

GACL/CS/SC/ASE/PBN/127/Gen/15-16

12th January, 2016.

The National Stock Exchange of India Ltd.,
Exchange Plaza,
Bandra Kurla Complex
Bandra (East)
MUMBAI – 400 051.

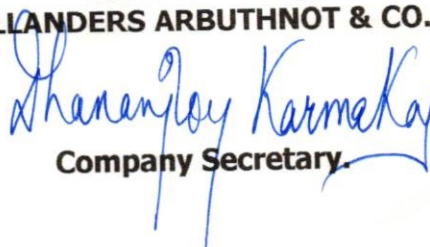
Dear Sirs,

Sub : Postal Ballot Notice & Form

Enclosed please find 3 (three) copies of the Postal Ballot Notice and Form for your perusal and record.

Thanking you,

Yours faithfully,
For GILLANDERS ARBUTHNOT & CO. LTD.


Company Secretary.

Encl : a/a


POSTAL BALLOT FORM

(Please read the 'Notes and instructions' printed in the Notice dated January 01, 2016 before completing this form.)

1.	Registered Folio No./ DP ID No. & Client ID No. * *(Applicable to investors holding shares in dematerialized form)	Serial No.
2.	Name(s) and Registered Address of the sole/first named Shareholder/Beneficial owner, including Joint holder(s), if any	
3.	Number of shares held	

ELECTRONIC VOTING PARTICULARS

(Please read the 'Notes and instructions' printed in the Notice dated January 01, 2016 before e-voting.)

EVS (Electronic Voting Sequence Number)	USER ID	PASSWORD (PAN/Sequence No.)
160107002		

I/We hereby exercise my/our vote in respect of the following resolutions to be passed through Postal Ballot for the businesses stated in the Postal Ballot Notice dated January 01, 2016 of the Company by conveying my/our assent or dissent to the said Resolutions by placing the tick (✓) mark at the appropriate box below:

Item No.	Item Description	No. of Shares	Nature of Voting Please tick (✓) in appropriate box below	
			I/We assent the resolution (FOR)	I/We dissent the resolution (AGAINST)
1.	Special Resolution pursuant to provisions of Sections 13 and 61 of the Companies Act, 2013, other applicable provisions of the said Act and Rules framed thereunder, as mentioned in Item No.1 of the Notice dated January 01, 2016.			
2.	Special Resolution pursuant to provisions of Sections 5 and 14 of the Companies Act, 2013, other applicable provisions of the said Act and Rules framed thereunder, as mentioned in Item No. 2 of the Notice dated January 01, 2016.			
3.	Special Resolution pursuant to provisions of Sections 23, 42, 55 and 62 of the Companies Act, 2013, other applicable provisions of the said Act and Rules framed thereunder, as mentioned in Item No. 3 of the Notice dated January 01, 2016.			

Place :

Date :

Signature of Sole/first share holder

Please send the postal ballot form in the envelope enclosed herewith.

Notes:

- The Postal Ballot Form duly completed and signed should reach the Scrutinizer, not later than 17.30 Hours (IST) on February 11, 2016 (Thursday).
- For 'Notes and Instructions' relating to the Postal Ballot Process, please refer to the Notice dated January 01, 2016.

NOTICE OF POSTAL BALLOT

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

Dear Members,

Notice is hereby given pursuant to the provisions of Section 110 of the Companies Act, 2013, read with the Companies (Management and Administration) Rules, 2014 (including any statutory modification or re-enactment thereof for the time being in force), and other applicable laws and regulations, that the Resolutions appended below, in relation to:

- (i) Increase the Authorized Share Capital of the Company, with consequential amendment in the Memorandum of Association of the Company;
- (ii) Modification / alteration of Article 4 of the Articles of Association of the Company to give effect to the aforesaid increase in Authorized Share Capital; and
- (ii) Issue and Offer of 30,00,000, 7.75% Cumulative Redeemable Preference Shares of Rs.100/- each on a Private Placement basis to the Promoter(s) / Promoter Group Company(ies),

are proposed to be passed by the Members through Postal Ballot / electronic voting (e-voting).

