

NOTICE FOR VOTING THROUGH POSTAL BALLOT

To,
The Shareholders,

Notice pursuant to Section 192A(2) of the Companies Act, 1956 read with the Companies (Passing of the Resolution by Postal Ballot) Rules, 2011

Section 192A of the Companies Act, 1956 (the "Companies Act") read with the Companies (Passing of the Resolution by Postal Ballot) Rules, 2011 (the "Rules") provide for passing of resolutions by postal ballot. In terms of said Section and the Rules, a listed company shall in case of resolutions relating to businesses specified under the Rules and may, in case of any other businesses, get any resolution passed by means of postal ballot, instead of transacting the business in general meeting of the Company.

The Board of Directors of the Company has proposed to obtain the consent of the Shareholders for various matters as considered in the resolutions appended below. An Explanatory Statement pursuant to Section 192A and Section 173(2) of the Act and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, setting out all material facts pertaining to the resolutions is annexed hereto along with a Postal Ballot Form for consideration and approval of the shareholders. The Board of Directors has appointed Mr. Vinod Aggarwal, Practicing Company Secretary, as scrutinizer for conducting the Postal Ballot process in a fair and transparent manner.

Shareholders are requested to carefully read the instructions printed overleaf the Postal Ballot Form (no other form or photocopy of the Postal Ballot Form is permitted provided that a Shareholder may obtain another copy of the Postal Ballot Form from the Company) and return the same duly completed with the assent or dissent, in the attached self addressed postage pre-paid envelope, so as to reach the Scrutinizer on or before the close of normal working hours on Monday, August 19, 2013. Any ballot form received by the Company after August 19, 2013 shall be treated as if reply from the shareholders has not been received.

The Scrutinizer will submit his report to the Chairman after completion of the scrutiny and the results of the postal ballot will be announced by the Chairman on Thursday, August 22, 2013 at 3:30 p.m. at the Registered Office of the Company at New Delhi.

Additionally, the results will be put up on the Company's website www.kohinoorfoods.in besides communicating to the Stock Exchanges where the Company's shares are listed. In the event, the resolutions are assented to by requisite majority of shareholders by means of postal ballot, the date of declaration of result shall be deemed to be the date of passing of the said resolution.

1. Issue of Equity Shares on Preferential Basis to Al Dahra International Investments LLC, Abu Dhabi:

To consider and, if thought fit, to give ASSENT / DISSENT to the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 81(1A) of the Companies Act, 1956 and all other applicable provisions (including any statutory amendment(s) to or re-enactment(s) thereof for the time being in force), provisions of the Memorandum and Articles of Association of the Company, Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (SEBI ICDR Regulations) as in force and subject to all other applicable rules, regulations, guidelines of SEBI, listing agreement and other applicable provisions, if any, and in accordance with and subject to requisite approvals, consents, permissions and sanctions, if any, from Government of India, SEBI, the stock exchanges, the Reserve Bank of India, Institutions or bodies under any applicable laws and rules and terms, conditions and modifications as may be prescribed by the respective statutory, governmental and other authorities and departments while granting such approvals, sanctions, consents and permissions, and which may be agreed to the Board of Directors of the Company (hereinafter referred to as "the Board" which expression shall be deemed to include any Committee(s) constituted / to be constituted by the Board) consent of the Members be and is hereby accorded to issue, offer and allot upto 7,048,306 equity shares of face value Rs. 10/- each, for cash, at a premium of Rs. 150/- per equity share on a preferential basis to Al Dahra International Investment LLC, Abu Dhabi and in such manner and on such terms and conditions as may be determined by the Board in accordance with the provisions of Chapter VII of the SEBI ICDR Regulations or other provisions of the law prevailing at that time provided that the price inclusive of premium on the equity shares so issued shall not be less than the minimum price arrived at in accordance with the provisions of Chapter VII of SEBI ICDR Regulations.

