

Registered Office :
756 Anandapur, EM Bypass
Kolkata - 700107
CIN: L28910WB1943PLC168801

Tel : (033) 4019 0800
Fax : (033) 4019 0823
Website : www.cimmco.in
E-mail : corp@cimmco.in

POSTAL BALLOT FORM

(To be returned to Scrutinizer appointed by the Company)

Serial No :

1. Name and address of the Shareholder(s) including Joint-holders, if any (IN BLOCK LETTERS)			
2. DP ID No. / Client ID No. / Registered Folio No.	EVEN (E-Voting Even No.)	USER ID	PASSWORD
3. Number of Shares held			

I/We hereby exercise my/our vote in respect of the Resolutions to be passed through postal ballot for the businesses stated in the Notice dated April 12, 2014 of the Company by sending my/our assent or dissent to the said Resolutions by **placing [✓] mark** in the appropriate box below:

Description of the Resolution	Number of shares for which vote cast	I/We assent to the Resolution	I/We dissent to the Resolution
1. Special Resolution for substitution of Article 64 of Articles of Association of the Company to enable the Company to reclassify its Share Capital.			
2. Ordinary Resolution for reclassification and increase in the Authorised Share Capital of the Company from present Rs. 50,00,00,000 (Rupees Fifty Crores Only) divided into 5,00,00,000 (Five Crores) Equity Shares of Rs. 10 (Rupees Ten Only) each to Rs. 75,00,00,000 (Rupees Seventy Five Crores Only) divided into 2,50,00,000 (Two Crores Fifty Lakhs) Equity Shares of Rs 10/- (Rupees Ten Only) each and 5,00,00,000 (Five Crores) Preference Shares of Rs 10/- (Rupees Ten Only) each.			
3. Special Resolution for issuance of 5,00,00,000 (Five Crores) 8% Redeemable Non Cumulative Non Convertible, Preference Shares of face value of Rs. 10 (Rupees Ten Only) each to the Promoters/Promoter Group entities as detailed in the Explanatory Statement.			
4. Special Resolution under Section 180(1)(c) of the Companies Act, 2013 for borrowing money upto Rs. 500 Crores (Rupees Five Hundred Crores) over and above the aggregate of the Paid-Up Share Capital and Free Reserves of the Company.			
5. Special Resolution under Section 180(1)(a) of the Companies Act, 2013 authorising the Board of Directors to mortgage and/or create any charge on immovable and/or movable properties of the Company.			
6. Special Resolution under Section 186 of the Companies Act, 2013 to make investments, give loans, guarantees and provide securities beyond the prescribed limits under Sub-Section (3) of the aforesaid Section but not exceeding Rs. 300 Crores (Rupees Three Hundred Crores).			

Place :

Date :

#E-mail : #Tel No.:

Optional

(Signature of the Shareholder)

NOTE:

- Kindly read the instructions printed overleaf before filling the form.
- Last Date for receipt of Postal Ballot Forms by Scrutinizer is Monday, the 9th June, 2014.



POSTAL BALLOT FORM

(To be returned to Scrutinizer appointed by the Company)

INSTRUCTIONS

1. A member desiring to exercise vote by Postal Ballot may complete this Postal Ballot Form, and send to the Scrutinizer in the enclosed self-addressed and postage prepaid Envelope. No postage is required, however, envelopes containing Postal Ballots, if sent by courier or by Registered Post at the expense of or deposited at the address given therein by the registered member will also be accepted. The envelopes containing the Postal Ballot should reach the Scrutinizer not later than the close of the working hours on Monday, the 9th June, 2014.
2. Voting rights shall be reckoned on the paid up value of equity shares registered in the name of the members as on 2nd May, 2014.
3. The self-addressed pre paid envelope bears the name of the Scrutinizer appointed by the Board of Directors of the Company.
4. The Form should be completed and signed by the sole/first named Shareholder. In the absence of the first named shareholder in a joint holding, the Form may be completed and signed by the next named Shareholder. (However where the Form is sent separately by the first named shareholder and the joint holder(s), the vote of the first named Shareholder would be valid).
5. Duly Completed form should reach scrutinizer on or before the close of working hours on Monday, the 9th June, 2014. All forms received after this date will be treated as if reply from the shareholders has not been received.
6. There will be only one Postal Ballot Form for every folio irrespective of the number of joint shareholder(s).
7. In case of shares held by Companies, Trusts etc. the duly completed Postal Ballot Form should be accompanied by a certified true copy of the Board Resolution/Authority, with signature(s) of Authorized Signatory(ies).
8. Members are requested not to send any other matter along with the Postal Ballot Form in the enclosed postage pre-paid self-addressed envelope. If any extraneous papers are found, the same will be destroyed by the Scrutinizer.
9. Incomplete, unsigned or incorrectly filled Postal Ballot Forms are subject to rejection by the Scrutinizer.
10. The votes should be cast either in favour of or against by putting the tick [✓] mark in the column provided for assent or dissent. Postal Ballot Form bearing [✓] in both the column will render the form and vote contained therein invalid.