The proposed Resolutions, along with the explanatory statement setting out the material facts and reasons thereto, are appended below and a Postal Ballot Form is enclosed for your consideration.

The Board of Directors of the Company has appointed CS Deepak Kumar Khaitan (FCS 5615), Practising Company Secretary, as the Scrutinizer for conducting the Postal Ballot and e-voting process in a fair and transparent manner. Members desiring to cast their vote by Postal Ballot are requested to carefully read the instructions printed in the Notice and return the Postal Ballot Form duly completed so as to reach the Scrutinizer not later than 17:30 Hours (IST) on February 11, 2016 (Thursday).

Members desiring to opt for e-voting as per the facilities arranged by the Company are requested to read 'the instructions for shareholders voting electronically' in the 'Notes and Instructions' to this Notice.

The Scrutinizer will submit his report to the Chairman or to any other official Authorized by the Chairman after the completion of the scrutiny of the Postal Ballots (including e-voting). The result of Postal Ballot (including e-voting) shall be declared on February 18, 2016 (Thursday) at 15.00 hours (IST) at the Registered Office of the Company situated at C-4, Gillander House, Netaji Subhas Road, Kolkata - 700 001. The aforesaid Results shall be intimated to the Stock Exchanges where the Company's shares are listed and would also be displayed on the Company's website at www.gillandersarbuthnot.com

Item no. 1 – To increase the Authorized Share Capital of the Company, with consequential amendment in the Memorandum of Association 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 Sections 13 and 61 and other applicable provisions, if any, of the Companies Act, 2013 ("Act") read with the Rules framed thereunder, (including any amendment or re-enactment thereof), the consent of the Company be and is hereby accorded to increase the Authorized Share Capital of the Company from Rs.44,00,00,000/- (Rupees forty four crores only) divided into 4,20,00,000 (Four Crores twenty lakhs only) Ordinary Shares of Rs.10/- each and 2,00,000 (Two lakhs only) Preference Shares of Rs.100/- each to Rs.74,00,00,000/- (Rupees Seventy four crores only) divided into 4,20,00,000 (Four Crores twenty lakhs only) Ordinary Shares of Rs. 10/- each and 32,00,000 (Thirty two lakhs only) Preference Shares of Rs.100/- each.

RESOLVED FURTHER THAT the existing Clause 5 of the Memorandum of Association of the Company be substituted by the following:

"5. The Authorized Share Capital of the Company is Rs.74,00,00,000/- (Rupees Seventy four crores only) divided into 4,20,00,000 (Four Crores twenty lakhs only) Ordinary Shares of Rs.10/- each and 32,00,000 (Thirty two lakhs only) Preference Shares of Rs.100/- each, with such rights, privileges and conditions respectively attached thereto as may be from time to time confirmed by the Regulations of the Company with power to increase and reduce the capital of the Company and to divide the shares in the capital for the time being into several classes and to attach thereto respectively such preferential, deferred, qualified or special rights, privileges or conditions as may be determined by or in accordance with the Regulations 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 Regulations of the Company."

RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution, the Board (which expression shall also include a Committee thereof), be and is hereby authorized to do all such acts, deeds, matters and things, including delegation of all or any of its powers herein conferred to the Director(s), Company Secretary or any other Executive(s) of the Company."

Item no. 2 – To alter Article 4 of the Articles of Association 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 Sections 5 and 14 and other applicable provisions, if any, of the Companies Act, 2013 ("Act") read with the Rules framed thereunder (including any amendment or re-enactment thereof), and in order to reflect the increase in Authorized Share Capital of the Company, existing Article 4 of the Articles of Association of the Company be altered and substituted by the following:

"4. The Share Capital of the Company is Rs.74,00,00,000/- divided into 4,20,00,000 Ordinary Shares of Rs.10/- each and 32,00,000 Preference Shares of Rs.100/- each."

RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution, the Board (which expression shall also include a Committee thereof), be and is hereby authorized to do all such acts, deeds, matters and things, including delegation of all or any of its powers herein conferred to the Director(s), Company Secretary or any other Executive(s) of the Company."

Item no. 3 – To issue and offer 7.75% Cumulative Redeemable Preference Shares of Rs.100/- each on private placement basis to the Promoters / Promoter Group Company (ies) for an amount not exceeding Rs.30 crores.

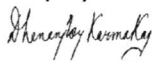
To consider and, if thought fit, to pass the following Resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 23, 42, 55 and 62 and other applicable provisions, if any, of the Companies Act, 2013 ("Act") read with the Rules framed thereunder (including any amendment or re-enactment thereof) and such other approvals, permissions and sanctions, as may be necessary, the consent of the Company be and is hereby accorded to the Board of Directors (hereinafter referred to as the "Board" which term shall be deemed to include any Committee thereof for the time being exercising the powers conferred on the Board by this Resolution) to offer or invite to subscribe, issue and allot upto 30,00,000, 7.75% Cumulative Redeemable Preference Shares ("CRPS") of face value of Rs.100/- each, of an aggregate nominal value of Rs.30 crores (Rupees thirty crores only), for cash at par, in one or more tranches, on a private placement basis, to such of the Promoter(s) and / or Promoter Group Company (ies) and on such terms and conditions as may be decided by the Board subject to the following:

- i. The CRPS shall carry a fixed cumulative preferential dividend at the rate of 7.75%, on the capital for the time being paid-up thereon and shall be redeemable, not later than the date determined by the Board of Directors at the time of issue or such other date as may be determined by the Board but not later than a period exceeding 18 (eighteen) years.
- ii. The CRPS shall rank for dividend in priority to the equity shares for the time being of the Company, which are presently classified and denoted as Ordinary Shares.
- iii. The CRPS shares shall in winding up be entitled to rank, as regards repayment of capital and arrears of dividend, whether declared or not, up to the commencement of the winding up, in priority to Ordinary Shares of the Company but shall not be entitled to any further participation in profits or assets.
- iv. The voting rights of the persons holding the said CRPS shall be in accordance with the provisions of Section 47 of the Companies Act, 2013 (including any statutory modifications or re-enactments thereof, for the time being in force).
- v. The CRPS shall not be convertible into Ordinary shares of the Company.

RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution, the Board be and is hereby Authorized to do all acts, deeds, matters and things as it may, in its absolute discretion, deem necessary or desirable, including without limitation to settle any question, difficulty or doubt that may arise in this regard; to assent to such modification or condition in the terms and conditions of CRPS as may be imposed by any authority or which may otherwise be considered desirable or expedient; to execute all such deeds, documents and writings, as it may in its absolute discretion deem necessary or incidental; and pay such fees and incur such expenses in relation thereto as it may deem appropriate".

By order of the Board
For **Gillanders Arbuthnot and Company Limited**


Dhnanjoy Karmakar
Company Secretary

Place : Kolkata
Date: January 01, 2016

Notes and Instructions:

