



## NOTICE OF POSTAL BALLOT

[Pursuant to Section 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014]

**NOTICE** is hereby given that pursuant to Section 110 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act"), read with the Companies (Management and Administration) Rules, 2014 (the "Rules 2014") (including any statutory modification or re-enactment thereof) following resolutions are proposed to be passed by way of Postal Ballot or e-voting by the shareholders of the Company.

Statement of material facts pursuant to Section 102 of the Act read with the Rules, 2014 setting out the relevant information concerning the resolutions is annexed.

1. To consider and, if thought fit, to pass, with or without modification, the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to the provisions of Section 61(1)(b) and all other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof) and the Articles of Association of the Company, and also subject to the approval of the National Company Law Tribunal constituted under the provisions of the Companies Act, 2013 and any other statutory / regulatory authorities as may be required, consent of the members of the Company be and is hereby accorded to consolidate the Issued, Subscribed and Paid up equity shares in the share capital of the Company by increasing the face value of the equity shares from Re.1/- (Rupee One only) each to Rs 10,000/- (Rupees Ten Thousand only) each by consolidating existing 10000 equity shares of Re.1/- each into new 1 equity share of Rs 10,000/-(Rupees Ten Thousand only) each.

**RESOLVED FURTHER THAT** the entitlement for the consolidation of equity shares be determined on the basis to those shareholders whose names appear in the Register of Members as on 22<sup>nd</sup> February, 2019 and to all those beneficial owners holding shares in electronic mode as per the data made available to the Company by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) as on 22<sup>nd</sup> February, 2019 or such other date as may be fixed by the Board of Directors of the Company. (hereinafter referred to as the "Record Date")

**RESOLVED FURTHER THAT** upon consolidation of the existing equity shares of the Company as aforesaid, no shareholder shall be entitled to a fraction of a new share (fractional equity shares) and no share certificate(s) will be issued in respect of such fractional entitlement of shares and all fractional entitlements resulting from the consolidation shall be aggregated to a required number of equity share of Rs.10,000/- (Rupees Ten Thousand only) each and the number of shares so arising (including cash and non-cash corporate benefits accruing on such fractional equity shares, if any) shall be held by the Trustee/s appointed by the Board of Directors (hereinafter referred as "the Board" which term shall be deemed to include any Committee thereof) of the Company for the benefit of respective shareholders/ their legal heirs who shall dispose off the said shares to such person(s) as the Trustee/s may deem fit and the net sale proceeds of such shares (together with cash and non-cash corporate benefits accruing on such fractional equity shares, if any) after deduction of applicable taxes, if any) shall be distributed proportionately among the members who would otherwise be entitled to fractional entitlements as on Record date or their respective legal heirs, at the price determined on the basis of the Valuation

Report obtained from an Independent Chartered Accountants and Fairness Opinion obtained from a SEBI Category-I registered Merchant Banker on the said valuation or at a price offered by the prospective buyer whichever is more and in the best interest of the shareholders of the Company.

**RESOLVED FURTHER THAT** upon consolidation of the equity shares of the Company as aforesaid, the existing share certificates relating to the existing equity shares of the face value of Re. 1/- (Rupee One only) each held in physical form shall be deemed to have been automatically cancelled and be of no effect and the Company may without requiring the surrender of the existing equity share certificates directly issue and dispatch the new share certificates of the Company for the fully paid consolidated equity shares to such members in lieu of existing share certificates pursuant to the Companies (Share Capital and Debenture) Rules, 2014 and in the case of the equity shares held in the dematerialized form, the new equity shares be credited to the respective beneficiary accounts of the shareholders with the Depository Participants, in lieu of the existing equity shares of the Company before consolidation by way of a corporate action and the existing shareholders holding less than 10000 equity shares of the face value of Re. 1/- (Rupee One only) shall not be entitled to any shares upon consolidation.