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POSTAL BALLOT NOTICE

To
The Member(s),

NOTICE is hereby given that the following Resolutions are circulated herewith for approval of the members of Cimmco Limited ("the Company") to be accorded by Postal Ballot in accordance with the provisions of Section 108 and 110 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014. :

To consider and if thought fit, to give assent/dissent to the following Resolutions:

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

"RESOLVED THAT pursuant to the provisions of Section 14 of the Companies Act, 2013 read with the Rules made thereunder, and other enabling provisions of law, the existing clause 64 of the Articles of Association of the Company be replaced by the following :

"64. Subject to the provisions of these Articles, the Company has power to increase or reduce its capital for the time being and to divide, classify or reclassify the shares in the capital for the time being into several classes with rights, privileges or conditions, as may for the time being be permitted by these Articles or the legislative provisions for the time being in force in that behalf. The Company may issue preference shares, which shall, or at the option of Company shall be, liable to be redeemed."

RESOLVED FURTHER THAT the amended Articles of Association of the Company, a copy whereof placed before the meeting, duly initialed by the Chairman for the purpose of identification, be and are hereby approved.

RESOLVED FURTHER THAT the Board of Directors of the Company (which term shall include a committee thereof) be and is hereby authorized to do and perform all such acts, deeds, matters or things as may be necessary, appropriate, expedient or desirable to give effect to this Resolution."

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

"RESOLVED THAT pursuant to Sections 13 and 61 of the Companies Act, 2013 read with the Rules made thereunder, and other enabling provisions of law, the present Authorized Capital of Rs.50,00,00,000 (Rupees Fifty Crores) only divided into 5,00,00,000 Equity Shares of Rs.10/- each of the Company be altered by (a) cancellation of unissued equity share capital to the extent of 2,50,00,000 Equity Shares to be re-classified into Preference Shares and thereafter (b) increased from present Rs. 50,00,00,000 (Rupees Fifty Crores Only) divided into 2,50,00,000 Equity Shares of Rs. 10 (Rupees Ten Only) and Rs.2,50,00,000 Preference Shares each to Rs. 75,00,00,000 (Rupees Seventy Five Crores Only) divided into 2,50,00,000 (Two Crores Fifty Lakh) Equity Shares of Rs 10/- (Rupees Ten Only) each and 5,00,00,000 (Five Crores) Preference Shares of Rs 10/- (Rupees Ten Only) each by creation of new 2,50,00,000 Preference Shares and consequently the clause 5 of the Memorandum of Association of the Company be and is hereby altered by substituting the following:

"The Authorised Share Capital of the Company is Rs. 75,00,00,000 (Rupees Seventy Five Crores Only) divided into 2,50,00,000 (Two Crores Fifty Lakhs) Equity Shares of Rs 10/- (Rupees Ten Only) each and 5,00,00,000 (Five Crores) Preference Shares of Rs 10/- (Rupees Ten Only) each, and all or any part of the Share Capital shall be capable of being increased or reduced, classified or reclassified or reorganized in accordance with the Company's Regulations and Legislative provisions for the time being in force in that behalf, with power to divide the Shares in the Capital for the time being into Equity Share Capital and Preference Share Capital, to attach thereto respectively any preferential, qualified, deferred or special rights, privileges or conditions and to vary, modify or abrogate any such rights, privileges or conditions."

