

# DYNAMATIC TECHNOLOGIES LIMITED

Registered Office: Dynamatic Park, Peenya, Bangalore - 560 058

Corporate Identity Number: L72200KA1973PLC002308

Phone Number: +91 80 2839 4933/34/35 Fax: +91 80 2839 5823

Email ID: investor.relations@dynamatics.net website: www.dynamatics.com



## NOTICE TO SHAREHOLDERS

(Pursuant to section 110 of the Companies Act, 2013)

Dear Members,

Notice is hereby given pursuant to Section 110 and other applicable provisions, if any, of the Companies Act, 2013, (the "Act"), read together with the Companies (Management and Administration) Rules, 2014, including any statutory modifications or re-enactments thereof for the time being in force, that the proposals appended below are being proposed to the Shareholders to be passed as Special Resolutions by way of postal ballot / e-voting.

The explanatory statement setting out the material facts concerning the proposals is annexed hereto along with a postal ballot form (the "Ballot Form") for your consideration. The Board of Directors (the "Board") of Dynamatic Technologies Limited (the 'Company') has appointed Mr. R. Vijayakumar, Practicing Company Secretary (CP No. 8667) as Scrutinizer for conducting postal ballot process in a fair and transparent manner.

You are requested to carefully read the instructions printed overleaf the Ballot Form, record your assent (for) or dissent (against) therein by filling necessary details and affixing your signature at the appropriate designated place and return the original duly filled in / signed Ballot Form 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. 5.30 p.m. on Tuesday, 15th day of November, 2016. In case you are casting your vote from outside India, you may use the e-voting facility or may please courier the duly filled in / signed Ballot Form to 'Mr. Vijayakumar, Scrutinizer, Dynamatic Technologies Limited, Dynamatic Park, Peenya, Bangalore - 560 058'.

Members desiring to opt for e-voting as per facilities arranged by the Company are requested to read the 'Notes' to this postal ballot notice and instructions overleaf the Ballot Form. References to Postal Ballot(s) in this notice include votes received electronically.

Upon completion of the scrutiny of the Ballot Forms, the Scrutinizer will submit his report to the Chairman. The result of the postal ballot would be announced by the Chairman or Company Secretary of the Company on or before 05:30 p.m. on Thursday 17th day of November, 2016 at the registered office of the Company. The aforesaid result would be displayed at the registered office of the Company, intimated to the Bombay Stock Exchange Limited and National Stock Exchange Limited on the said date, published in the newspapers and displayed along with the Scrutinizer's report on the 'investor desk' portal of the Company's website at <http://dynamatics.com/investor.html>

### Item No. 1

To increase the limit for the mortgage / charge on the assets of the Company and in this regard to consider and, if thought fit, to pass the following resolution as **SPECIAL RESOLUTION** under section 180(1)(a) of the Companies Act, 2013:

"**RESOLVED THAT** in supersession of all earlier resolutions passed in this connection, the approval and consent of the Shareholders be and is hereby accorded in terms of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013, for:

- All and any mortgages and charges created or to be created on all the immovable and movable properties of the Company wherever situated (whether present or future); or on the whole of the undertaking/s of the Company and / or
- taking over the management of the business and undertaking/s of the Company in certain events (whether such power is contained in the documents creating the mortgage/charge or otherwise)

to or in favour of any Bank or Financial Institutions or Lender(s) to secure repayment of any Terms Loan, Subscription to Debenture or other monies lent or advanced by them from time to time together with interest at the agreed rates, compound interest, additional interest, commitment charges, premium on pre-payment or on redemption, costs, charges expenses and all other monies including any increase as a result of devaluation/revaluation/fluctuation in the rate exchange of foreign currencies involved payable by the company in terms of the respective loan agreements/heads of agreements/ letters of sanction/memorandum of terms and conditions entered into/to be entered into by the Company, within overall limits of **INR 1000 Crores (Indian Rupees One Thousand Crores only).**"

"**RESOLVED FURTHER THAT** the Board of Directors be and are hereby authorised to do all such acts, deeds, matters and things as may be deemed necessary, usual or expedient for giving effect to the above resolution and also to make any alterations or amendments thereto from time to time as may be required by the respective bank or financial institution."