RESOLVED FURTHER THAT the "relevant date" for determining the price of the equity shares being allotted to Al Dahra International Investments LLC, Abu Dhabi on a preferential basis, is Tuesday, July 23, 2013, being the date which is thirty (30) days prior to the proposed date of declaration of results through postal ballot.

RESOLVED FURTHER THAT the aforesaid equity shares allotted in terms of this resolution shall be subject to lock-in requirements as per the provisions of Chapter VII of the SEBI ICDR Regulations.

RESOLVED FURTHER THAT the new equity shares arising out of the proposed issue shall be subject to the Memorandum and Articles of Association of the Company and shall rank pari-passu in all respects with the existing Equity Shares of the Company.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, Mr. Jugal Kishore Arora, Chairman and Whole Time Director, Mr. Satnam Arora and Mr. Gurnam Arora, Joint Managing Directors and Mr. Rama Kant, Company Secretary & General Manager (Legal) be and are hereby authorized on behalf of the Company, individually, to take all actions and to do all such deeds, matters and things as it may, in its absolute discretion, deem necessary, desirable or expedient to the issue / allotment of aforesaid equity shares and listing thereof with the Stock Exchanges, as appropriate and to resolve and settle all questions and difficulties that may arise in relation to the proposed issue, offer and allotment of any of the said equity shares, utilisation of the said issue proceeds, and to do all acts, deeds and things in connection herewith and incidental thereto as the Board may in its absolute discretion deem fit, without being required to seek any further consent or approval of the members or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution."

2. To consider and, if thought fit, to give ASSENT / DISSENT to the following resolution as an Ordinary Resolution:

"RESOLVED THAT subject to the approval of the Shareholders in accordance with Section 293 (1)(a) and all other applicable provisions of the Companies Act 1956 (including any statutory modification or re-enactment thereof for the time being in force) and the Articles of the Company approval be and is hereby given to mortgage and/or charge in addition to the mortgages / charges created / to be created by the Company, in such form and manner and with such ranking and at such time and on such terms as the Board may determine, on all or any of the moveable and/or immovable properties of the company, both present and future and/or the whole or any part of the undertaking(s) of the company, in favour of the Lender(s), Agent(s) and Trustee(s) for securing the borrowings availed / to be availed by the Company and / or any of the Company's holding / subsidiary / affiliate / associate company, by way of loan(s) (in foreign currency and / or rupee currency) and Securities (comprising fully / partly Convertible Debentures and/or Non Convertible Debentures with or without detachable or non-detachable Warrants and/or secured premium notes and/or floating rates notes / bonds or other debt instruments), issued / to be issued by the company, from time to

time, subject to the limits approved under Section 293(1)(d) of the Companies Act, 1956, together with interest at the respective agreed rates, additional interest, compound interest in case of default, accumulated interest, liquidated damages, commitment charges, premia on prepayment, remuneration of the Agent(s) / Trustees, premium (if any) on redemption, all other costs, charges and expenses, including any increase as a result of devaluation / revaluation / fluctuation in the rates of exchange and all other monies payable by the company in terms of the Loan Agreement(s) / Heads of Agreement(s), Debenture Trust Deed(s), or any other document, entered into/ between the company and the Lender(s) / Agents and Trustee(s), in respect of the said loans / borrowings / debentures and containing such specific terms and conditions and covenants in respect of enforcement of security as may be stipulated in the behalf and agreed to between the Board of Directors and the Lender(s) / Agent(s) and Trustee / Trustee(s).

RESOLVED FURTHER THAT for the purpose of giving effect to the resolution, the Board and/or its duly constituted Committee be and are hereby authorized to finalise, settle and execute such documents / deeds / writings/ papers / agreements as may be required and do all such acts, deeds and things as may be required and do all such acts, deeds, matters and things, as it may in its absolute discretion deem necessary proper or desirable and to settle any question, difficulty or doubt that may arise in regard to creating mortgages/charges as aforesaid."

