

## DEEPAK INDUSTRIES LIMITED

CIN No.L63022WB1954PLC021638

Registered office: 16, Hare Street, Kolkata-700 001, Phone No.: 033-2248-2391/2/3  
Fax No.: 033-2248-9382, Website: [www.dil-india.com](http://www.dil-india.com) Email: [secretary@dil-india.com](mailto:secretary@dil-india.com)

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### NOTICE PURSUANT TO SECTION 110 OF THE COMPANIES ACT, 2013 AND RULE 22 OF THE COMPANIES (MANAGEMENT AND ADMINISTRATION) RULES, 2014

Dear Members,

Notice is hereby given, pursuant to Section 110 of the Companies Act, 2013 (the “**Companies Act**”), read with the Companies (Management and Administration) Rules, 2014 (the “**Management Rules**”) including any statutory modification or re-enactment thereof for the time being in force, and other applicable provisions, if any, that the resolution appended below for the buyback of equity shares of Deepak Industries Limited (the “**Company**”), is proposed to be passed as a Special Resolution by way of Postal Ballot / Electronic voting.

The Board of Directors of the Company at its meeting held on 14.11.2015 has, subject to the approval of the Members of the Company by way of special resolution, approved buyback of not exceeding 1324500 (Thirteen Lakhs Twenty Four Thousand Five Hundred) equity shares of the Company, from all the Members holding equity shares of the Company on a proportionate basis through the “Tender Offer” route as prescribed under the Securities and Exchange Board of India (Buy-back of Securities) Regulations, 1998, as amended from time to time at a price of Rs. 300/- (Rupees Three Hundred Only) per equity share payable in cash for an aggregate amount of Rs. Rs.39,73,50,000/- (Rupees Thirty Nine Crore Seventy Three Lakhs Fifty Thousand Only).

Pursuant to Section 68(2) (b) of the Companies Act, and other applicable legal provisions, it is necessary to obtain the consent of the Members holding equity shares of the Company by way of a special resolution for the proposed buyback of equity shares. Further, as per Section 110 of the Companies Act read with Rule 22(16)(g) of the Management Rules, the consent of the Members is required to be obtained for the buyback by means of Postal Ballot. Accordingly, the Company is seeking your consent for the aforesaid proposal as contained in the resolution appended below. An explanatory statement pursuant to Section 102 of the Companies Act and other applicable legal provisions, pertaining to the said resolution setting out the material facts and the reasons therefore, is also appended. The said resolution and explanatory statement are being sent to you along with a postal ballot form (the “**Postal Ballot Form**”) for your consideration. Pursuant to Rule 22(5) of the Management Rules, the Company has appointed Mr. Pravin Kumar Drolia, Practicing Company Secretary, Proprietor of M/s. Drolia & Company as the Scrutinizer for the Postal Ballot process.

The Members holding equity shares of the Company are requested to carefully read the instructions enclosed with the Postal Ballot Form and return the said Form duly completed in the attached self-addressed, postage prepaid envelope, if posted in India, so as to reach the Scrutinizer at the Registered Office of the Company at 16, Hare Street, 2<sup>nd</sup> Floor, Kolkata-700 001 not later than close of working hours (5 p.m.) on 26.12.2015. Please note that any Postal Ballot Form(s) received after the said date will be treated as not having been received. Also, the e-voting module will be disabled after the business hours, i.e. 5 p.m. on 26.12.2015, for voting by the Members, holding equity shares of the Company. The postage will be borne and paid for by the Company. E-Voting facility is also provided to all Members to enable them to cast their votes electronically instead of dispatching Postal Ballot Forms. Members holding equity shares of the Company are requested to follow the procedure as stated in the notes and instructions for casting of votes by e-voting. The Members holding equity shares of the Company have both the options of voting i.e. by e-voting and through Postal Ballot Form. Kindly note that while exercising their vote, Members holding equity shares of the Company can opt for only one of the two modes of voting i.e. either through Postal Ballot Form or e-voting. If you are opting for e-voting, then do not vote through Postal Ballot Form and vice versa. However, in case a member has voted both in Postal Ballot Form as well as e-voting then voting done through e-voting shall prevail and voting done through Postal Ballot Form will be treated as invalid.