### Item No. 2

To increase the borrowing limits of the Company and in this regard to consider and, if thought fit, to pass the following resolution as **SPECIAL RESOLUTION** under section 180(1)(c) of the Companies Act, 2013:

"**RESOLVED THAT** in accordance with the provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013, and also subject to other approvals as may be required, the Board of Directors of the Company be and is hereby authorized to borrow monies for the purpose of the business of the Company, notwithstanding that the monies to be so borrowed by the Company (apart from the temporary loans obtained from the Company's bankers in the ordinary course of business) may exceed the aggregate of the paid-up capital and free reserves of the Company, that is to say, reserves not set apart for any specific purpose for the time being, provided that the total amount including the money/s already borrowed by the Company shall not exceed **INR 1000 Crores (Indian Rupees One Thousand Crores only).**"

"**RESOLVED FURTHER THAT** the Board of Directors and Company Secretary of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

### Item No. 3

To increase the investment limits of the Company upto INR 1000 crores and in this regard to consider and, if thought fit, to pass the following resolution as **SPECIAL RESOLUTION** under section 186 of the Companies Act, 2013:

"**RESOLVED THAT** pursuant to Section 186 and other applicable provisions of the Companies Act, 2013 read with the Companies (Meeting of Board and its Powers) Rules, 2014 and subject to such approvals as may be necessary; the consent of Company be and is hereby accorded to the Board of Directors of the Company (including any Committee which the Board may have constituted or hereinafter constitute to exercise the power conferred by this Resolution) to:

- a) Make investment and acquire by way of subscription, purchase or otherwise, securities of any other body corporate, provided that the total amount of such investments outstanding at any time shall not exceed **INR 1000 Crores (Indian Rupees One Thousand Crores);**

- b) give loan to any person or body corporate or give guarantee or provide security in connection with a loan to any other person or body corporate, provided that the aggregate amount of such loan, investment and guarantee outstanding at any time shall not exceeds **INR 1000 Crores (Indian Rupees One Thousand Crores)**;

**RESOLVED FURTHER THAT** the Board or a duly constituted Committee thereof be and is hereby authorized to decide and finalize the terms and conditions while making investment, giving loan or guarantee or providing securities within the aforesaid limits including with the power to transfer and dispose of the investments so made, from time to time."

**"RESOLVED FURTHER THAT** the Board of Directors and Company Secretary of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

**By Order of the Board**



**Naveen Chandra P**

Head - Legal, Compliance and Company Secretary

**Place : Bangalore**

**Date : 10<sup>th</sup> August, 2016**

**NOTES:**

1. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 is annexed herewith and forms part of the Notice.
2. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company between 11.00 am and 01.00 pm on all working days except Sundays, up to and including the 15th day of November, 2016.
3. The Notice is being sent to the Members whose names appear on the Register of Members / List of beneficial owners as on 30th September, 2016, and such members / beneficial owners are only entitled to vote.
4. Electronic copy of this Notice is being sent to all the Members whose email IDs are registered with the Company / Depository Participants(s) for communication purposes unless any Member has requested for a hardcopy of the same. For Members who have not registered their email address, physical copies of the Notice is being sent in the permitted mode.
5. Voting through electronic means – Pursuant to provisions of section 108 of the Companies Act, 2013, read with the Companies (Management and Administration) Rules, 2014, the Company is pleased to offer e-voting facility to the Members to cast their votes electronically on all resolutions set forth in the Postal Ballot Notice. The detailed instructions for e-voting is enclosed.

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## EXPLANATORY STATEMENT

Pursuant to Section 102 of the Companies Act, 2013

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### Item number 1

Pursuant to the provisions of section 180 (1) (a) of the Companies Act, 2013 the Company requires consent of the shareholders to be obtained by passing special resolution for the purpose of mortgaging / creating charges on the properties of the Company to secure the loans availed by the Company. The shareholders at their meeting held on 14th August, 2014 had approved the borrowing limits of the Company up to INR 500 crores.