3. To consider and, if thought fit, to give ASSENT / DISSENT to the following resolution as an Ordinary Resolution:

"RESOLVED THAT in supersession of earlier resolution passed and pursuant to provisions of Section 293 (1)(d) and all other applicable provisions of the Companies Act 1956 (including any statutory modification or re-enactment thereof for the time being in force) and the Articles of the Company approval be and is hereby given to borrow, upto a sum of Rs. 1500 crores (Rupees One Thousand Five Hundred Crores only) over and above the aggregate of the paid up capital and its free reserves (that is to say, reserves not set apart for any specific purpose), any sum or sums of money (including non-fund based facilities) from time to time at its discretion, for the purpose of the business of the Company, from any one or more Banks, Financial Institutions and other persons, firms, bodies corporate, notwithstanding that monies to be borrowed together with monies 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, at any time, exceed the aggregate of the paid up share capital and its free reserves (that is to say, reserves not set apart for any specific purpose) and that the Board of Directors be and is hereby empowered and authorized to arrange or fix the terms and conditions of all such monies to be borrowed from time to time as to interest, repayment, security or otherwise as they may, in their absolute discretion, think fit.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty, doubt that may arise in respect of the borrowing(s) aforesaid and further to do all such acts, deeds and things and to execute all documents and writings as may be necessary, proper, desirable or expedient to give effect to this resolution."

Place : New Delhi
Date : July 12, 2013

By Order of the Board
For Kohinoor Foods Limited
Sd/-
(Rama Kant)
Company Secretary and GM (Legal)

Notes:

- 1 The Explanatory Statement pursuant to Section 173(2) read with Section 192A of the Companies Act, 1956 and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, setting out material facts is annexed hereto.
- 2 The Notice is being sent to all the Shareholders, whose names appear on the Register of Members / list of Beneficial Owners on July 12, 2013. As such, only a shareholder, whose name is borne on the Register of Members as on July 12, 2013, is entitled to exercise his/her vote on the Resolution, through Postal Ballot.
- 3 The Company has appointed Mr. Vinod Aggarwal, Practicing Company Secretary, as a Scrutinizer for conducting the Postal Ballot process in a fair and transparent manner. The Scrutinizer will submit his report to the Company after completion of the scrutiny of the Postal Ballot Forms and the result of the Postal Ballot will be announced at the registered office of the Company at 3:30 p.m. on August 22, 2013. The result of the Postal Ballot will also be posted on the Company's website www.kohinoorfoods.in and communicated to the stock exchanges where the Company's shares are listed. In the event, the draft resolution is assented to by the requisite majority of Shareholders by means of Postal Ballot, the date of declaration of Postal Ballot result shall be deemed to be the date of passing of the said resolution.
- 4 As required by Rule 3(c) of the Companies (passing of the resolution by postal ballot) Rules 2011, details of completion of dispatch of Notice and Postal Ballot Paper to the shareholders will be published in at least one (1) English and one (1) Hindi language newspaper.
- 5 All documents proposed for approval, if any, in the above Notice and documents specifically stated to be open for inspection in the Explanatory Statement are open for inspection at the registered office of the Company between 10:00 a.m. and 3:00 p.m. on all working days (except Saturdays, Sundays and Holidays) up to the date of announcement of the result of the Postal Ballot.

**Annexure to the Notice
Explanatory Statement Pursuant to Sections 173 and 192A of the Companies Act, 1956**

Item No. 1

Al Dahra International Investments LLC ("ADII") is a subsidiary of Al Dahra Holding LLC ("ADH") a limited liability company registered and incorporated in the Emirate of Abu Dhabi.

ADII has made investments in various countries including UAE, USA, Spain, Serbia, Egypt, South Africa etc.. The group is active in the agricultural sector and specialises in the production of agricultural products and animal feed.

