



NOTICE

Dear Members,

Notice is hereby given in accordance with the provisions of Section 192A of the Companies Act, 1956 read with the Companies (Passing of Resolution by Postal Ballot) Rules, 2011 to transact the following special business through Postal Ballot :

1. To consider and, if thought fit, to pass the following resolution as an ORDINARY RESOLUTION :

RESOLVED that pursuant to Section 293(1)(a) and other applicable provisions, if any of the Companies Act, 1956, consent of the Company be and is hereby accorded to mortgage and/or charge all immovable and movable properties of the Company, both present and future, situated at:

- i) Village Akbarpur, Tehsil Malerkotla, Sangrur, Punjab;
- ii) 47, G. T. Road, Champdany, Baidyabati, West Bengal;
- iii) Ekford Road, Sukhchar, Sodepur, 24 Parganas (North) West Bengal;
- iv) Gillander House, Netaji Subhas Road, Kolkata, West Bengal; and
- v) G.T. Road (East), Konnagar, West Bengal.

and/or at any other place wheresoever and/or the whole of the undertaking of the Company, in such manner as may be required, together with powers to take over the management of the business and concern of the Company in certain events, to or in favour of State Bank of India (SBI) to secure:-

- (a) 1. Rupee Term Loan III of Rs.1,660 lakhs (Rupees One thousand six hundred sixty lakhs only) lent and advanced/ agreed to be lent and advanced by SBI to the Company;
2. Rupee Term Loan IV not exceeding Rs.5,690 Lakhs (Rupees Five thousand six hundred ninety lakhs only) lent and advanced/agreed to be lent and advanced by SBI to the Company;
- (b) together with interest thereon at the respective agreed rates, compound interest, additional interest, liquidated damages, premia on prepayment or on redemption, costs, charges, expenses and other monies including any increase as a result of devaluation/revaluation/fluctuation in the rates of exchange of foreign currencies payable by the Company to SBI under the respective Heads of Agreement/ Loan Agreement/ Letters of Sanction entered into/to be entered into by the Company in respect of the said term loans.

RESOLVED FURTHER that the Board of Directors of the Company be and is hereby authorized to finalise the documents, modalities, rankings of mortgage/charge *inter se* among the Bank(s)/Financial Institution(s) and other terms and conditions for creating the aforesaid mortgage and/or charge or any other mortgage/charge in consultation with SBI and also to modify/vary the same from time to time as may be required and to do all such acts and things as may be necessary for giving effect to the above resolution.

By Order of the Board of Directors of
Gillanders Arbuthnot and Company Limited

Sd/-

**Dhananjay Karmakar
Company Secretary**

Date : May 29, 2012

Place : Kolkata

NOTES :

1. Explanatory Statement pursuant to Sections 173(2) and 192A of the Companies Act, 1956 is appended hereto and forms part of this Notice.
2. The Board of Directors of the Company has appointed **CS Deepak Kumar Khaitan, a Practising Company Secretary, as Scrutinizer** for conducting the Postal Ballot process in a fair and transparent manner.
3. You are requested to peruse the instructions printed on the Postal Ballot Form and return the same duly completed, in the enclosed self addressed envelope, so as to reach the Scrutinizer before the close of working hours (5.30 p.m.) **on or before July 18, 2012**. Postal Ballot Form received after the said date will not be valid.
4. The members are requested to exercise their voting rights by using the enclosed Postal Ballot Forms only.
5. The result of the Postal ballot will be announced on **Tuesday, July 24, 2012 at 3.00 P.M.** at the Registered Office of the Company as per the applicable Rules and the resolution will be taken as passed as on that date, if the result of the Postal Ballot indicates that the requisite majority of Members has assented to the Resolution.
6. The Result of the Postal Ballot will also be published in the newspaper(s) within 48 hours of its declaration and will be placed at the Company's website -- www.gillandersarbuthnot.com.
7. The Company is providing voting only through Postal Ballot.

EXPLANATORY STATEMENT PURSUANT TO SECTIONS 173(2) AND 192A OF THE COMPANIES ACT, 1956.

The Company has approached State Bank of India (SBI) for financial assistance in the form of term loans under Technology Upgradation Fund Scheme (TUFS) of Government of India in connection with installation of Vortex Spindles, Compact spinning attachments, 2,016 spindles along with certain balancing plant and machinery at Akbarpur, Punjab and for installation of 14,400 spindles along with certain balancing plant and machinery at Champdany, West Bengal for technology upgradation of the manufacturing facilities.

The financial assistance from the said Bank has to be secured by first mortgage of the immovable and movable properties of Textile, Engineering (MICCO), Property and Chemical (Waldies) Divisions of the Company in such manner as provided in the letters of sanction issued by the said Bank.