RESOLVED FURTHER THAT the Board of Directors (which term shall include a committee thereof) be and is hereby authorized to perform all acts, deeds and things, execute documents as may be necessary to give effect to the above resolution. "

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

"RESOLVED THAT pursuant to the provisions of Sections 42, 55 and 62 of the Companies Act, 2013 read with the Rules made thereunder and all other applicable enabling provisions, if any, (including any statutory modification(s), amendment(s) or re-enactment thereof for the time being in force) and in accordance with the Article 66 of Articles of Association of the Company, and subject to such approvals and sanctions as may be required, approval of the Company be and is hereby accorded to the Board of Directors to offer, issue and allot, in one or more tranches, 5,00,00,000 (Five Crores) Redeemable Non-Cumulative, Non Convertible 8% Preference Shares of face value of Rs. 10 (Rupees Ten Only) each ("Preference Shares") at par to the Promoters / Promoter Group entities identified in the Explanatory Statement hereto, whether or not they are members of the Company and without offering the same to any existing member, with such rights and terms and conditions contained hereinbelow/ in the Explanatory Statement annexed to the Notice:

- The Preference Shareholder(s) shall carry a fixed non-cumulative preference dividend of 8% (Eight Percent) on the capital paid-up thereon and shall have priority with respect to payment of dividend or repayment of capital vis-a-vis equity shares.
- The participation of Preference Shareholders in the surplus fund shall be *pari pasu* with the existing Equity Shareholders as may be permissible at the relevant point of time.
- The said Preference Shares shall in winding up be entitled to rank, as regards repayment of capital, whether declared or not, up to the commencement of the winding up, in priority to the Equity Shares but shall not be entitled to any further participation in profits or assets.
- The Preference Shares are not convertible into equity shares.
- The voting rights of the persons holding the said Preference Shares 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 Preference Shares shall be redeemable not later than the date and in the manner/mode as may be determined by the Board of Directors at the time of allotment or such other date as may be determined by the Board but not later than a period exceeding five (5) years.

RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution, the Board be and is hereby authorized to take all such steps and actions and give such directions as it may in its absolute discretion deem necessary and to settle any question that may arise in this regard, without being required to seek any further consent or approval of the Members or otherwise to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of the powers herein conferred to any Committee of Directors or any other Officer(s) of the Company to give effect to the aforesaid resolution."

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

"RESOLVED THAT in modification of the resolution passed at the Sixty-fifth Annual General Meeting held on 29th December, 2010, the consent of the members of the Company be and is hereby accorded under the provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 to the Board of Directors of the Company to borrow any sum or sums of money from time to time, notwithstanding that the money or monies to be borrowed together with the monies already borrowed by the Company (apart from the temporary loans and working capital facility obtained from the Company's Bankers in the ordinary course of business) may exceed the aggregate of Paid-Up Capital of the Company and its Free Reserve, that is to say, reserves not set apart for any specific purpose, provided, however, that the total amount upto which moneys may be borrowed shall not exceed the aggregate of Paid-Up Capital and Free Reserves of the Company by not more than the sum of Rs. 500 Crores (Rupees Five Hundred Crores Only) at any time."

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

"RESOLVED THAT the consent of the Members of the Company be and is hereby accorded in terms of Section 180(1)(a) of the Companies Act, 2013 (the Act), and other enabling provisions of law, if any, to create mortgage and/or charge, on such terms and conditions and at such time(s) and in such form and manner, and with such ranking as to priority as the Board of Directors (which term shall include any Committee thereof) in its absolute

discretion may deem fit and proper, on the whole or substantially the whole of the Company's anyone or more of the undertakings or all of the undertakings, including present or future properties, whether immovable or movable, comprised in any undertaking both present and future, of the Company, and/or conferring power to enter upon and take possession of the assets of the Company in certain events in favour of the Bank(s), Financial Institution(s) or other persons (hereinafter referred to as the lenders) to secure the borrowings upto an aggregate amount not exceeding Rs. 600 Crores (Rupees Six Hundred Crores) by way of working capital facilities, issue of non-convertible debentures, bonds, term loans, and/or other instruments including foreign currency borrowings as the Board may in its absolute discretion deem fit, to be availed/issued in one or more tranches, from/to the lenders/eligible persons/investors including non-residents, and upon such terms and conditions, as may be decided by the Board.