**RESOLVED FURTHER THAT** the Board of Directors (which expression shall include a Committee thereof) of the Company be and is hereby authorised to do all such acts, deeds, matters, take all necessary steps and to execute all such documents, instruments and writings as may be required in this connection and to delegate all or any of the powers herein vested in the Board of Directors to such persons as it may deem fit.

**RESOLVED FURTHER THAT** any Director and Company Secretary of the Company be and are hereby severally authorized to issue certified true copies of this resolution to various authorities."

2. To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

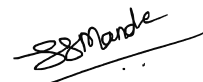
**"RESOLVED THAT** subject to the approval of the members and the National Company Law Tribunal constituted under the provisions of the Companies Act, 2013 for consolidation of shares and pursuant to the provisions of Section 13, 61 and all other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof) Clause V of the Memorandum of Association of the Company be and is hereby substituted by the following Clause:

"V. The Authorized Share Capital of the Company is Rs. 55,00,00,000/- (Rupees Fifty-Five Crores Only) comprising of 55,000 (Fifty Five Thousand) equity shares of Rs.10,000/- (Rupees Ten Thousand Only) each with a power to increase or reduce, the capital of the Company for the time being into several classes, to attach thereto respectively any preferential, deferred, qualified or special rights, privileges or conditions as may be determined by or in accordance with the Articles of Association of the Company and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may for the time being be provided by the Articles of Association of the Company.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board of Directors (which expression shall include a Committee thereof) be and is hereby authorised to do all such acts, deeds, matters and things as may be necessary for obtaining such approvals in relation to the above and to execute all such documents, instruments and writings as may be required in this connection and to delegate all or any of its powers herein conferred to any one of its Directors or any other officers."

**RESOLVED FURTHER THAT** any Director and Company Secretary of the Company be and are hereby severally authorized to issue certified true copies of this resolution to various authorities."

By order of the Board of Directors  
**For THE KOLHAPUR STEEL LIMITED**



**Siddhesh Mandke**  
**Company Secretary**

Pune : October 19, 2018

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**NOTES :**

1. Pursuant to Section 102 of the Companies Act, 2013 ('the Act'), statement of material facts for the items mentioned in the Notice are annexed.
2. The Postal Ballot Notice is being sent to all the Members, whose names appear in the Register of Members / Statements of beneficial ownership maintained by the Depositories, i.e., National Securities Depository Limited ("NSDL") and Central Depository Services (India) Limited ("CDSL") as on the close of business hours on 22<sup>nd</sup> February, 2019.
3. The Postal Ballot Notice is also being sent by e-mail to those Members who have registered their e-mail addresses with the Company /Registrar and Transfer Agent or with their Depository Participants ("DP") unless any Member has requested for a physical copy of the same. Members who have not registered their e-mail address will receive the Postal Ballot Notice along with the Postal Ballot Form ("Ballot Form") through permitted mode.
4. The Postal Ballot Notice is uploaded on the website of the Company, i.e., [www.kolhapursteel.com](http://www.kolhapursteel.com) and on the website of NSDL, i.e., [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
5. The Board has appointed Mr. Vinayak Khanvalkar, - Partner of KANJ and Co. LLP- a Practicing Company Secretary, Pune as a Scrutinizer to conduct the Postal Ballot and e-voting exercise in a fair and transparent manner.
6. In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rules 20 and 22 of the Companies (Management and Administration) Rules, 2014, the Company is offering e-voting facility to its shareholders as an alternate mode to exercise their right to vote in respect of the proposed resolutions. The Company has engaged the services of NSDL to provide the e-voting facility, which is available at <https://www.evoting.nsdl.com>. The instructions for e-voting are given below.
7. Members can opt for only one mode of voting, i.e., either by Ballot Form or e-voting. However, in case Members cast their vote by Ballot Form and e-voting, then e-voting shall prevail and voting done by Ballot Form will be treated as invalid.