The Scrutinizer will submit his report to the Chairman or in his absence to any other Director authorized by Board, after completion of scrutiny of Postal Ballot (including e-voting) in a fair and transparent manner. The results of the Postal Ballot will be announced on 29.12.2015 and will be displayed at the Registered Office of the Company and will also be published in newspapers and communicated to The Calcutta Stock Exchange Limited (the “CSE”) where the equity shares of the Company are listed. The results of the Postal Ballot will also be displayed on the Company’s website: [www.dil-india.com](http://www.dil-india.com) and on the website of Central Depository Services (India) Limited (“CDSL”). The date of declaration of the results of the Postal Ballot shall be the date on which the Resolution would be deemed to have passed, if approved by the requisite majority. The Members are requested to consider and, if thought fit, pass the following resolution:

**SPECIAL BUSINESS: APPROVAL FOR BUYBACK OF EQUITY SHARES**

To consider and, if thought fit, to pass the following resolution as a Special Resolution:

**“RESOLVED THAT** pursuant to the provisions of Article 5A of the Articles of Association of the Company and the provisions of Section 68, 69, 70, 110 and all other applicable provisions, if any, of the Companies Act, 2013, as amended (the “Companies Act”), the Companies (Share Capital and Debentures) Rules, 2014 (the “Share Capital Rules”) to the extent applicable, and in compliance with the Securities and Exchange Board of India (Buy-back of Securities) Regulations, 1998, as amended from time to time (the “Buyback Regulations”), including any amendments, statutory modifications or re-enactments, for the time being in force and, subject to the approval of members by postal ballot and further, subject to such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications, if any, as may be prescribed or imposed by the appropriate authorities while granting such approvals, permissions and sanctions, which may be agreed by the Board of Directors of the Company (hereinafter referred to as the “Board”, which expression shall include any Committee constituted by the Board to exercise its powers, including the powers conferred by this resolution), the Board hereby approves the buyback by the Company of its fully paid-up equity shares of Rs. 10/- each, not exceeding 1324500 (Thirteen Lakhs Twenty Four Thousand Five Hundred Only) equity shares (representing 24.99% of the total number of shares in the paid up share capital of the Company) at a price of Rs.300/- (Rupees Three hundred Only) per equity share (“Buyback Offer Price”) payable in cash for an aggregate amount of Rs. 39,73,50,000/- (Rupees Thirty Nine Crores Seventy Three Lakhs Fifty Thousand Only) (“Buyback Offer Size”) which is approximately 17.75% of the fully paid up equity share capital and free reserves as per the audited accounts of the Company for the Financial year ended 31.03.2015 from the members of the Company on a proportionate basis through the “Tender Offer” route as prescribed under the Buyback Regulations (“Buyback”).”

**“RESOLVED FURTHER THAT** the Company, to the extent legally permissible, implement the Buyback using the “Mechanism for acquisition of shares through Stock Exchange” notified by SEBI vide circular CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015.”

**“RESOLVED FURTHER THAT** the Company implement the Buyback from its current surplus and/or cash balances and/or internal accruals of the Company and on such terms and conditions as the Board may decide from time to time in the absolute discretion of the Board as it may deem fit.”

**“RESOLVED FURTHER THAT** the approval of the members by Postal Ballot be sought and the Buyback Committee be and is hereby authorized to finalize the Notice for the Postal Ballot, the accompanying Explanatory Statement and carry out all incidental activities in connection with the obtaining approval of members by a Special Resolution.”

**“RESOLVED FURTHER THAT** the Company shall not buyback the locked-in-shares or other specified securities and non-transferable shares or other specified securities till the pendency of the lock-in or till the shares or other specified securities become transferable.”

**“RESOLVED FURTHER THAT** Mr. Vithal Das Mall, Company Secretary be and is hereby appointed as the Compliance Officer for the Buyback.”

**“RESOLVED FURTHER THAT** the Buyback from non-resident members, Overseas Corporate Bodies (OCBs) and Foreign Institutional Investors (FIIs) and members of foreign nationality, if any, etc. shall be subject to such approvals if, and to the extent necessary or required including

approvals from the Reserve Bank of India under the applicable Foreign Exchange Management Act, 1999 and the rules, regulations framed there under, if any.”