RESOLVED FURTHER THAT the securities to be created by the Company as aforesaid may rank prior/pari passu/subservient with/to the mortgages and/or charges already created or to be created in future by the Company, as may be agreed to between the Company's Board of Directors and the Lenders.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds and things, to execute all such documents, instruments and writings as may be required."

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

"RESOLVED THAT subject to such regulatory approvals as may be required and pursuant to Section 186 of the Companies Act, 2013 read with Rules made thereunder and other provisions as are applicable, and in addition to the amounts already invested / loans made or guarantees provided by the Company, consent be and is hereby accorded to the Board of Directors to do the following transactions:

- i. to invest by way of subscription, purchase or otherwise in the securities of any other body corporate whether or not such body corporate is its subsidiary/associate company and/or
- ii. to make loans to any person or body corporate and/or
- iii. to give any guarantee or provide security in connection with loan(s) to any other body corporate or person upto a limit of Rs. 300 Crores (Rupees Three Hundred Crores) for such investments/loans/guarantees, notwithstanding that the aggregate of the investments and loans so far made or to be made and the guarantees so far given or to be given by the Company, exceeds the limits/will exceed the limits laid down by Section 186 of the Companies Act, 2013 read with Rules made thereunder.

RESOLVED FURTHER THAT the Board of Directors of the Company (which shall include a committee thereof) be and is hereby authorized to take from time to time all decisions and steps necessary, expedient or proper, in respect of the above mentioned transactions including the timing, the amount and other terms and conditions of such transactions and also to take all other decisions including varying any of them, through transfer, sale, recall, renewal, divestment or otherwise, either in part or in full, as it/they may, in its/their absolute discretion, deem appropriate, subject to the specified limits for effecting the aforesaid transaction."

By Order of the Board
For **CIMMCO LIMITED**

Registered Office:
756, Anandapur, E M Bypass
Kolkata-700107
12th day of April, 2014

Dipankar Ganguly
Company Secretary

NOTES:

1. Explanatory Statement and reasons for the proposed resolutions stated hereinabove, pursuant to Section 102 of the Companies Act, 2013 ("the Act") read with the Companies (Management and Administration) Rules, 2014 and the Companies (Share Capital and Debentures) Rules, 2014 are appended hereto.
2. The Company has appointed Messrs. Sushil Goyal & Co., Practising Company Secretaries as Scrutinizer for conducting the postal ballot process, in a fair manner.
3. The votes should be cast either in favour of or against by putting the tick [✓] mark in the column provided for assent or dissent. Postal Ballot Form bearing [✓] in both the columns will render the form invalid.

4. The Notice is being sent to all the Members, whose names appear in the Register of Members as on Friday, 2nd May, 2014.
5. In compliance with provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 the Company is pleased to offer e-voting facility as an alternative, to all the Shareholders of the Company. For this purpose, the Company has entered into agreement with NSDL for facilitating e-voting to enable shareholders to cast their vote electronically instead of despatching Postal ballot Form. E-voting is optional.

Instructions for e-voting by shareholders are as under:-

(a) In case of Shareholders receiving e-mail from NSDL

- (i) Open the e-mail and open PDF file viz: "CIMMCO Info e-Voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password for e-voting. Please note that the password is an initial password.
- (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
- (iii) Click on Shareholder - Login
- (iv) Put user ID and password as initial password noted in step (i) above. Click Login.
- (v) Password change menu appears. Change the password with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (vi) Home page of e-Voting opens. Click on e-Voting: Active Voting Cycles.
- (vii) Select "EVEN" of Cimmco Limited
- (viii) Now you are ready for e-Voting as Cast Vote page opens
- (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
- (x) Upon confirmation, the message "Vote cast successfully" will be displayed
- (xi) Once you have voted on the resolution, you will not be allowed to modify your vote
- (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail corp@cimmco.in a copy marked to evoting@nsdl.co.in.

(b) In case of Shareholders' receiving Postal Ballot Form by Post:

- (i) Initial password is provided as below/at the bottom of the Postal Ballot Form.