## **Voting instructions :**

### **A) Voting through Postal Ballot Form :**

1. Please complete and sign the Ballot Form (any other form or photocopy thereof will be treated as invalid) and send it in an attached self-addressed postage pre-paid Business Reply Envelope (if posted from India), so as to reach the Scrutinizer, viz. Mr. Vinayak Khanvalkar, - Partner of KANJ and Co. LLP- a Practicing Company Secretary, C/o Link Intime India Private Limited, (Unit:The Kolhapur Steel Limited) at C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai - 400 083 on or before 5:00 p.m., on 6<sup>th</sup> April, 2019. Any Ballot Form received after the said date shall be treated as if the reply from the Member has not been received.
2. A Member may send the Ballot Form by courier or registered post or delivers it in person at his/her own expense, such Ballot Form will also be accepted.
3. The Ballot Form should be signed by the Member as per the specimen signature registered with the Company/Depository Participants. In case of joint holding, the Ballot Form should be completed and signed by the first named Member and in his/her absence, by the next named joint holder. A Power of Attorney ("POA") holder may vote on behalf of a Member, enclosing a duly attested copy of the POA.
4. Votes should cast either in favour or against, by putting the tick (✓) mark in the appropriate column provided in the Ballot Form.
5. A Member need not use all the votes or cast all the votes in the same way.
6. A Member may request for a duplicate physical copy of Ballot Form, if so required, by sending an e-mail to [laxmikant.katekar@kolhapursteel.com](mailto:laxmikant.katekar@kolhapursteel.com) mentioning his/her Folio / DP ID and Client ID No.
7. Unsigned, incomplete, improperly or incorrectly tick marked Ballot Forms will be rejected. A Ballot Form will also be rejected, if it is received in torn, defaced or mutilated condition.
8. The right of voting by Postal Ballot Form shall not be exercised by proxy.
9. Members are requested to fill the Postal Ballot Form in ink and avoid filling it by using erasable writing medium like pencil.

### **B) Voting through electronic means :**

1. The e-voting shall commence on Friday i.e. 8<sup>th</sup> March, 2019 at 9.00 a.m. and end on Saturday i.e. on 6<sup>th</sup> April, 2019 at 5.00 p.m. E-voting shall not be allowed beyond Saturday 6<sup>th</sup> April, 2019 after 5.00 p.m. The e-voting module shall be disabled by NSDL for voting thereafter.
2. In case of Members, who have registered their e-mail IDs with the Company :
  - i. For remote e-voting, Member should log on to <https://www.evoting.nsdl.com> and click on 'Shareholder - Login' during the period mentioned in point No. B (1) above.
  - ii. Enter User ID, password and verification code as shown on the screen and click login.

*Alternatively, if a Member is registered for NSDL e-services i.e. IDEAS, Member can log-in at <https://eservices.nsdl.com> with existing IDEAS login. Once Member logs-in to NSDL e-services after using log-in credentials, click on e-Voting and proceed to cast vote electronically.*

User ID details for existing and new users are as given below:

<b>Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical</b>	<b>User ID :</b>
a) For Members who hold shares in demat account with NSDL.	Eight (8) character DP ID followed by Eight (8) Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	Sixteen (16) Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	'Electronic Voting Event Number' (EVEN) followed by your Folio Number registered with the Company. For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

iii. If a Member is already registered with NSDL for remote e-voting, then a Member can use his/her existing user-ID & password for login.

iv. Password details for new users are as given below:

a) If a Member is using NSDL e-Voting system for the first time, he/she will need to retrieve the 'initial password' which was communicated. Once 'initial password' is retrieved, the system will prompt to change the password.

b) Steps to retrieve 'initial password'

(i) If e-mail ID is registered in demat account, use the 'initial password' sent by NSDL on registered e-mail ID. The password to open the attached pdf file in the e-mail is Eight (8) digit client ID for NSDL account, last Eight (8) digits of client ID for CDSL account or folio number for shares held in physical form. The pdf file contains 'User ID' and 'initial password'.