1. Statement pursuant to Section 102 of the Companies Act, 2013, in respect of the business specified in the Notice is annexed hereto alongwith a Postal Ballot Form for your consideration.
2. The Board has appointed CS Deepak Kumar Khaitan (FCS 5615), Practising Company Secretary, as the Scrutinizer for conducting the Postal Ballot / e-voting process in a fair and transparent manner.
3. The Postal Ballot Notice is being sent to the Members whose names appear on the Register of Members / List of Beneficial Owners as received from the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) as on the close of business hours on December 31, 2015 (Thursday). Accordingly, the Members whose names appear on the Register of Members / List of Beneficial Owners (received from NSDL and CDSL) as on December 31, 2015 will be considered for the purpose of voting.
4. Voting rights shall be reckoned on the paid-up value of Ordinary Shares registered in the name of the Members as on December 31, 2015 (Thursday).
5. An announcement shall be made regarding the despatch of the Postal Ballot Notice together with Explanatory Statement, through an advertisement in 1 (one) English newspaper and 1 (one) Bengali newspaper, each with wide circulation in Kolkata, where the Registered Office of the Company is situated.
6. In compliance with Sections 108 and 110 and other applicable provisions of the Companies Act, 2013, read with Rules framed thereunder, the Company is pleased to provide e-voting facility to all its Members, to enable them to cast their votes electronically instead of dispatching the physical Postal Ballot Form by post. The Company has engaged the services of CDSL for the purpose of providing e-voting facility to all its Members. Please note that e-voting is an alternate mode to cast votes and is optional.
7. In accordance with the provisions of Section 101 and other applicable provisions of the Companies Act, 2013, read with Rules 18 and 22 of the Companies (Management and Administration) Rules, 2014, the Postal Ballot Notice is being sent by email to those Members who have registered their email addresses with their Depository Participants (in case of shares held in demat form) or with the Company's Registrar and Share Transfer Agents (in case of shares held in physical form). For the Members whose email IDs are not registered, physical copies of the Postal Ballot Notice are being sent by permitted mode (i.e. through registered or speed post or through courier), along with a postage pre-paid self-addressed Business Reply Envelope.
8. Members can opt for only one mode of voting, i.e., either by physical ballot or e-voting. In case the Members cast their votes through both the modes, voting done by e-voting shall prevail and votes cast through physical Postal Ballot forms will be treated as invalid. The instructions for electronic voting are appended below.
9. A Member cannot cast his / her vote by proxy on Postal Ballot.
10. Members desiring to cast their vote by physical Postal Ballot, are requested to carefully read the instructions printed below and return the Postal Ballot Form duly completed and signed, in the enclosed self-addressed Business Reply Envelope to the Scrutinizer, so that it reaches the Scrutinizer not later than 17:30 Hours (IST) on February 11, 2016 (Thursday). The postage will be borne by the Company. However, envelopes containing Postal Ballots, if sent by courier or registered / speed post at the expense of the Members will also be accepted. The Postal Ballot Form(s) may also be deposited personally at the address given on the self-addressed Business Reply Envelope.
11. The duly completed Postal Ballot Form(s) should reach the Scrutinizer not later than 17:30 Hours (IST) on February 11, 2016 (Thursday) to be eligible for being considered, failing which, it will be strictly considered that no reply has been received from such Member.
12. The Postal Ballot Notice will also be uploaded on the Company's website viz., www.gillandersarbuthnot.com and on the website of CDSL viz., www.evotingindia.com.
13. In case of joint-holding, the Postal Ballot Form must be completed and signed (as per the specimen signature registered with the Company) by the first named Member and in his / her absence, by the next named Member. Holders of Power of Attorney (PoA) on behalf of a Shareholder may vote on the Postal Ballot mentioning the Registration No. of the PoA registered with the Company or attach copy of the PoA duly attested by a Public Notary Officer.
14. Unsigned, incomplete, improperly or incorrectly ticked Postal Ballot Forms shall be rejected.
15. The Scrutinizer will submit his report to the Chairman or to any other official Authorized by the Chairman after the completion of scrutiny of the Postal Ballots (including e-voting). The result of the voting by Postal Ballot will be announced and shall be declared on February 18, 2016 (Thursday) at 15.00 hours (IST) at the Registered Office of the Company and will be intimated to the Stock Exchanges where the shares of the Company are listed. The results will also be displayed on the website of the Company viz., www.gillandersarbuthnot.com.
16. Resolutions passed by the Members through Postal Ballots are deemed to have been passed as if they have been passed at a General Meeting of the Members.
17. The date of declaration of results of the Postal Ballots shall be the date on which the Resolutions would be deemed to have been passed, if approved by the requisite majority.
18. Shareholders are requested to make all correspondences pertaining to postal ballot to the Registrar and Share Transfer Agent ("RTA"), i.e. Maheshwari Datamatics Pvt. Ltd. at 6, Mangoe Lane, Kolkata - 700 001, Tel. No. (033) 2243-5809/5029, Fax No. (033) 2248 4787, E-mail : mdpldc@yahoo.com
19. A Member may request for a duplicate Postal Ballot Form from the RTA, if so required. However, the duly filled in duplicate Postal Ballot Form should reach the Scrutinizer not later than the date and time specified at Item No. 10 above.
20. All the material documents referred to in the explanatory statement will be available for inspection at the Registered Office of the Company on all working days between 10.00 hours (IST) to 13.00 hours (IST) upto February 11, 2016 (Thursday).
21. **The instructions for shareholders voting electronically are as under:**
 - i. The e-voting period will commence from 9.30 hours (IST) on January 13, 2016 (Wednesday) and end at 17:30 Hours (IST) on February 11, 2016 (Thursday).
 - ii. During this period, Members of the Company, holding shares either in physical form or in dematerialized form as on the cut-off date of December 31, 2015 (Thursday) may cast their vote electronically. The e-voting module shall be disabled for voting from 17:30 Hours (IST) on February 11, 2016 (Thursday).
 - iii. In case Members have any queries or issues regarding e-voting, they may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under the "Help" section or write an email to helpdesk.evoting@cdsindia.com.
 - iv. The shareholders should log on to the e-voting website www.evotingindia.com.
 - v. Click on Shareholders.
 - vi. Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