**“RESOLVED FURTHER THAT** the Board be and is hereby authorized to delegate all or any of the power(s) conferred hereinabove as it may in its absolute discretion deem fit, to any Director(s) / Officer(s) / Authorised Representative(s) / Committee (“Buyback Committee”) of the Company in order to give effect to the aforesaid resolutions, including appointment of Bankers, Brokers, Solicitors, Depository Participants, advertising agencies and other advisors / consultants / intermediaries / agencies, as may be required, for the implementation of the Buyback; and to make all necessary applications to the appropriate authorities for their approvals including Securities and Exchange Board of India, and to initiate all necessary actions for preparation and issue of various documents including letter of offer, opening, operation and closure of all necessary accounts including bank accounts as per applicable law, entering into agreements, release of public announcement, filing of declaration of solvency, obtaining all necessary certificates and reports from statutory auditors and other third parties as required under applicable law, extinguishment of dematerialized shares and physical destruction of share certificates in respect of the equity shares bought back by the Company, and such other undertakings, agreements, papers, documents and correspondence, under the Common Seal of the Company, as may be required to be filed in connection with the Buyback with the Securities and Exchange Board of India, Reserve Bank of India, Calcutta Stock Exchange Limited (“CSE”), Registrar of Companies, Depositories and / or other regulators and statutory authorities as may be required from time to time.”

**“RESOLVED FURTHER THAT** as required under Regulation 6 of the Buy Back Regulations, 15% of the number of equity shares which the Company proposes to Buy Back or the number of equity shares entitled as per shareholding of small shareholders at the Record Date, whichever is higher, shall be reserved for the small shareholders, as defined in the Buy Back Regulations.”

**“RESOLVED FURTHER THAT** nothing contained herein shall confer any right on the part of any shareholder to offer and / or any obligation on the part of Company or the Board or the Buyback Committee to buyback any shares, and / or impair any power of the Company or the Board or the Buyback Committee to terminate any process in relation to such buyback, if so permissible by law.”

**“RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board be and is hereby authorized to accept and make any alteration(s), modification(s) to the terms and conditions as it may deem necessary, concerning any aspect of the Buyback, in accordance with the statutory requirements as well as to give such directions as may be necessary or desirable, to settle any questions, difficulties or doubts that may arise and generally, to do all acts, deeds, matters and things as it may, in absolute discretion deem necessary, expedient, usual or proper in relation to or in connection with or for matters consequential to the Buyback without seeking 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.”

By Order of the Board of Directors  
For **Deepak Industries Limited**

Date: 14.11. 2015

Sd/-  
**V D Mall**  
Company Secretary

Place: Kolkata

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**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013  
FORMING PART OF THE NOTICE**

With an objective of rewarding Members holding equity shares of the Company, through return of surplus cash, the Board at its meeting held on 14.11.2015 has approved the proposal of recommending buyback of equity shares as contained in the resolution in the Notice. As per the relevant provisions of the Companies Act, 2013 (the “**Companies Act**”), the Companies (Share Capital and Debentures) Rules, 2014 (hereinafter referred to as the “**Share Capital Rules**”) and in compliance with Securities and Exchange Board of India (Buy-back of Securities) Regulations, 1998, (the “**Buyback Regulations**”), the Explanatory Statement contains relevant and material information to enable the Members holding equity shares of the Company to consider and approve

the Special Resolution on the Buyback of the Company's equity shares. The requisite details relating to the Buyback are given below:

**a. Rationale of the Buyback**

Share buyback is the acquisition by a company of its own shares. The objective is to return surplus cash to the Members holding equity shares of the Company. The Board at its meeting held on 14.11.2015, considered the increase in accumulated free reserves as well as the cash liquidity reflected in the audited accounts for the financial year ended 31.03.2015 and considering these, the Board decided to allocate a sum of Rs. 39,73,50,000/- (Rupees Thirty Nine Crores Seventy Three Lakhs Fifty Thousand Only) for distributing to the Members holding equity shares of the Company through the Buyback. After considering several factors and benefits to the Members holding equity shares of the Company, the Board decided to recommend Buyback of not exceeding 1324500 (Thirteen Lakhs Twenty Four Thousand Five Hundred) (representing 24.99% of the total number of equity shares in the paid-up equity share capital of the Company) at a price of Rs. 300/- (Rupees Three Hundred Only) per equity share for an aggregate consideration of Rs.39,73,50,000/- (Rupees Thirty Nine Crores Seventy Three Lakhs Fifty Thousand Only). Buyback is a more efficient form of distributing surplus cash to the Members holding equity shares of the Company, inter-alia, for the following reasons:

- (i). The Buyback will help the Company to distribute surplus cash to its Members holding equity shares broadly in proportion to their shareholding, thereby, enhancing the overall return to Members;
- (ii). The Buyback, which is being implemented through the Tender Offer route as prescribed under the Buyback Regulations, would involve allocation of 15% of the outlay to small shareholders. The Company believes that this reservation of 15% for small shareholders would benefit a large number of public shareholders, who would get classified as "small shareholder";
- (iii). The Buyback would help in improving return on equity, by reduction in the equity base, thereby leading to long term increase in shareholders' value;
- (iv). The Buyback gives an option to the Members holding equity shares of the Company, who can choose to participate and get cash in lieu of Equity Shares to be accepted under the Buyback Offer or they may choose to not participate and enjoy a resultant increase in their percentage shareholding, post the Buyback Offer, without additional investment;
- (v). The Buyback Offer price of Rs. 300/- (Rupees Three Hundred Only) is in the interest of the Shareholders.

**b. Method to be adopted for the Buyback**

The Buyback shall be on a proportionate basis from all the Members holding equity shares of the Company through the "Tender Offer" route, as prescribed under the Buyback Regulations. The Buyback will be implemented in accordance with the Companies Act and the Share Capital Rules to the extent applicable and on such terms and conditions as may be deemed fit by the Company.

As required under the Buyback Regulations, the Company will announce a record date (the "**Record Date**") for determining the names of the Members holding equity shares of the Company who will be eligible to participate in the Buyback. A "Small Shareholder" means any shareholder who holds equity shares of the Company as on Record Date of not more than Rs. 2,00,000/- (Rupees Two Lakhs Only) in value as defined under the Buyback Regulations. In due course, each shareholder as on the Record Date, will receive a Letter of Offer along with a Tender/ Offer Form indicating the entitlement of the shareholder for participating in the Buyback.

The equity shares to be bought back as a part of the buyback is divided in two categories:

- o Reserved category for small shareholders; and
- o the general category for all other shareholders.

In accordance with Regulation 6 of the Buyback Regulations, 15% (fifteen percent) of the number of equity shares which the Company proposes to buyback or number of equity shares entitled as per the shareholding of small shareholders, whichever is higher, shall be reserved for the small shareholders as part of this Buyback. The Company believes that this reservation of 15% for small shareholders would benefit a large number of public shareholders, who would get classified as "small shareholder".

Based on the holding on the Record Date, the Company will determine the entitlement of each shareholder to tender their shares in the Buyback. This entitlement for each shareholder will be calculated based on the number of equity shares held by the respective shareholder as on the Record Date and the ratio of Buyback applicable in the category to which such shareholder belongs.

Shareholders' participation in Buyback will be voluntary. Members holding equity shares of the Company can choose to participate and get cash in lieu of shares to be accepted under the Buyback or they may choose to not participate and enjoy a resultant increase in their percentage shareholding, post Buyback, without additional investment. Members holding equity shares of the Company may also accept a part of their entitlement. Members holding equity shares of the Company also have the option of tendering additional shares (over and above their entitlement) and participate in the shortfall created due to non-participation of some other shareholders, if any.

The maximum tender under the Buyback by any shareholder cannot exceed the number of equity shares held by the shareholder as on the Record Date.

The equity shares tendered as per the entitlement by Members holding equity shares of the Company as well as additional shares tendered, if any, will be accepted as per the procedure laid down in Buyback Regulations. The settlement of the tenders under the Buyback is expected to be done using the "Mechanism for acquisition of shares through Stock Exchange" notified by SEBI vide circular CIR/CFD/POLICYCELL/1/2015 dated 13.04.2015.

Detailed instructions for participation in the Buyback (tender of equity shares in the Buyback) as well as the relevant time table will be included in the Letter of Offer which will be sent in due course to the Members holding equity shares of the Company as on the Record Date.

**c. Maximum amount required under the Buyback and the sources of funds from which the Buyback would be financed**

The maximum amount required under the Buyback will be Rs. 39,73,50,000/- (Rupees Thirty Nine Crore Seventy Three Lakhs Fifty Thousand Only). The Buyback would be financed out of free reserves of the Company. The Company shall transfer from its free reserves a sum equal to the nominal value of the equity shares bought back through the Buyback to the Capital Redemption Reserve Account and the details of such transfer shall be disclosed in its subsequent audited Balance Sheet.