(ii) If email ID is not registered, the 'initial password' is communicated on his/her postal address.

If a Member is unable to retrieve or has not received the "Initial password" or has forgotten the password:

a) Click on "Forgot User Details/Password"

b) Physical User- Click on "Reset Password"

(iii) If a Member is still unable to get the password by aforesaid two options, he/she can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning his/her demat account number/folio number, PAN, name and registered address.

(iv) After entering the password, tick on Agree to "Terms and Conditions" by selecting on the check box.

Now, click on "Login" button, Home page of e-Voting will open.

- (v) After log in as mentioned in the above steps, click on 'e-voting: Active Voting Cycles'.
- (vi) Select the Electronic Voting Event Number (EVEN) of "The Kolhapur Steel Limited" (which is provided in the Postal Ballot Form).
- (vii) Now you are ready for remote e-voting as 'voting page' opens.
- (viii) Cast your vote by selecting appropriate option and click on 'submit' and also 'confirm' when prompted.
- (ix) Upon confirmation, the message 'vote cast successfully' will appear. Once you have cast your vote on the resolution, you will not be allowed to modify it.
- V Institutional shareholders are required to send the scanned copy (in PDF or JPEG format) of the relevant Board Resolution / Authority letter /Power of Attorney etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer at [vinayak.khanvalkar@kanjcs.com](mailto:vinayak.khanvalkar@kanjcs.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
- vi It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
8. In case of other Members :
- You will receive login ID and password in the enclosed Postal Ballot form. Please follow steps from b (iv) to (ix) for casting vote electronically.
9. In case of any queries relating to E-voting, you may contact Ms. Pallavi Mhatre, Assistant Manager NSDL at Trade World, A wing, 4<sup>th</sup> & 5<sup>th</sup> Floor, Kamala Mills Compound, Lower Parel, Mumbai - 400 013 and you may write at her designated e-mail id [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). Alternatively, you may contact the Company at 0230-2468061 or NSDL at 022-24994600/4545 or you can call on toll free number 1800 222 990 and lodge the request. You may also refer the 'Frequently Asked Questions' (FAQs) and e-voting user manual for Members available at 'Downloads' section at [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
10. The decision of scrutinizer on the validity of the votes cast through the Postal Ballot and remote E-voting and in any other matter in this regard shall be final and binding.
11. The Scrutinizer shall, after conclusion of voting period, will first count the votes cast through the Postal Ballot Form and thereafter unblock the votes cast through e-voting in the presence of at least two witnesses not in the employment of the Company and results shall be declared not later than 7 days from the last date of the receipt of the Postal Ballot Forms, i.e. on Friday, i.e. 12<sup>th</sup> April, 2019 at 5.00 p.m. at Pune.
12. The result shall be declared by placing it, along with the Scrutinizer's report on the website of the Company i.e. at [www.kolhapursteel.com](http://www.kolhapursteel.com).

By order of the Board of Directors  
**For THE KOLHAPUR STEEL LIMITED**



**Siddhesh Mandke**  
Company Secretary

Pune : October 19, 2018

## **STATEMENT OF MATERIAL FACTS AS REQUIRED UNDER SECTION 102 OF THE COMPANIES ACT, 2013 :**

### **Item Nos. 1 and 2**

Presently, the Company has issued, subscribed and paid up capital of Rs.26,70,00,000/- divided into 26,70,00,000 equity shares of Re.1/- each amongst 1069 members.

The promoter of the Company, Kirloskar Brothers Limited holds 26,63,15,115 equity shares of the Company equivalent to 99.74% of the paid-up equity share capital of the Company and balance 6,84,885 equity shares equivalent to 0.26% of the paid-up equity share capital of the Company are held by remaining 1,068 shareholders. This demonstrates large number of members are holding small shareholding in the Company.