- vii. Next enter the Image Verification as displayed and Click on Login.
- viii. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- ix. 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"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. 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. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

- x. After entering these details appropriately, click on "SUBMIT" tab.
- xi. 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.
- xii. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- xiii. Click on the EVSN for the relevant <Gillanders Arbuthnot and Company Limited> on which you choose to vote.
- xiv. 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 option NO implies that you dissent to the Resolution.
- xv. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- xvi. 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.
- xvii. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xviii. You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- xix. If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- xx. **Note for Non – Individual Shareholders and Custodians**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User 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 linked in the login should be mailed to 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.
- xxi. 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, under help section or write an email to helpdesk.evoting@cdslindia.com.

ANNEXURE TO THE NOTICE

Statement pursuant to Section 102(1) of the Companies Act, 2013:

Item no. 1

Presently, the Authorized Share Capital of the Company is Rs. 44,00,00,000/- (Rupees forty four crores only) divided into 4,20,00,000 (Four crores twenty lakhs only) Ordinary Shares of Rs.10/- each and 2,00,000 (Two lakhs only) Preference Shares of Rs.100/- each.

In order to facilitate the proposed issue of 7.75% Cumulative Redeemable Preference Shares of Rs.100/- each ("CRPS"), as stated under item no. 3 of this Notice, it is necessary to increase the Authorized Share Capital to Rs.74,00,00,000/- (Rupees Seventy four crores only) divided into 4,20,00,000 (Four crores twenty lakhs only) Ordinary Shares of Rs. 10/- each and 32,00,000 (Thirty two lakhs only) Preference Shares of Rs.100/- each. Consequently, Clause 5 of Memorandum of Association of the Company is required to be altered.

Pursuant to provisions of Sections 13 and 61 of the Companies Act, 2013, approval of the Members is being sought to said increase in Authorized share capital by way of a Special Resolution.

The Board recommends the Resolution set forth in item no. 1 for the approval of the Members.

None of the Directors, Key Managerial Personnel and their relatives is, in any way, concerned or interested in the Resolution.

A draft of altered Memorandum of Association of the Company shall be available for inspection by the Members of the Company on any working day between 10.00 hours (IST) to 13.00 hours (IST) up to February 11, 2016 (Thursday) at the Registered Office of the Company.

Item no. 2

In order to reflect the increase in Authorized Share Capital of the Company, as set out in Item no. 1 of this Notice, Article 4 of the Articles of Association of the Company needs to be amended and restated.

Pursuant to provisions of Sections 5 and 14 of the Companies Act, 2013, approval of the Members is being sought to said amendment / alteration to Article 4 of the Articles of Association.

The Board recommends the Resolution set forth in item no. 2 for the approval of the Members.

