



Enriching Lives

## KIRLOSKAR PNEUMATIC COMPANY LIMITED

A Kirloskar Group Company

### ITEMS FOR POSTAL BALLOT

- 12 To consider and if thought fit, to pass with or without modification(s) the following resolution as **SPECIAL RESOLUTION**:

“**RESOLVED** that in supersession of the earlier resolution passed under Section 293(1)(d) of the Companies Act, 1956 by way of Postal Ballot and pursuant to Section 180(1)(c) and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), the consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the “Board”, which term shall include and Committee thereof) for borrowing from time to time, any sum or sums of money for the purpose of the Company upon such terms and conditions and with or without security as the Board may at its discretion think fit so, in excess of the aggregate of the paid-up share capital and free reserves of the Company, provided that the total amount of such borrowing and outstanding at any point of time, apart from temporary loans obtained / to be obtained from the Company’s Bankers in the ordinary course of business shall not exceed Rs.1000 Crores (Rupees One Thousand Crores Only) over and above the aggregate of the paid-up capital and free reserves of the Company.”

**RESOLVED FURTHER** that the Board or its Committee be and is hereby authorized to negotiate and finalize with the lenders, terms and conditions, in relation to the above and to settle all matters arising out of and incidental thereto, and to sign and execute all deeds, agreements applications, documents and writings that may be required, on behalf of the Company and also to delegate all or any of the above powers to the Committee of Directors or the Managing Director or the Principal Officer of the Company and generally to do all acts,



An IMS Certified Company

Manufacturer of Air, AC, Refrigeration, Gas compressors & systems and Transmission Equipments

Regd. Office: Hadapsar Industrial Estate, Pune - 411 013 INDIA. Tel.: +91 (20) 2672 7000 Fax: +91 (20) 2687 0297 Email [sec@kpcl.net](mailto:sec@kpcl.net) Website: [www.kirloskarkpcl.com](http://www.kirloskarkpcl.com)

CIN No.: L29120PN1974PLC110307



Enriching Lives

deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to the aforesaid Resolution.”

- 13 To consider and if thought fit, to pass with or without modification(s) the following resolution as **SPECIAL RESOLUTION**:

**“RESOLVED** that in supersession of the earlier resolution passed under Section 293(1)(a) of the Companies Act, 1956 by way of Postal Ballot and pursuant to Section 180(1)(a) and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and such other approvals as may be necessary, the consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter called “the Board” and which term shall be deemed to include any Committee, which the Board may have constituted or hereinafter constitute to exercise its powers including powers conferred by this resolution and with the power to delegate such authority to any person or persons) to mortgage and/or charge and/or hypothecation (and/or lease and/or assign, in addition to mortgage(s) and/or charge(s) and/or hypothecations and/or assignment(s) created/to be created by the Company, in such form and manner and with such ranking as to priority and at such time and on such terms as the Board may determine, on all or any of the moveable and/ or immovable, tangible and/or intangible properties of the Company, wherever situate, both present and future, and/or the whole or any part of undertaking(s) of the Company together with a power to take over the management of the business and concern of the Company in certain events of default, in favour of various lender(s), agent(s), trustee(s) for securing the borrowings availed/to be availed by the Company by way of loan(s) (in foreign currency and/or rupee currency) and/or advances including credit facilities and/or securities (comprising fully/partly convertible debentures and/or non convertible debentures with or without



Enriching Lives

detachable or nondetachable warrants and/or secured premium notes and/or floating rate notes/bonds or other debt instruments), issued or to be issued by the Company from time to time of an aggregate value not exceeding Rs. 1000 Crores (Rupees One Thousand Crores Only) together with interest thereon at the respective agreed rates, compound interest, additional interest, accumulated interest, liquidated damages, premia on prepayment or on redemption, costs, charges, expenses including any increase as a result of devaluation / revaluation / fluctuation in the rates of exchange and all other moneys payable by the Company in terms of loan agreement(s) and other moneys payable by the Company to the lenders in terms of loan agreement(s) and/or any other document(s) entered into/to be entered into between the Company and the lenders(s) / agent(s) / trustee(s) in respect of said loans / borrowings / debentures / securities and containing such specific terms and conditions and covenants in respect of enforcement of security as may be stipulated in that behalf and agreed to between the Board of Directors (including any Committee thereof) and lender(s), agent(s) and trustee(s).

**RESOLVED FURTHER** that for the purpose of giving effect to this resolution, the Board or its Committee be and is hereby authorized to negotiate and finalize with the lenders, terms and conditions, including the nature and ranking of charge and/or mortgage, documents / deeds / writings / papers / agreements as may be required for creation of mortgage and/or charge and 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 questions, difficulty or doubts relating thereto that may arise in regard to creating mortgage/charge as aforesaid.

- 14 To consider and if thought fit, to pass with or without modification(s) the following resolution as **SPECIAL RESOLUTION**:



Enriching Lives

**“RESOLVED** that pursuant to Section 186 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and such other approvals, consents, sanctions and permissions of appropriate authorities, departments or bodies as may be necessary, the consent of the Company be and is hereby accorded to the Board of Directors of the Company to give loan(s) to any person or other body corporate and/or give any guarantee(s)/provide any security(ies) in connection with loan(s) made to any other body corporate or person and/or to acquire by way of subscription, purchase or otherwise the securities of any body corporate up to a limit not exceeding Rs. 1,000 Crores (Rupees One Thousand Crores only) notwithstanding that the aggregate of the loans, guarantees or securities so far given or to be given to and/or securities so far acquired or to be acquired in all bodies corporate may exceed the limits prescribed under the said section.”