The Company confirms that as required under Section 68(2) (d) of the Companies Act, the ratio of the aggregate of secured and unsecured debts owed by the Company shall not be more than twice the paid-up equity share capital and free reserves after the Buyback.

**d. Buyback Price and the basis of arriving at the Buyback Price**

The equity shares of the Company are proposed to be bought back at a price of Rs. 300/- (Rupees Three Hundred Only) per equity share (the "Buyback Offer Price"). Since there has been no trading in the equity shares of the Company on the CSE for more than last one year, the Buyback Offer Price has been arrived at after considering various appropriate factors, such as Return on Net Worth, Book Value Per Share and Profit Earning Capacity Value.

**e. Number of shares that the Company proposes to buyback and the time limit for completing the Buyback**

The Company proposes to Buyback not exceeding 1324500 (Thirteen Lakhs Twenty Four Thousand Five Hundred) equity shares of face value of Rs. 10/- each of the Company. The Buyback is proposed to be completed within 12 months of the date of Special Resolution approving the proposed Buyback.

**f. Compliance with Section 68(2)(c) of the Companies Act**

The aggregate paid-up share capital and free reserves as at 31.03.2015 is Rs.22382.79 Lakhs. Under the provisions of the Companies Act, the funds deployed for the Buyback cannot exceed 25% of the total paid-up capital and free reserves of the Company i.e. Rs. 5595.69 Lakhs. The maximum amount proposed to be utilized for the Buyback, is approximately Rs. 3973.50 Lakhs and is therefore within the limit of 25% of the Company's total paid-up equity capital and free reserves as per the audited Balance Sheet as at 31.03.2015.

Further, under the Companies Act, the number of equity shares that can be bought back in any financial year cannot exceed 25% of the total paid-up equity capital of the Company in that financial year. Accordingly, the maximum number of equity shares that can be bought back in the current financial year is 1324523 equity shares. Since the Company proposes to Buyback up to 1324500 equity shares, the same is within the aforesaid 25% limit.

**g. The aggregate shareholding of the Promoters, the directors of the Promoter where Promoter is a Company and of directors and key managerial personnel of the Company as on the date of this Notice:**

(1) Shareholding of the companies / entities forming part of the Promoter Group Companies:

<b>Sr. No.</b>	<b>Name</b>	<b>Total number of equity shares held</b>	<b>Total % of shareholding</b>
1	Mrs. Asha Devi Daga	870806	16.4362
2	Mrs. Nandini Daga	774625	14.6208
3	Mr. Shantanu Daga	560000	10.5698
4	M/s. Coplama Products Private Limited	554531	10.4666
5	Mr.Yashwant Kumar Daga	316088	5.9661
6	Pradip Kumar Daga-HUF	277264	5.2333
7	Yashwant Kumar Daga- HUF	250000	4.7187
8	Mr.Pradip Kumar Daga	187860	3.5485
9	M/s. Longview Tea Company Ltd	88725	1.6747
10	M/s. Contransys Private Limited	27625	0.5214
11	Pradip Kumar Daga- Karta of Chandrakala Devi Pradip Kumar Daga HUF	19840	0.3745
	<b>Total</b>	<b>3927364</b>	<b>74.1279</b>

(2) Shareholding of the Directors of the Promoter Group Companies (mentioned in point 1 above):

<b>Sr. No.</b>	<b>Name</b>	<b>Total number of equity shares held</b>	<b>Total % of shareholding</b>
1	Mr.Pradip Kumar Daga, CMD	187860	3.5485
2	Mr.Yashwant Kumar Daga, VC & JMD	316088	5.9661
3	Mrs. Asha Devi Daga	870806	16.4362
4	Mr.Rajendra Prasad Choudhary	100	Negligible
5	Mr.Pawan Kumar Parasrampuria	100	-do-
4	Mr.Om Prakash Dokania	100	-do-
<i>Note: Except from that stated above, none of the other Director of the Promoter Group Companies hold any equity shares in the Company.</i>			

(3) Except for the following, none of the other Directors or Key Managerial Personnel ["KMP"] of the Company holds any equity share in the Company:

<b>Sr. No.</b>	<b>Name</b>	<b>Total number of equity shares held</b>	<b>Total % of shareholding</b>
1	Mr.Pradip Kumar Daga, CMD	187860	3.5485
2	Mr.Yashwant Kumar Daga, VC & JMD	316088	5.9661
3	Mr.Vithal Das Mall, Company Secretary	100	Negligible

**h.** No equity shares of the Company have been purchased / sold by any member of the Promoter / Promoter Group including the Directors of the Companies forming part of the Promoter Group, directors and key managerial personnel of the Company during the period from twelve months preceding the date of the Board Meeting at which the Buyback was approved and from the date of the Board Meeting till the date of this Notice.

**i.** The Promoters/ Promoter entities have expressed their intention to participate in the Buyback and offer up to an aggregate maximum of 3927364 equity shares or such lower number of shares as required in compliance with the Buyback Regulations / terms of the Buyback. Each promoter entity intends to offer up to their respective shareholding as on the Record Date, or such lower number of shares as required in compliance with the Buyback Regulations/ terms of the Buyback. The promoter entities have not been involved in any transactions and there has been no change in their holdings for the last twelve months prior to the date of the Board Meeting at which the Buyback was approved and from the date of the Board Meeting till the date of this

notice. The details of date and average cost of acquisition of the equity shares that the Promoters intend to tender are stated below:

(a) Mrs. Asha Devi Daga

Date of Acquisition/ (Disposal)	Cumulative Holding	Average cost of acquisition (Rs.)
Various	870806	7.18

(b) Mrs. Nandini Daga

Date of Acquisition/ (Disposal)	Cumulative Holding	Average cost of acquisition (Rs.)
Various	774625	6.79

(c) Mr. Shantanu Daga

Date of Acquisition/ (Disposal)	Cumulative Holding	Average cost of acquisition (Rs.)
Various	560000	5.80

(d) M/s. Coplama Products Private Limited

Date of Acquisition/ (Disposal)	Cumulative Holding	Average cost of acquisition (Rs.)
Various	554531	0.44

(e) Mr. Yashwant Kumar Daga

Date of Acquisition/ (Disposal)	Cumulative Holding	Average cost of acquisition (Rs.)
Various	316088	0.91

(f) Pradip Kumar Daga-HUF

Date of Acquisition/ (Disposal)	Cumulative Holding	Average cost of acquisition (Rs.)
Various	277264	0.39

(g) Yashwant Kumar Daga-HUF

Date of Acquisition/ (Disposal)	Cumulative Holding	Average cost of acquisition (Rs.)
Various	250000	10.00

(h) Mr. Pradip Kumar Daga

Date of Acquisition/ (Disposal)	Cumulative Holding	Average cost of acquisition (Rs.)
Various	187860	0.37

(i) M/s. Longview Tea Company Limited

Date of Acquisition/ (Disposal)	Cumulative Holding	Average cost of acquisition (Rs.)
Various	88725	1.48

(j) M/s. Contransys Private Limited

Date of Acquisition/ (Disposal)	Cumulative Holding	Average cost of acquisition (Rs.)
Various	27625	1.48

(k) Pradip Kumar Daga- Karta of Chandrakala Devi Pradip Kumar Daga HUF

Date of Acquisition/ (Disposal)	Cumulative Holding	Average cost of acquisition (Rs.)
Various	19840	0.94

**j.** The Company confirms that there are no defaults subsisting repayment of deposits, interest payable thereon, redemption of debentures & interest payable thereon, redemption of preference

or payment of dividend due to any shareholder or repayment of any loans and interest payable thereon to any financial institution or banking company.

**k.** The Board of Directors of the Company has confirmed that it has made a full enquiry into the affairs and prospects of the Company and has formed the opinion:

- that immediately following the date of this Board Meeting and the date on which the results of the Postal Ballot will be declared, there will be no grounds on which the Company could be found unable to pay its debts;
- that as regards the Company's prospects for the year immediately following the date of this Board Meeting as well as for the year immediately following the date on which the results of the Postal Ballot will be declared approving the Buyback, and having regard to the Board's intentions with respect to the management of the Company's business during the year and to the amount and character of the financial resources which will, in the Board's view, be available to the Company during that year, the Company will be able to meet its liabilities as and when they fall due and will not be rendered insolvent within a period of one year from the date of this Board Meeting or within a period of one year from the date on which the results of the Postal Ballot will be declared, as the case may be.
- that in forming its opinion aforesaid, the Board has taken into account the liabilities (including prospective and contingent liabilities) as if the Company was being wound up under the provisions of the Companies Act."