ADH is in the agricultural production sector and is responsible for compliance with the UAE food security programme (Food Security Vision). The Group is a leading company in the production and distribution of high quality agricultural products and more specifically, it produces products that include wheat, rice, alfalfa, potatoes, corn, olives, dates, grapes, vegetables and citrus.

The group's vision through its investments in primary and secondary production in various countries throughout the world is to ensure the continuous and smooth flow of food to both the UAE and other Arab countries through trans-national food support programmes.

It is proposed to issue and allot, subject to necessary approvals, 70,48,306 Equity Shares on preferential basis to Al Dahra International Investment LLC, Abu Dhabi at a consideration of Rs. 160 per equity share (including premium of Rs. 150 per equity share).

Al Dahra International Investment LLC, Abu Dhabi will invest in the Company for 20% stake on fully diluted basis and will have the option, subject to necessary approvals, to buy another 4.99% stake within a period of six months from the date of completion of investment in the Company on fully diluted basis.

Al Dahra International Investment LLC, Abu Dhabi will have the right to nominate one Director on the Board of the Company. The Director so nominated will not be required to retire by rotation. However there shall be no dilution of control / management of the Company and the control/management shall continue to vest with the present Promoters. The Investor will have the right to execute a sale of its entire investment only after 3 years from the date of allotment.

It is also proposed to enter into a joint venture with Al Dahra to jointly develop and manage brown to white rice facility in Abu Dhabi with a capacity of approximately 60,000 MTs pa scalable up to 1,00,000 MTs and also to build storage facility of approx 30,000 MT. It is proposed that a Company be

incorporated in the name of Al Dahra Kohinoor or any other name as may be approved, in Abu Dhabi, in which 20% of sweat equity would be given to the Company in consideration for providing supervision/guidance to the new proposed JV Company in Abu Dhabi and also the power to designate a Director on the Board of the proposed JV Company."

A minimum of 25000 MTs of Basmati Rice shall be purchased by the JV entity from Kohinoor Foods Ltd, India annually and Kohinoor will be exclusive source from India for Rice procurement for the JV.

It is further proposed that on formation of the above mentioned Joint Venture, the Company will disassociate from the existing Joint Venture, Rich Rice Raisers Factory LLC, and sell its holding in the same.

The following details of the proposed preferential issue of equity shares are disclosed in accordance with the provisions of Chapter VII – "Preferential Issue" of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 ("SEBI ICDR Regulations"), as amended from time to time:

a. The object of the preferential issue:

The object of the issue is to raise capital for meeting Company's long term working capital requirements and other general corporate purposes as may be required and decided by the Board of Directors from time to time.

b. The proposal of the Promoters, Directors and key Management persons of the Company to subscribe to the proposed preferential offer:

None of the promoters, directors or key management persons intends to subscribe to the proposed preferential offer.

c. The Shareholding pattern of the Company before and after the preferential issue:

The shareholding pattern of the Company before and after considering all the preferential issues under this Postal Ballot Notice is as under:

