which includes all the particulars of the shareholders such as the name, folio number/DP ID/ Client ID, number of shares held, number of shares voted and number of shares assented , number of shares dissented, number of shares rejected , ballot papers and other related papers are in my safe custody which will be handed over to the Company Secretary of the Company after the Chairman approves and signs the minutes of the meeting.

I thank you for the opportunity given to act as a Scrutinizer for the above Postal Ballot.

Thanking You,

  
**CS P M Vala**  
**Scrutinizer,**  
**Practicing Company Secretary**  
**FCS 5193 CP -4237**



**Place : Thane**

**Date : October 10,2014**