EVEN(E Voting Event Number)	USER ID	PASSWORD/PIN
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- (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.
 - (c) In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the Downloads section of www.evoting.nsdl.com.
 - (d) If you are already registered with NSDL for e-voting then you can use your existing user ID and password for casting your vote.
 - (e) You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
6. Kindly note that the Members can opt only one mode of voting i.e. either by physical Ballot or e-voting. If you are opting for e-voting, then do not vote by physical Ballot also and vice versa. However, in case member has voted both in physical as well as e-voting, then voting done through valid physical Ballot shall prevail and voting done by e-voting will be treated as invalid.
7. Shareholders who have registered their e-mail ids with depositories or with the Company are being sent Notice of Postal Ballot by e-mail and shareholders who have not registered their e-mail ids will receive Notice of Postal Ballot along with Postal Ballot Form through post. Shareholders who have received Postal Ballot Notice by e-mail and who wish to vote through physical Postal Ballot Form can download Postal Ballot Form from the link www.evoting.nsdl.com or from the 'Investors' page on the website of the Company www.cimmco.in. The Shareholders can also seek duplicate Postal Ballot Form from M/s Karvy Computershare Private Limited at Plot No. 17 to 24, Vittal Rao Nagar, Madhapur, Hyderabad - 500 081 (RTA). Notice of postal ballot shall also be available on the web sites of the Company (www.cimmco.in) and RTA (www.karvycomputershare.com)
8. The shareholders are requested to carefully read the instructions printed on the attached Postal Ballot Form. The Postal Ballot Form, duly completed and signed, should be returned in the enclosed self-addressed and postage prepaid Envelope to the Scrutinizer. No postage is required, however, envelopes containing Postal Ballots, if sent by courier or by Registered Post at the expense of or deposited at the address given therein by the registered member will also be accepted. The envelopes containing the Postal Ballot should reach the Scrutinizer not later than the close of the working hours, on Monday, 9th June, 2014.

9. The voting period for e-voting module ends at 6.00 P.M. on Monday, the 9th June, 2014 . The e-voting module shall thereafter be disabled by NSDL.
10. The voting rights of Shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on Friday, 2nd May, 2014.
11. The result of the Postal Ballot shall be announced by the Executive Chairman, or in his absence, by any other person so authorized by him on Friday the 13th June, 2014 at Registered office of the Company ("the Venue") and the Resolutions will be taken as passed effectively on the date of announcement of the result if the result of the Postal Ballot indicates that the requisite majority of the Shareholders had assented to the Resolutions. The result of Postal Ballot shall be declared by placing it along with the scrutinizer's report on the web site of the Company and announced through a newspaper advertisement.
12. All documents referred to in accompanying Notice and Explanatory Statement shall be open for inspection at the Registered Office of the Company during the office hours on all working days except Saturdays between 10:00 am to 3:00 pm upto the date of declaration of results of Postal Ballot.

EXPLANATORY STATEMENT IN RESPECT OF SPECIAL BUSINESSES SET OUT IN THE NOTICE OF POSTAL BALLOT PURSUANT TO THE PROVISIONS OF SECTION 102 OF THE COMPANIES ACT, 2013

ITEM NO. 1

The present Articles of Association of the Company are proposed to altered to provide for the reclassification of shares by substituting Article 64 to enable the Company to reclassify its shares into such class of shares as may be required within its total Authorised Share Capital limit.

The Board recommends the resolution set forth in Item 1 above for approval of the members. None of the promoters, directors or KMP is in any way concerned or interested in the Resolution.

ITEM NO. 2

The Authorised Capital of the Company at present is Rs. 50,00,00,000 (Rupees Fifty Crores Only) divided into 5,00,00,000 (Five Crores) Equity Shares of Rs. 10 (Rupees Ten Only) each. The proposed issue of Preference Shares as decided by the Board of Directors at its meeting held on 12th April, 2014 necessitates that the share capital be reclassified and increased to facilitate the issue of preference shares.

Your Directors are of the view that it is prudent to reclassify and thereafter increase the existing Capital into 2,50,00,000 (Two Crores Fifty Lakhs) Equity Shares of Rs 10/- (Rupees Ten Only) each and 5,00,00,000 (Five Crores) Preference Shares of Rs 10/- (Rupees Ten Only) each aggregating to Rs. 75,00,00,000 (Rupees Seventy Five Crores Only).

The provisions of the Companies Act, 2013 read with rules made thereunder, require the Company to seek the approval of the Members for increase and re-classification of the Authorized Share Capital and for the alteration of capital clause of the Memorandum of Association of the Company. Hence, the Directors recommend the Ordinary Resolution under Item No. 2 of the Notice for approval of the Members.

