



RAUNAQ AUTOMOTIVE COMPONENTS LIMITED

CIN : L34300DL1983PLC016136

Regd. Office : 15th Floor, Chiranjiv Tower, 43, Nehru Place, New Delhi-110019
E-mail : enquiries@raunaqauto.com Website : www.raunaqauto.com



NOTICE OF POSTAL BALLOT

[Pursuant to Section 110 of the Companies Act, 2013, read with Rule 22 of the Companies (Management and Administration) Rules, 2014 and any other rules as may be applicable]

To,
The Members,

Notice is hereby given to the members of Raunaq Automotive Components Limited (the "Company") pursuant to the Section 110 of the Companies Act, 2013 (which shall include any statutory modifications, amendments or re-enactments thereto), read with the Companies (Management and Administration) Rules, 2014 (which shall include any statutory modifications, amendments or re-enactments thereto), for seeking consent of members of the Company by passing resolution by way of Postal Ballot/ e-Voting ("postal ballot"). The statement setting out the material facts of the concerning items and the reason thereof is annexed hereto along with a postal ballot form.

Resolutions (As a Special Business) :

1. Alteration to the Object clause (Main Object Clause) Clause III of the Memorandum of Association of the Company.

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 4, 13 and 110 of Companies Act, 2013, read with the Companies (Management and Administration) Rules, 2014 and other applicable rules and all other applicable provisions (including any statutory modifications or re-enactment thereof, for the time being in force) of the Companies Act, 2013, if any, or any other act, if any, consent of the members of the Company be and is hereby accorded (subject to the approval of the Registrar of Companies, NCT of Delhi & Haryana and other necessary approvals as may be required in this regard from appropriate authorities and subject to such terms and conditions as may be imposed by them), For effecting the following amendments in Clause III of the existing Memorandum of Association, dealing with the objects of the Company:-

i. to alter and replace the sub-clause (1) of Clause III (A) of the Memorandum of Association of Company with the below mentioned clause:

- (1) **"To carry on the Business of designers, manufacturers, importers, exporters, dealers, buyers, sellers, repairers and otherwise in Gears and Shafts of all types including but not limiting to Reduction gear trains, Engine Timing gears, Precision Machined parts and Gears for Automotive, Industrial, Aerospace, Ship building, Railways use, Engine bearings, Ball and roller bearings and antifriction bearings of all types and kinds and all raw materials including strips and powder, component parts, forgings, casting, sheet metal, machineries and equipments, gear boxes, accessories and fittings for all articles and things referred to above and all other things capable of being used in manufacture, maintenance and working thereof and all other materials, equipments and stores used therein or in relations, thereto."**
- (ii). The existing Clause III (B) (containing objects appearing under sub clauses 1 to 52) **"objects incidental or ancillary to the attainment of the main objects"** be substituted by the new heading i.e. **"matters which are necessary for furtherance of the objects specified in Clause III (A)"**.
- (iii). The existing Sub-clauses 1 to 48 as appearing under the existing Clause III(C) i.e. **"other objects"**, be shifted under the new Clause III (B) i.e. **"matters which are necessary for furtherance of the objects specified in Clause III (A)"** vide creation of new sub-clauses no. 53 to 100.
- (iv). The existing Clause III(C) i.e. **"other objects"** be deleted.
- (v) a) Under the existing Clause III(B) **"objects incidental or ancillary to the attainment of the main objects"**, existing Sections 58A, 292 and such other sections of Companies Act, 1956 shall be replaced with the corresponding Sections of Companies Act, 2013.
- b) The word **"Subject to the provisions of the Companies Act, 1956"** shall be replaced with **"subject to the provisions of Companies Act, 2013"** in sub-clauses under the existing Clause III(B) and Clause III (C).

RESOLVED FURTHER THAT the existing Memorandum of Association of the company, duly modified as aforesaid, or as suggested by any appropriate authority and accepted by the Board, be adopted as the Memorandum of Association of the company (w.e.f. October 1, 2015 or such other dates as may be approved by ROC/any other appropriate authority).

RESOLVED FURTHER THAT the approval of the members of the company be and is hereby accorded for commencing and carrying on new business and activities as included in the Object Clause of the company as altered above at such time or time as the Board may in its absolute discretion deem fit.

RESOLVED FURTHER THAT the Board of directors of the company be and is hereby authorised to do all acts, deeds, things and take all such steps as may be necessary, proper or expedient to give effect to the above resolutions."

2. Alteration to the Liability Clause (Clause IV) of the Memorandum of Association of the Company.

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 4, 13 and 110 of Companies Act, 2013, read with the Companies (Management and Administration) Rules, 2014 and other applicable rules and all other applicable provisions (including any statutory modifications or re-enactment thereof, for the time being in force) of the Companies Act, 2013, if any, or any other act, if any, consent of the members of the Company be and is hereby accorded (subject to the approval of the Registrar of Companies, NCT of Delhi & Haryana and other necessary approvals as may be required in this regard from appropriate authorities and subject to such terms and conditions as may be imposed by them), for effecting the following amendments in Clause IV of the existing Memorandum of Association, by replacing the existing Clause IV with the following new Clause IV :-

"IV. The liability of members is limited to the amount unpaid, if any, on the shares held by them."