None of the Directors, Key Managerial Personnel and their relatives is, in any way, concerned or interested in the Resolution.

A draft of altered Articles of Association of the Company shall be available for inspection by the Members of the Company on any working day between 10.00 hours (IST) to 13.00 hours (IST) up to February 11, 2016 (Thursday) at the Registered Office of the Company.

Item no. 3

Sections 62 and 42 of the Companies Act, 2013, read with the Rules framed thereunder, inter alia, require any proposed issue of shares on a private placement basis to be approved by the shareholders by a Special Resolution.

The approval of the Members is accordingly being sought by way of a Special Resolution for the issue of 7.75% Cumulative Redeemable Preference Shares of Rs.100/- each (CRPS) aggregating to an amount not exceeding Rs.30 crores (Rupees Thirty crores only) and to offer and allot the CRPS on a private placement basis to the Promoters and / or Promoter Group Company(ies) on the terms and conditions set out hereunder.

The disclosures as required under Rule 9(3) of the Companies (Share Capital and Debentures) Rules, 2014 are included in the following particulars of the proposed issue of CRPS:

- (a) Size: Upto 30,00,000 CRPS of Rs.100/- each aggregating to Rs.30 crores are proposed to be issued.
- (b) Nature of CRPS are as under:-
- The CRPS shall carry a fixed cumulative preferential dividend at the rate of 7.75%, on the capital for the time being paid-up thereon.
 - The CRPS shall rank for dividend in priority to the equity shares for the time being of the Company, which are presently classified and denoted as Ordinary Shares.
 - The CRPS shares shall in winding up be entitled to rank, as regards repayment of capital and arrears of dividend, whether declared or not, up to the commencement of the winding up, in priority to Ordinary Shares of the Company but shall not be entitled to any further participation in profits or assets.
 - The voting rights of the persons holding the said CRPS shall be in accordance with the provisions of Section 47 of the Companies Act, 2013 (including any statutory modifications or re-enactments thereof for the time being in force).
 - The CRPS shall not be convertible into Ordinary shares.
- (c) Objective: The Company is a diversified concern having interests in several businesses, being primarily engaged in the business of tea, textiles, engineering and chemical. The said businesses have varying need of finance from time to time. The objective of the present issue of CRPS is to raise funds to strengthen the long term capital base and to meet the long term working capital requirements in the various businesses of the Company.
- (d) Manner of issue: The proposed issue is by way of private placement for cash at par.
- (e) Price: The CRPS will be issued at par.
- (f) Basis of Price: The price of the CRPS has been fixed at par on the basis of the Valuation Report of Sumedha Fiscal Services Limited, Kolkata, being an independent merchant banker registered with the Securities and Exchange Board of India ("SEBI"). Having regard to the term of the CRPS that they shall not be entitled to participate in the event of a winding up in any surplus, as stated in sub-paragraph (b)iii above and the other terms of the CRPS, the Board has accepted the recommended pricing of the CRPS at par.
- (g) Rate of Dividend: The CRPS will carry dividend at the rate of 7.75% on each share.
- (h) Redemption terms: The CRPS will be redeemed at par, in one or more tranches, but not later than a period exceeding eighteen years from the date of their issue with or without a put/call option, as determined by the Board at the time of issue.
- (i) Manner and mode of redemption: The CRPS shall be redeemed in cash out of the profits available for distribution as dividend or out of proceeds of a fresh issue of shares made for the purpose of redemption or in any other manner as permitted by law.
- (j) The present Share Capital of the Company consists of two classes, viz Ordinary Shares of Rs.10/- each and 8% Cumulative Redeemable Preference Shares of Rs.100/- each. The current shareholding pattern of the said shares of the Company as on December 31, 2015 is as under:

SN	Shareholders	No. of Ordinary (equity) Shares held	%age of Total Shareholding	No. of existing Preference Shares	%age of Total Shareholding
1	Promoter and Promoter Group	1,46,71,715	68.75%	2,00,000	100.00%
2	Financial Institutions/Banks	12,61,217	5.91%	Nil	0
3	NRIs/OCBs	1,24,340	0.58%	Nil	0
4	Indian Public	52,85,074	24.76%	Nil	0
	TOTAL :	2,13,42,346	100%	2,00,000	100%