As per Section 293(1)(a) of the Companies Act, 1956 the Board of Directors of a Company shall not without the consent of the Company sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the Company, or where the Company owns more than one undertaking, of the whole or substantially the whole, of any such undertaking.

Since mortgaging by the Company of its immovable and movable properties, as aforesaid, in favour of SBI may be regarded as disposal of the Company's properties/undertakings, it is necessary to obtain consent of the members through this resolution under Section 293(1)(a) of the Companies Act, 1956 to enable the Company to create the said mortgage/charge.

As per Section 192A of the Companies Act, 1956, read with the Companies (Passing of Resolution by Postal Ballot) Rules, 2011, approval of members under Section 293(1)(a) has to be obtained through Postal Ballot and accordingly the Resolution is proposed for approval of the members of the Company.

Copies of the letters of sanction no. CBK/RM-II/12/95 and CBK/RM-II/12/595 dated May 20, 2011 and March 30, 2012 respectively and copies of the relevant documents/correspondence between SBI and the Company will be available for inspection by the members at the Registered Office of the Company on all working days of the Company between 2.30 p.m. to 4.30 p.m. till July 18, 2012.

Your Directors recommend this resolution as an ordinary resolution for your approval through postal ballot.

None of the Directors of the Company is concerned or interested in the said Resolution.

By Order of the Board of Directors of
Gillanders Arbuthnot and Company Limited

Date : May 29, 2012
Place : Kolkata

Sd/-
Dhananjoy Karmakar
Company Secretary



POSTAL BALLOT FORM

Serial No. :

1.	Name and Registered Address of the Sole / First Named member / Beneficial Owner	
2.	Name(s) of the Joint member(s) / Beneficial Owner (s)	
3.	Registered Folio No. / DP ID No. / Client ID No.* (* applicable to investors holding shares in dematerialised form)	
4.	Number of shares held	
5.	I/We hereby exercise my/our vote in respect of the Resolution to be passed through Postal Ballot for the business stated in the Notice of the Company dated 29.05.2012 by sending my/our assent or dissent to the said Resolution by placing tick(✓) mark at the appropriate column below.	

Description	No. of Shares	I/We assent to the Resolution (FOR)	I/We dissent to the Resolution (AGAINST)
ORDINARY RESOLUTION under Section 293(1)(a) of the Companies Act, 1956 for consent to mortgage and/or charge all immovable and movable properties of the Company, both present and future, in favour of State Bank of India.			

(Signature of member / Beneficial Owner)

Place :

Date :

NOTE : Please read the instructions overleaf before completing this form.

INSTRUCTIONS

1. A member desiring to exercise vote by Postal Ballot should complete this Postal Ballot Form (no other form or photo copy thereof is permitted) and send it to the Scrutinizer at Maheshwari Datamatics Pvt. Ltd. 6, Mangoe Lane, 2nd Floor, Kolkata-700 001 in the enclosed self-addressed envelope. Postage will be borne and paid by the company. However, envelopes containing Postal Ballot Forms, if sent by courier or registered post at the expense of the member, will also be accepted.
2. The Self addressed envelope bears the above stated address of the scrutinizer appointed by the Board of Directors of the Company.
3. This form should be completed and signed by the member/Beneficial owner. In case of joint holding, this Form should be completed and signed (as per the specimen signature registered with the company) by the first named member and in his absence, by the next named member.
4. Unsigned Postal Ballot Form will be rejected.
5. In the case of Share(s) held by Company, Bodies Corporate, Trusts, Societies etc. the duly completed Postal Ballot Form should be accompanied by a Certified True Copy of Board Resolution / Authority together with attested specimen signature(s) of the duly authorised signatory(ies).
6. No other paper or communication should be sent along with the Postal Ballot Form in the enclosed self addressed envelope.
7. Duly completed Postal Ballot Form should reach the Company not later than the close of working hours on Wednesday, July 18, 2012. Postal Ballot Forms received after this date will be rejected.
8. Voting Right(s) shall be reckoned on the paid up value of the share(s) registered in the name of the member(s) on the date of despatch of the Notice.
9. Postal Ballot shall not be exercised by a Proxy.
10. The scrutinizer's decision on the validity of the Postal Ballot will be final.
11. Members are requested to fill the Postal Ballot Form in indelible ink (and avoid filling it by using erasable writing medium(s) like Pencil.)
12. The assent or dissent may be recorded by Placing a tick (✓) mark at the appropriate box in the Postal Ballot Form.
13. A member may request for a duplicate Postal Ballot Form, if so required. However, the duly filled in duplicate Postal Ballot Form should reach the Scrutinizer not later than the date specified.
14. The Company is providing voting only through Postal Ballot.