Since the equity shares of the Company are not listed on the stock exchanges, it is difficult for such members to find buyers for their shares in the Company, in case they wish to sell their shares, as the shares have lost liquidity / marketability because the remaining shareholders have to find out buyer for their equity shares and neither buyer nor seller have reference of fair price / value per equity share at which they may buy or sell the shares.

Moreover, the cost involved in handling and serving large number of members is very high. For providing an exit opportunity to the members and to attain the objective of reducing aforesaid cost on long term basis for the Company, it is felt advisable in the interest of both, the members and the Company, to consider a reorganization of the share capital of the Company by way of a consolidation of share into larger denomination, which will not only help the Company to reduce the aforesaid cost on long term basis but will also provide better opportunity to large number of members to liquidate their shareholding since the equity shares of the company are not listed on the stock exchanges and there is no exit route for such small shareholders.

The Board of Directors has therefore approved and recommended to the shareholders for their approval, the consolidation of Company's share capital by increasing the face value from the existing Re. 1/- (Rupee One only) per share to new equity share of Rs. 10,000/- (Rupees Ten Thousand only) per share under the provisions of Section 61 (1) (b) of the Companies Act, 2013 read with relevant rules. On consolidation, each member of the Company will receive such number of equity shares of the Company having a face value of Rs. 10,000 (Rupees Ten Thousand only) to the extent of their entitlement to equity shares after consolidation. The existing shareholders holding less than 10000 equity shares of the face value of Re. 1/- (Rupee One only) shall not be entitled to any shares upon consolidation. Further, any fraction arising out of such consolidation will be aggregated and shares arising out of consolidation (including cash and non-cash corporate benefits accruing on such fractional equity shares, if any) shall be held by a Trustee/s appointed by the Board of Directors of the Company who shall dispose off the said shares and the proceeds of sale of such shares will be distributed proportionately, subject to deduction of tax at source, if any, amongst the members who would otherwise be entitled to fractional entitlements or their respective legal heirs as on Record date.

All members or legal heirs holding physical share certificates, shall receive (to the extent of their entitlement to equity shares after consolidation) new share certificates representing such consolidated shares (including cash and non-cash corporate benefits accruing on such fractional equity shares, if any) and the proportionate amount for the sale of fractional entitlements if any, subject to deduction of tax at source, if any. Further, all share certificates representing the existing equity shares shall cease to have effect upon consolidation.

All members holding their existing shares under dematerialized form on Record Date, their respective beneficiary accounts shall be credited with consolidated fully paid equity shares (to the extent of their entitlement to equity shares after consolidation) in lieu of their existing shares and the intimation thereof be given to National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) to act thereon.

Further, the Trustees are empowered to dematerialise the fractional shares arising out of the consolidation for the benefit of the respective shareholders or their legal heirs.

The Board recommends that the fractional shares arising out of the consolidation and to be sold by a Trustee(s) appointed by the Board, at the price determined on the basis of the Valuation Report dated 11<sup>th</sup> October, 2018 obtained from Chandorkar and Limaye, an Independent Chartered Accountants and Fairness Opinion dated 11<sup>th</sup> October, 2018 obtained from ITI Capital Limited (erstwhile known as "INGA Capital Limited") a SEBI Category-I registered Merchant Banker on the said valuation or at a price offered by the prospective buyer whichever is more and in the best interest of the shareholders of the Company.

Consequent to the consolidation of equity shares, the existing Capital Clause V of the Memorandum of Association also needs to be altered to give effect to the consolidation of share capital as set out under Item No. 2 of the notice.

None of the Directors or Key Managerial Personnel or the relatives of Directors or Key Managerial Personnel is concerned or interested in the proposed resolutions.

The said Valuation Report and Fairness Opinion will be available for inspection at the registered office of the Company during business hours.

The resolutions at item nos. 1 and 2 are recommended to the members for approval as these are in the best interest of the shareholders and the Company.

By order of the Board of Directors  
**For THE KOLHAPUR STEEL LIMITED**



**Siddhesh Mandke**  
**Company Secretary**

Pune : October 19, 2018