**RESOLVED FURTHER** that the Board of Directors of the Company be and is hereby authorized to take such steps as may be necessary for obtaining approvals, statutory, contractual or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto, and to sign and execute all deeds, applications, documents and writings that may be required, on behalf of the Company and also to delegate all or any of the above powers to the Committee of Directors or the Managing Director or the Principal Officer of the Company and generally to do all acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to the aforesaid Resolution.”



Enriching Lives

## EXPLANATORY STATEMENT TO ITEMS FOR POSTAL BALLOT

### ITEM NO. 12 OF THE NOTICE

The Members of the Company approved by way of Postal ballot on June 10, 2011 by way of an Ordinary Resolution under Section 293 (1) (d) of the Companies Act, 1956 borrowings over and above the aggregate of paid-up share capital and free reserves of the Company provided that the total amount of such borrowings shall not exceed Rs. 1,000 Crores (Rupees One Thousand Crores only) notwithstanding that the money or moneys to be borrowed together with the moneys already borrowed by the Company (apart from temporary loans, if any, obtained from the companies bankers in the ordinary course of business) may exceed the aggregate of the paid-up capital and free reserves of the Company. Further under law, it is now required that such a resolution be by way of special resolution.

As per sections 180(1) (c) and other applicable provisions of the Companies Act, 2013 the consent of shareholders is required for increasing the borrowing limits of the Company. The increasing business operations and future growth plans of the Company would necessitate to increase the borrowing limit by authorizing the Board of Directors to borrow money, therefore it is proposed to increase the borrowing limit up to an amount of Rs.1000 Crores (Rupees One Thousand Crores only) (apart from temporary loans, if any, obtained from the Company's bankers in the ordinary course of business). Such enhanced borrowing limit would also enable the Company to borrow for its routine business purposes.

Your approval is sought by voting by postal ballot in terms of the provisions of Section 110 of the Companies Act, 2013 read with Companies (Management & Administration) Rules 2014.

Therefore, the Board of Directors recommend the proposed resolution for your approval.

None of the Directors and Key Managerial Personnel is concerned or interested, financial or otherwise, in the resolution set out at an Item No. 12.



An IMS Certified Company

Manufacturer of Air, AC, Refrigeration, Gas compressors & systems and Transmission Equipments

Regd. Office: Hadapsar Industrial Estate, Pune - 411 013 INDIA. Tel.: +91 (20) 2672 7000 Fax: +91 (20) 2687 0297 Email [sec@kpcl.net](mailto:sec@kpcl.net) Website: [www.kirloskarkpcl.com](http://www.kirloskarkpcl.com)  
CIN No.: L29120PN1974PLC110307



Enriching Lives

### **ITEM NO. 13 OF THE NOTICE**

The Members of the Company approved by way of Postal ballot on June 10, 2011 by way of an Ordinary Resolution under Section 293 (1) (a) of the Companies Act, 1956 creation of mortgage, lease and/or charge in addition to charge created/to be created by the Company, on all or any of the moveable and/or immovable, tangible and/or intangible or properties of the Company upto the borrowing limits of the Company. Further under law, it is now required that such a resolution be by way of special resolution.

The Company proposes to enhance the limit of mortgage of and/or creation of security on the moveable and/or immovable properties of the Company, in order to commensurate the same with the borrowing limit as referred to in the resolution at Item No.12.

As per the provisions of Section 180(1) (a) of the Companies Act, 1956 the consent of Members is required to authorize the Board of Directors of the Company to mortgage, lease and/or create charge in addition to charge created/to be created by the Company, on all or any of the moveable and/or immovable, tangible and/or intangible or properties of the Company. Hence it is necessary to obtain approval for the same from the Members, voting by way of Postal Ballot.

Your approval is sought by voting by postal ballot in terms of the provisions of Section 110 of the Companies Act, 2013 read with Companies (Management & Administration) Rules 2014.

Therefore, the Board of Directors recommend the proposed resolution for your approval.

None of the Directors and Key Managerial Personnel is concerned or interested, financial or otherwise, in the resolution set out at an Item No. 13.

### **ITEM NO. 14 OF THE NOTICE**



Enriching Lives

## **KIRLOSKAR PNEUMATIC COMPANY LIMITED**

A Kirloskar Group Company

The Company is proposing to make substantial investments in the areas of business of the Company. Company might have required to make loans or give guarantee or to provide security to any person in connection with a loan provided to its wholly owned subsidiary, subsidiary or associate company, as and when required.

As a measure of achieving greater financial flexibility and to enable optimal financial structuring to facilitate speedy implementation of various projects, it is proposed that the Board of Directors be authorized to invest upto Rs. 1000 Crores (Rs. One Thousand Crores) in any body corporate by way of subscription and /or purchase of equity/equity related securities and/or debentures, grant of loan, guarantee and/or providing of security from time to time.

As per Section 186 of the Companies Act, 2013, a Company cannot make investment, give loan or guarantee or provide any security in excess of the limits set out therein unless it is previously authorised by a special resolution. Hence, it is necessary to obtain approval for the same from the Members by passing a special resolution. The funds required for the investment will be sourced through internal accruals, equity proceeds and/or borrowings.

Your approval is sought by voting by postal ballot in terms of the provisions of Section 110 of the Companies Act, 2013 read with Companies (Management & Administration) Rules 2014.

Therefore, the Board of Directors recommend the proposed resolution for your approval.

None of the Directors and Key Managerial Personnel is concerned or interested, financial or otherwise, in the resolution set out at an Item No. 14.