None of the Directors or Key Managerial Personnel (KMP) or their relatives is in any way concerned or interested in the Resolution.

ITEM NO. 3

The proposed Special Resolution set out at Item No. 3 is for approval of the issue and allotment of 5,00,00,000 (Five Crores) Redeemable Non-Cumulative Non Convertible 8% Preference Shares of face value of Rs.10/- each to raise resources for general corporate purposes including improvement in the financial condition, restructure the operations and strengthening the long-term resource base of the Company.

The material facts in connection with the aforesaid issue of Preference Shares are as follows:

- The Company proposes to create, offer, issue and allot 5,00,00,000 (Five Crores) Preference Shares of the face value of Rs.10/- (Rupees Ten only) each aggregating to a nominal value of Rs. 50,00,00,000/- (Rupees Fifty Crore only) to the following promoters:
 - (1) Titagarh Wagons Limited- 2,50,00,000 (Two Crores Fifty lakhs) Redeemable Non Convertible Non Cumulative 8% Preference Shares and (2) Titagarh Capital Private Limited- 2,50,00,000 (Two Crores Fifty lakhs) Redeemable Non Convertible Non Cumulative 8% Preference Shares.
- The Preference Shares are Redeemable Non-Cumulative and Non Convertible.
- The objective of the issue is to raise resources for general corporate purposes including improvement in the financial condition which has been substantially affected adversely mainly due to non-release of Wagons procurement order by the Indian Railways- single largest customer of the Company, restructure the operations and strengthening the long-term resource base of the Company.

- The Preference Shares are proposed to be offered through issue of a Private Placement offer letter in accordance with the provisions of section 42 of the Act read with the Rules made thereunder.
- The proposed Preference Shares are to be issued & allotted at par based on the valuation carried out by Messrs. Pawan Vani & Associates, Practising Chartered Accountants in accordance with the applicable provisions of law. The rate of dividend is 8%.
- The tenure of redemption shall be for a period as the Board may decide, however the tenure shall not exceed five (5) years and would be based on cash flow forecasts of the Company which in turn would be linked to ongoing performance and the growth opportunities. The manner and mode of redemption- at par, shall be out of profit and/or out of fresh issue of capital or otherwise as may be permitted by the extant applicable laws and decided by the Board.
- No dilution in the equity share capital is applicable as the Preference Shares proposed to be issued are non-convertible and non-cumulative.
- The allotment shall be made within 60 days from the date of the receipt of the application money or before completion of the twelve months from passing of this Resolution, whichever is earlier
- As the Preference Shares are Non Convertible and Non Cumulative voting right thereon are restricted to certain matters only and therefore, no change in control is envisaged.
- No allotment of any shares or securities has been made on preferential basis or otherwise during the year.
- No allotment is proposed to be made for consideration other than cash.
- The pre-issue and post-issue shareholding pattern of the Company is given below:

Sl. No	Category	Pre Issue				Post issue			
		No. of equity shares held	% of shareholding	No. of preference shares held	% of shareholding	No. of equity shares held	% of shareholding	No. of preference shares held	% of shareholding

A Promoters' holding:

1	Indian:								
	Individual	31424	0.16	Nil	N.A.	31424	0.16		
	Bodies Corporate	15063921	74.76			15063921	74.76	50000000	100.00
	Sub Total	15095345	74.92			15095345	74.92	50000000	100.00
2	Foreign Promoters	Nil	Nil			Nil	Nil		
	Sub Total (A)	15095345	74.92	Nil	N.A.	15095345	74.92	50000000	100.00

B Non-Promoters' Holding:

1	Institutional Investors	1081571	5.37			1081571	5.37	Nil	N.A.
2	Non-Institution								
	Private Corporate Bodies	2096925	10.40	Nil	N.A.	2096925	10.40		
	Directors and Relatives	Nil	Nil			Nil	Nil		
	Indian Public	1844910	9.16			1844910	9.16		
	Other (Including NRIs)	29775	0.15			29775	0.15		
	Sub Total (B)	5053181	25.08	Nil	N.A.	5053181	25.08	Nil	N.A.
	GRAND TOTAL	20148526	100.00	Nil	N.A.	20148526	100.00	50000000	100.00

The Preference Shares shall rank in priority to Equity Shares for repayment of capital and payment of dividend.