RESOLVED FURTHER THAT the Board of directors of the company be and is hereby authorised to do all acts, deeds, things and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

Place : New Delhi

Dated : August 6, 2015

Regd Office : 15TH Floor, Chiranjiv Tower- 43, Nehru Place, New Delhi-110019

Ph. : +91 11 26418622, Fax : +91 11 26448962, E-mail : investor@raunaqauto.com

By order of the Board
for RAUNAQ AUTOMOTIVE COMPONENTS LIMITED

Sd/-
Hitesh Kumar
Company Secretary

ANNEXURE TO THE NOTICE

Statement pursuant to Section 102 of the Companies Act, 2013 in respect of special business set out in notice of postal ballot

Item No. 1

As per the relevant provisions of the Companies Act, 2013 the object clause of a company is required to state the objects for which the company is incorporated and any matter considered necessary in furtherance thereof. The company is engaged mainly in the Business of manufacturing of Automotive Components Transmission gears and shafts and other types of gears related to power transmission to engine. During the last few years the company has expanded into the export business and has been manufacturing different types of gears. 3 years ago the company has commissioned a small forging unit as a step moving towards Backward integration by way of procuring raw material through its own forging press, which has not only stream lined the availability of raw material but also has cost saving impact and improving the profitability of the company. The company has explored business opportunity for developing and manufacturing of gears for Aero Space Industries, Ship Building, Railways for which we see great potential in future and has also established associates with suitable partner to go far in such business.

The company explored the other avenues related to automotive component manufacturing and found a great potential for entering into forging, casting and sheet metal industry which shall help not only increase the business value of the company but shall also improve the profitability significantly. Accordingly, the Board of Directors has decided to amend the object clause of Memorandum of Association of the Company to the extent relevant, so as to align the same with the requirement of the Companies Act, 2013. Company is pursuing the business as envisaged in the forming Clause III (C) of the existing memorandum. Since some of these activities are the main business of the company as envisaged under this clause, it is advised that the same be shifted from existing Clause III (C) and insert under the Clause III (A) - Main Objects of the Memorandum of Association of the Company as per resolution enclosed.

Further, The Board of directors is of the opinion that the new business opportunities, shall help the Company to augment its financial resources which shall prove beneficial to the all stakeholders and Company itself. Your Board proposes to alter and replace the sub-clause 1 of Clause III (A) Main Objects, related with business activities as per detailed objects as set out in the resolution under the item no. 1 of the notice of postal ballot.

Under the proposed amendment(s), it is inter-alia proposed to rename the Clause III (B) from "the objects incidental or ancillary to the attainment of the main objects" and shift the objects as appearing under the existing Clause III (C) 'other objects' to the new Clause "**Matters which are necessary for furtherance of the objects specified in Clause III (A)**". The modification in Memorandum of Association is carried out to remove references to the Companies Act, 1956 and re-numbering of other clauses of Memorandum of Association is a consequential act due to alteration of object clauses of the company.

A copy of the existing and proposed Memorandum of Association would be available for inspection by the members at the Registered Office of the Company on all working days (Monday to Friday) between 10:00 a.m. to 1:00 p.m. upto September 29, 2015.

The approval of shareholders of the Company is required by way of a special resolution for the proposed alteration(s) in the Object Clause (Main Object Clause) Clause III of the Memorandum of Association of the Company.

None of the Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in the proposed resolution set out at Item No. 1 of the Notice.

Item No. 2

The liability clause (clause IV) of the existing Memorandum of Association i.e. "The liability of the members is limited" is as per provisions of the Companies Act, 1956. Further, pursuant to the provisions of the Companies Act, 2013 the new Liability Clause (Clause IV) is "**The liability of members is limited to the amount unpaid, if any, on the shares held by them**".

In order to comply with the provisions of Section 4 of the Companies Act, 2013, the Company proposes to alter the Liability Clause of Memorandum of Association under section 13 of the Act. The proposed modification in Memorandum of Association is carried out to give effect to the provisions of the Companies Act, 2013.

The approval of shareholders of the Company is required by way of a special resolution for the proposed alteration in the Memorandum of Association of the Company.

None of the Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in the proposed resolution set out at Item No. 2 of the Notice.