Category of Shareholder		Pre Issue		Post Issue	
		Total No. of Shares	Total Shareholding as a % of total No. of Shares	Total No. of Shares	Total No. of Shareholding as a % of total No. of Shares
(A)	Shareholding of Promoter and Promoter Group				
1	Indian				
	Individuals/ Hindu Undivided Family	1,64,39,831	58.31	1,64,39,831	46.65
	Sub Total(A)(1)	1,64,39,831	58.31	1,64,39,831	46.65
2	Foreign				
	Sub Total(A)(2)	0	0.00	0	0.00
	Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)	1,64,39,831	58.31	1,64,39,831	46.65
(B)	Public shareholding				
1	Institutions				
(a)	Financial Institutions / Banks	1,19,251	0.42	1,19,251	0.34
(b)	Foreign Institutional Investors	17,500	0.06	17,500	0.05
	Sub-Total (B)(1)	1,36,751	0.49	1,36,751	0.39
2	Non-institutions				
(a)	Bodies Corporate	40,65,596	14.42	40,65,596	11.54
(b)	Individuals				
I	Individual shareholders holding nominal share capital up to Rs. 1 lakh	53,50,980	18.98	53,50,980	15.18
II	Individual shareholders holding nominal share capital in excess of Rs. 1 lakh.	16,13,518	5.72	16,13,518	4.58
(c)	Qualified Foreign Investor	0	0.00	0	0.00
(d)	N.R.I.(REPT & NON-REPT)	2,26,355	0.80	2,26,355	0.64
(d-i)	Hindu Undivided Family	3,23,147	1.15	3,23,147	0.92
(d-ii)	Clearing Members	37,046	0.13	37,046	0.10
	Proposed Allottee				
	Al Dahra International Investment LLC	0	0.00	70,48,306	20.00
	Sub-Total (B)(2)	1,16,16,642	41.20	1,86,64,948	52.96
(B)	Total Public Shareholding (B)= (B)(1)+(B)(2)	1,17,53,393	41.69	1,88,01,699	53.35
	TOTAL (A)+(B)	2,81,93,224	100.00	3,52,41,530	100.00
(C)	Shares held by Custodians and against which Depository Receipts have been issued				
	Sub-Total (C)	0	0.00	0	0.00
	GRAND TOTAL (A)+(B)+(C)	2,81,93,224	100.00	3,52,41,530	100.00

The Company will ensure compliance with all applicable laws and regulations including the SEBI ICDR Regulations at the time of allotment of equity shares of the Company.

d. Proposed time within which the preferential issue shall be completed:

The Company will issue and allot equity shares to Al Dahra International Investment LCC within the time limit specified under the SEBI ICDR Regulations.

e. The identity of the proposed allottee, the percentage of post preferential issue capital that may be held by them and change in control, if any, in the Company consequent to the preferential issue:

Identity of the proposed allottee:

Al Dahra International Investments LLC ("ADII") is a subsidiary of Al Dahra Holding LLC ("ADH") a limited liability company registered and incorporated in the Emirate of Abu Dhabi.

Details of the proposed holding of the allottee:

Proposed Allottees	Pre-Issue		Post Issue	
	Number of shares	% of Capital	Number of shares	% of Capital
Al Dahra International Investments LLC, Abu Dhabi	Nil	Nil	70,48,306	20.00

Change in Control:

The existing promoters of the Company will continue to be in control of the Company and there will not be any change in the management or control of the Company as a result of the proposed preferential allotment, except a corresponding change in shareholding pattern as well as voting rights. Al Dahra International Investment LLC, Abu Dhabi will have the right to nominate one Director on the Board of the Company. The Director so nominated will not be required to retire by rotation.

f. Pricing of the Issue :

The issue price of the Equity Shares to be allotted on preferential basis to the proposed allottee shall be Rs. 160 per equity share.

Currently SEBI ICDR Regulations provide that the issue of shares on preferential basis can be made at a price not less than higher of the following :

- The average of the weekly high and low of the closing prices of the related equity shares quoted on the recognized stock exchange during the six months preceding the relevant date; or
- The average of the weekly high and low of the closing prices of the related equity shares quoted on a recognized stock exchange during the two weeks preceding the relevant date.

"Stock Exchange" for this purpose shall mean any of the recognized stock exchanges and on which the highest trading volume in respect of the shares of the Company has been recorded during the preceding six months prior to the Relevant Date.

The Relevant Date for the purpose of pricing of the Equity Shares shall be Tuesday, July 23, 2013, being the date which is 30 days prior to the declaration of results of Postal Ballot i.e. August 22, 2013, which is deemed to be the date of the General Meeting passing the resolution in accordance with Section 192A of the Companies Act, 1956, read with relevant Rules thereunder.