- (k) Expected dilution in equity capital: There is no dilution of equity capital since the CRPS are non-convertible.
- (l) Class of persons to whom offered: The CRPS will be offered to such Promoters / Promoter Group Company (ies) as may be decided by the Board. The number of offerees shall in no event exceed fifty. The present shareholding of Promoters / Promoter Group Company (ies), as disclosed to the Stock Exchanges, where the Company's shares are listed, consist of the following:-

SN	Name of Promoters / Promoter Group Companies	No. of Ordinary (equity) Shares Held	No. of existing Preference Shares Held
1	Mr. A. K. Kothari	1,08,472	0
2	Mr. A. K. Kothari (HUF)	75,741	0
3	Smt. P. D. Kothari	67,875	0
4	Mr. A. V. Kothari	43,306	0
5	Kothari Phytochemical & Industries Limited	55,01,078	0
6	Kothari Investment & Industries Pvt. Ltd.	22,53,748	0
7	Vishnuhari Investments & Properties Limited	17,07,291	0
8	M. D. Kothari & Co. Limited	15,21,868	0
9	Kothari & Co. Pvt. Limited	14,26,199	2,00,000
10	Commercial House Pvt. Limited	13,68,212	0
11	Bhaktwatsal Investments Limited	4,98,498	0
12	Satyam Financial Services Limited	88,177	0
13	Kothari Capital & Securities Pvt. Ltd.	11,250	0
	TOTAL	1,46,71,715	2,00,000

The CRPS may be offered to the above Promoters/ Promoter Group Company(ies) as also to other Promoter Group Companies, which presently do not hold any shares in the Company, as may be decided by the Board. Such other Promoter Group Companies includes Bharat Fritz Werner Limited, Albert David Limited, Premier Suppliers Private Limited, Kothari Hitech Consultants Private Limited, G. Das & Co. Private Limited, Vidhyasagar Industries Private Limited and Karunasindhu Properties Private Limited.

- (m) The Company does not intend to get the CRPS listed on any Stock Exchange.
- (n) Apart from the aforesaid, the rights in respect of the CRPS and manner of exercise thereof shall be in accordance with the Memorandum and Articles of Association of the Company read with the Companies Act, 2013 and /or Companies Act, 1956, as applicable.

The issue of CRPS is in accordance with the provisions of the Articles of Association of the Company. There is no subsisting default in the redemption or payment of dividend on any preference shares issued by the Company in the past. At present the Company has issued only two classes of shares, being equity shares classified and denoted as Ordinary Shares of the Company and 8% Cumulative Redeemable Preference Shares.

Approval of the Members is being sought to authorise the Board to issue new CRPS, as aforesaid.

The Board recommends the Resolution set forth in item no. 3 for the approval of the Members.

Mr. A. K. Kothari, Promoter Chairman, Smt. P. D. Kothari, Promoter Director of the Company, and their respective relatives, may be deemed to be concerned or interested in the Resolution at item No.3 to the extent of the CRPS that may be subscribed to by them or by Promoter Group Company(ies) in which they are interested. None of the other Directors, Key Managerial Personnel and their relatives is, in any way, concerned or interested in the resolution.

All the documents referred to in the notice and explanatory statement, including the Valuation Report of Sumedha Fiscal Services Limited, Independent Merchant Banker, existing Memorandum and Articles of Association of the Company; and draft of the altered Memorandum and Articles of Association of the Company with Clause 5 and Article 4 altered in terms of items 1 and 2 of the notice shall be available for inspection by the Members of the Company on any working day between 10.00 hours (IST) to 13.00 hours (IST) up to February 11, 2016 (Thursday) at the Registered Office of the Company.

By order of the Board
For Gillanders Arbuthnot and Company Limited

Dhananjay Karmakar
Dhananjay Karmakar
Company Secretary