**Place : New Delhi
Dated : August 6, 2015**

**By order of the Board
for RAUNAQ AUTOMOTIVE COMPONENTS LIMITED**

**Regd Office : 15th Floor, Chiranjiv Tower- 43, Nehru Place, New Delhi-110019
Ph. : +91 11 26418622, Fax : +91 11 26448962, E-mail : investor@raunaqauto.com**

**Sd/-
Hitesh Kumar
Company Secretary**

Notes:

1. The Statement pursuant to Section 102 of the Companies Act, 2013 setting out material facts is attached herewith.
2. The Notice of postal ballot is being sent to all the members, whose names appear on the register of members / list of beneficial owners as received from National Securities Depository Limited (NSDL) / Central Depository Services (India) Limited (CDSL) as on August 21, 2015.
3. Notice of postal ballot along with postal ballot form containing the process, instructions and the manner of conducting e-Voting is being sent electronically to all the members whose e-mail ID's are registered with the Company/ Depository Participant(s). For members who request for a hard copy and for those who have not registered their e-mail addresses, physical copies of the same are being sent through the permitted mode.
4. Voting rights shall be reckoned on the paid up value of equity shares registered in the name of the member as on August 21, 2015. Members can opt for their entire voting rights as per their discretion.
5. In compliance with provisions of Clause 35B of the Listing Agreement as well as Sections 108 and 110 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, the Company is offering e-Voting facility to all of its members. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for providing e-Voting facility to enable the members to cast their votes electronically instead of dispatching postal ballot form. Kindly note that the members can opt for only one mode of voting, i.e. either by physical postal ballot or e-Voting. If you are opting for e-Voting, then do not vote by physical postal ballot and vice-versa. In case members cast their votes by both methods physical postal ballot as well as e-Voting, it may be noted that votes cast by them through valid physical postal ballot shall prevail and votes cast by e-Voting will be treated as invalid.
6. Voting Period will commence on from August 31, 2015 (10:00 A.M.) and ends on September 29, 2015 (5:00 P.M.).
7. Relevant documents referred to in the accompanying Notice are open for inspection by the members at the Registered Office of the Company on all working days (Monday to Friday) between 10:00 a.m. to 1:00 p.m. upto September 29, 2015.
8. 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.
9. Unsigned, incomplete, improperly or incorrectly ticked Postal Ballot Forms shall be rejected.
10. The aforementioned Special Resolution(s) if assented to by the Members by means of Postal Ballot, it shall be deemed to have been duly passed at a General Meeting of the Members convened in that behalf.
11. Members who have not registered their e-mail addresses so far are requested to register their e-mail address so that they can receive the communications from the Company electronically.
12. **You are requested to read carefully the instructions printed in the postal ballot form, record your assent (for) or dissent (against) therein by filling necessary details and by signing at the designated place in the postal ballot form and return the same in original duly completed in the enclosed self-addressed postage pre-paid envelope (if posted in India) so as to reach the Scrutinizer not later than the close of working hours, i.e. 5:00 p.m. on Tuesday, September 29, 2015. Please note that the postal ballot form(s) received after the said date will be treated as if reply from the member has not been received in terms of Rule 22(12) of the Companies (Management and Administration) Rules, 2014.**
13. Members desiring to opt for e-Voting as per the facilities arranged by the Company are requested to read the notes to the notice and instructions overleaf the postal ballot form. References to postal ballot(s) in this notice include votes received electronically.
14. The Scrutinizer shall submit his report to the Board/ Managing Director of the Company after completion of the scrutiny of the postal ballot forms but not later than October 3, 2015. The results will be announced by the Chairman & Managing Director or Company Secretary of the Company at the Registered Office of the Company at "15th Floor, Chiranjiv Tower 43, Nehru Place, New Delhi-110 019" on October 3, 2015. The results declared along with the Scrutinizer's Report, shall be placed on the Company's website www.raunaqauto.com and on the website of the National Securities Depository Limited (NSDL), and communicated to the Stock Exchange i.e. BSE Limited, where the shares of the Company are listed. The date of declaration of the results of the postal ballot i.e. October 3, 2015, shall be deemed to be the date of passing of the resolutions.

INSTRUCTION FOR E-VOTING

- I. In case of Members receiving e-mail from National Securities Depository Limited (NSDL) (For those members whose e-mail addresses are registered with Company/Depositories):**
- a. Open e-mail and open PDF file viz."RACL-remote e-Voting.pdf" with your client ID or Folio No. as password containing your user ID and password for remote e-voting. Please note that the password is an initial password.
 - b. Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>.
 - c. Click on Shareholder-Login.
 - d. Put user ID and password as initial password noted in step (i) above. Click Login.
 - e. 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.
 - f. Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
 - g. Select "EVEN" of "**Raunaq Automotive Components Limited**".
 - h. Now you are ready for remote e-voting as Cast Vote page opens.
 - i. Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
 - j. Upon confirmation, the message "Vote cast successfully" will be displayed.
 - k. Once you have voted on the resolution, you will not be allowed to modify your vote.
 - l. 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 to kk.malhotra2003@gmail.com with a copy marked to evoting@nsdl.co.in.
- II. In case of Members receiving Physical copy of Notice of postal Ballot (for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy)**
- a. Initial password is provided in the box overleaf.
 - b. Please follow all steps from Sl. No. (b) to Sl. No. (l) above, to cast vote.
- A. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990.
- B. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.
- C. 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).
- D. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of August 21, 2015.
- E. Mr. K. K. Malhotra, Company Secretary in Whole time Practice (Membership No. FCS-1410 & CP No. 446), Partner, M/s. K. K. Malhotra & Co., Company Secretaries has been appointed by the Board of Director as Scrutinizer for conducting the Postal Ballot process and scrutinize the voting and remote e-voting process in a fair and transparent manner.