The approval to issue and allotment of the subject Preference Shares from the Members is being sought pursuant to the applicable provisions of the Act and Rules made thereunder. The Board of Directors of the Company recommends the Resolution set out at Item No. 3 of the accompanying Notice for the approval of the Members, in the best interest of the Company.

Except the promoter directors namely Shri J P Chowdhary, Shri Umesh Chowdhary and their relatives- Smt. S D Chowdhary, Smt. R Chowdhary, Smt. Vinita and Shri S K Bajoria, Smt. Sumita, Shri Subhas & Shri Saket Kandoi, Shri S K Saraogi, Smt. B D & Shri Gaurav Kalaria, none of the Directors and except Shri A K Agarwal no other Key Managerial Personnel (KMP) or their relatives is in any way concerned or interested in the Resolution.

None of the promoters, directors or KMP holds more than two percent of shares in the promoter group companies proposed to be issued & allotted the Preference Shares [proviso to the Section 102(2)(c)].

ITEM NO. 4

Pursuant to Section 293 (1)(d) of the Companies Act, 1956 the members had at their meeting held on 29th December, 2010 approved to borrow money for the requirements of the Company in excess of the aggregate of the Paid-Up Capital and Free Reserves of the Company by Ordinary Resolution in accordance with the provisions of the Companies Act, 1956 then applicable. As per section 180 (1) (c) of the Companies Act, 2013 and clarifications issued by Ministry of Corporate Affairs the Resolution set out in item no. 4 requires approval of shareholders by passing Special Resolution.

The Board recommends the resolution set forth in Item No. 4 above for approval of the members. None of the Directors or Key Managerial Personnel (KMP) or their relatives is in any way concerned or interested in the Resolution.

ITEM NO. 5

The Company has plans to further expand its business and would require funds for such growth by borrowing (including working capital, loans and/or other instruments/securities) in appropriate manner which would in addition to other applicable terms and conditions require to be secured by creation of charge/mortgage by the Board.

Section 180(1)(a) of the Companies Act, 2013, inter alia provides that the Board of Directors of a company shall not, without the consent of the Company in general meeting by Special Resolution, sell, lease or otherwise dispose of the whole or substantially the whole of undertaking of the Company or where the Company owns more than one undertaking, of the whole or substantially the whole of any such undertakings.

The borrowings of the Company may, where necessary, be secured by way of charge/mortgage/extension of mortgage on the Company's assets/undertaking(s) in favour of the eligible lenders/security holders. As the documents to be executed between the lenders/security holders and the Company may contain the power to take over the management of the undertaking(s) of the Company in certain events, which may be regarded as disposal of undertaking (s) under Section 180(1)(a) of the Act and therefore it is necessary to pass a resolution to enable the Board to create charges/mortgages for amounts not exceeding in aggregate Rs.600 Crores (Rupees Six Hundred Crores) only.

The above proposal is in the interest of the Company and your Directors commend the Resolution for approval by the Members.

None of the Directors or Key Managerial Personnel (KMP) or their relatives is in any way concerned or interested in the Resolution.

ITEM NO. 6

Your Company is focusing on diversification in order to de-risk its business. The Companies Act, 2013 has replaced the Companies Act, 1956 with effect from 1st April, 2014. Section 186 which governs investments in securities of other bodies corporate/ loans to other bodies corporate or person and giving corporate guarantee for loans availed by other bodies corporate or person has been notified and Section 372A of the Companies Act, 2013 stands replaced.

Section 186 (3) provides that where the giving of any loan or guarantee or providing any security or the acquisition under sub section (2) exceeds the limits specified in sub section 2 of Section 186, prior approval by means of a special resolution passed at a general meeting shall be necessary.

The above proposal is in the interest of the Company and your Directors commend the Resolution for approval by the Members.

None of the Directors or Key Managerial Personnel (KMP) or their relatives is in any way concerned or interested in the Resolution

By order of the Board of Directors

For **CIMMCO LIMITED**

Registered Office:
756, Anandapur, E M Bypass
Kolkata-700107
12th day of April, 2014

Dipankar Ganguly
Company Secretary