If on the Relevant Date, the price of equity shares as calculated in terms of SEBI ICDR Regulations is more than Rs. 160 then the Company will not proceed with the allotment of equity shares to Al Dahra International Investment LLC, Abu Dhabi.

g. Undertaking :

In terms of SEBI ICDR Regulations the company hereby undertakes that:

- The Company shall re-compute the price of the specified securities in terms of the provisions of these Regulations where it is required to do so.
- If the amount payable on account of the re-computation of the price is not paid within the time stipulated in the Regulations, the specified securities shall continue to be locked-in till the time such amount is paid by the proposed allottees.

h. Certificate from Statutory Auditors:

Nath Ahuja & Co, Chartered Accountants, Statutory Auditors of the Company have certified the proposed issue equity shares on preferential basis to Al Dahra International Investments LLC, Abu Dhabi is being made as per SEBI ICDR Regulations, 2009. A copy of the said certificate is open for inspection at the Registered office at New Delhi of the Company between 10:00 a.m. to 3:00 p.m. on all working days (except Saturdays, Sundays and Holidays) upto the date of announcement of the result on the Postal Ballot.

i. Lock-in of proposed issue of shares :

The Equity Shares proposed to be issued to Al Dahra International Investments LLC, Abu Dhabi shall be locked in for a period of one year from the date of allotment in terms of Regulation 78 of Chapter VII of the SEBI ICDR Regulations.

The consent of the Members is sought for the issue of equity shares in terms of Section 81 (1A) of the Companies Act, 1956, and all other applicable provisions of the Companies Act, 1956, and in terms of the provisions of the SEBI ICDR Regulations and the listing agreements entered into by the Company with the stock exchanges, where the Company's Equity Shares are listed.

The Board recommends passing of the Special Resolution set out at Item No. 1 of the accompanying notice.

None of the Directors of the Company is concerned or interested in the passing of the resolution.

Item No. 2

The borrowings by company in general, required to be secured by mortgage or charge on all or any of the movable or immovable properties of the Company, in such form and manner and ranking as may be determined by the Board to Directors of the Company from time to time in consultation with the lender(s), the mortgage and/or charge on any of the movable and/or immovable properties and/or the whole or any part of the undertaking(s) of the Company, to secure borrowings of the Company or of any of its holding, subsidiary, affiliate or associate company, with power to the charge-holders to take over the management of the business and concern of the company in certain events of default may be regarded as disposal of the Company's undertaking(s) within the meaning of Section 293(1)(a) of the Companies Act, 1956. Hence it is necessary for the members to pass a resolution under the said section.

The Board recommends passing of the Ordinary Resolution set out at Item No.2 of the accompanying notice.

None of the Directors of the Company is, except to the extent of their shareholding in the Company, concerned or interested in the said resolution.

Item No. 3

In terms of the provisions of Section 293(1)(d) of the Companies Act, 1956, the Board of Directors of the Company can not, except with the consent of the Company in General Meeting, borrow moneys, apart from temporary loans obtained from the Company's bankers in the ordinary course of business, in excess of aggregate of the paid up capital and its free reserves that is to say reserves not set apart for any specific purpose.

The Company seeks the approval of Shareholders for borrowing a sum not exceeding in aggregate a sum of Rs. 1500 crores (Rupees One Thousand Five Hundred Crores only) over and above the aggregate of the paid up capital and its free reserves (that is to say, reserves not set apart for any specific purpose) together with monies 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).

Keeping in view the Company's business requirements and its future growth plans, it is considered desirable to increase the said borrowing limits from the existing limit.

The Board recommends passing of the Ordinary Resolution set out at Item No.3 of the accompanying notice.

None of the Directors of the Company is, except to the extent of their shareholding in the Company, concerned or interested in the said resolution.

By Order of the Board
For Kohinoor Foods Limited
Sd/-

(Rama Kant)
Company Secretary and GM (Legal)