By this proposal the approval of the shareholders is sought for mortgaging/creating charge on the assets of the Company to secure the loans availed by the Company **up to a limit of INR 1000 Crores (Indian Rupees One Thousand Crores)**;

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way concerned or interested, financially or otherwise, in the resolution set out at item number 1 of the Notice.

The Board recommends the Special Resolution set out at item number 1 of the Notice for approval by the Shareholders.

### Item number 2

Pursuant to the provisions of section 180 (1) (c) of the Companies Act, 2013, the Board of Directors shall not except with the approval of the Company in general meeting, borrow money, where the money to be borrowed, together with the money already borrowed by the company will exceed aggregate of its paid-up share capital and free reserves, apart from temporary loans obtained from the company's bankers in the ordinary course of business. The shareholders at their meeting held on 14th August, 2014 had approved the borrowing limits of the Company upto INR 500 crores.

In view of the business expansion, growing operations and the need for higher credit requirement, it is now proposed to obtain the permission of the members to increase the borrowing limits **INR 1000 Crores (Indian Rupees One Thousand Crores)**;

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way concerned or interested, financially or otherwise, in the resolution set out at item number 2 of the Notice.

The Board recommends the Special Resolution set out at item number 2 of the Notice for approval by the Shareholders.

### Item number 3

Pursuant to the provisions of section 186 of the Companies Act, 2013, the Board of Directors shall not except with the approval of the Company in general meeting shall directly or indirectly:

- give any loan to any person or other body corporate;
- give any guarantee or provide security in connection with a loan to any other body corporate or person; and
- acquire by way of subscription, purchase or otherwise, the securities of any other body corporate,

exceeding sixty percent of its paid-up share capital, free reserves and securities premium account or one hundred percent of its free reserves and securities premium account, whichever is more.

By this proposal, it is proposed to pass enabling resolution authorizing board of directors or any of its committee of the company to make investment or give loan, guarantee or provide security upto **INR 1000 Crores (Indian Rupees One Thousand Crores)** at any point of time.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way concerned or interested, financially or otherwise, in the resolution set out at item number 3 of the Notice.

The Board recommends the Special Resolution set out at item number 3 of the Notice for approval by the Shareholders.



# DYNAMATIC TECHNOLOGIES LIMITED

Registered Office: Dynamatic Park, Peenya, Bangalore 560 058

## POSTAL BALLOT FORM

Postal Ballot Notice of Dynamatic Technologies Limited – 10<sup>th</sup> August, 2016

Resolution	Vote		
	For	Against	Abstain
<b>Item No. 1 – Special Resolution</b> Approval for increasing the limit for the mortgage / charge on the assets of the Company under section 180 (1)(a) of the Companies Act, 2013			
<b>Item No. 2 – Special Resolution</b> Approval for increasing the borrowing limits of the Company under section 180 (1)(c) of the Companies Act, 2013			
<b>Item No. 3 – Special Resolution</b> Approval for increasing the investment limits of the Company under section 186 of the Companies Act, 2013			

Name of the Shareholder: .....

Folio No. .... DP ID/ Client ID: .....

Number of shares held .....

Place :

Date :

Signature of the Member/s

**NOTE: Please read the instructions given overleaf and in the notes to the postal ballot notice dated 10th August 2016. Carefully before exercising your vote.**

### Instructions for filling Postal Ballot Form:

1. Insert your name, the number of shares held by you, your folio number / DP ID / Client ID at the space provided in the ballot form.
2. Ensure that you sign the ballot form.
3. Please insert the date of signing the ballot form.
4. Please use the enclosed self-addressed business reply envelope for posting the ballot form so as to reach the Scrutinizer on or before 15th November, 2016, 17:30 hours.
5. Please enter the number of shares (which represents number of votes) under 'FOR/AGAINST/ABSTAIN' or alternatively you may partially enter any number in 'FOR' and partially in 'AGAINST', but the total number in 'FOR/AGAINST' taken together should not exceed your total shareholding. If you do not want to cast your vote, please select 'ABSTAIN'.



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