**l. Report addressed to the Board of Directors by the Company's Auditors on the permissible capital payment and the opinion formed by directors regarding insolvency:**

The text of the Report dated 14.11.2015 received from Singhi & Co., Chartered Accountants, the Statutory Auditors of the Company, addressed to the Board of Directors of the Company is reproduced below:

Quote  
14.11.2015

To,  
**The Board of Directors,**  
**Deepak Industries Limited**  
16, Hare Street,  
Kolkata-700 001

Dear Sirs,

**Subject: Report in terms of the Companies Act, 2013 and SEBI (Buyback of Securities) Regulations 1998 as amended.**

In Connection with the proposal of M/s. Deepak Industries Limited ('the Company') and as approved by the Board of Directors of the Company at its meeting held on 14<sup>th</sup> November, 2015 to buy back its share and in pursuance to the provisions of section 68, Section 69 and section 70 of the Companies Act, 2013 ('the Act') and SEBI (Buyback of Securities) Regulations, 1998 (as amended from time to time) ('the Regulation') and based on the information and explanations given to us, which to the best of our knowledge and belief were necessary for this purpose, we report as follows:

- a. that we, Statutory Auditor of the Company, have inquired into the Company's state of affairs in relation to its audited accounts for the year ended 31<sup>st</sup> March, 2015, which were approved by the Board of Directors of the Company at their meeting held on 28<sup>th</sup> May, 2015 and adopted at the Annual General Meeting held on 29<sup>th</sup> September, 2015.
- b. that the amount of the permissible capital payment (including premium) for the equity shares of amount not exceeding Rs. 5595.69 Lakhs towards the buy back of equity shares of Rs.10/- each, is properly determined in accordance with relevant section of the Companies Act, 2015 and is



within the permissible limit of 25% of the total paid up capital and free reserves of the Company as calculated below;

Particulars	(Amount Rs. Lacs)	
	Amount	Total Amount
Paid-up Share Capital as on 31/03/2015	529.81	529.81
Free Reserves as on 31/03/2015		
Surplus	21852.98	21852.98
Total		22382.79
Maximum amount permitted for buyback, i.e. 25% of total paid up capital and free reserves		5595.69

- c. that the Board of Directors in their meeting held on 14<sup>th</sup> November, 2015 have formed the opinion as specified under clause (x) of Schedule II of Securities and Exchange Board of India (Buyback of securities) Regulations, 1998, as amended, on reasonable ground that the Company will not having regard to its state of affairs be rendered insolvent within a period of one year from that date.
- d. This report has been issued for and only for the company and is in reference to proposed buy back of equity shares approved by the board of directors of the company in its meeting held on 14th November, 2015 in pursuance of the provisions of Act and Regulation and for no other purpose. We don't accept or assume any liability of duty of care for any other purpose, save where expressly agreed by our prior consent in writing.

For Singhi & Co.  
Chartered Accountants  
Firm's Registration No. 302049E  
Sd/-  
M. L. Shukla,  
Partner  
Membership No.051505

Place: Kolkata

Date: 14.11.2015

Unquote

**m.** As per the provisions of the Buyback Regulations and the Companies Act:

- (i). All the equity shares for Buyback are fully paid-up;
- (ii). That the Company has noted that the Company shall not issue and allot any Equity Shares including by way of bonus, till the date of closure of this Buyback;
- (iii). That the Company, as per provisions of Section 68(8) of the Companies Act, shall not make further issue of the same kind of shares or other specified securities within a period of six months after the completion of the Buyback except by way of bonus shares.
- (iv). That the Company shall not buyback its shares from any person through negotiated deal whether on or off the Stock Exchanges or through spot transactions or through any private arrangement in the implementation of the Buyback;
- (v). That there are no defaults subsisting in the repayment of term loans to any financial institutions or banks. and the Company does not hold any Deposits, debentures or preference shares
- (vi). that funds borrowed from Banks and Financial Institutions will not be used for the Buyback.
- (vii). That the aggregate amount of the Buyback i.e. Rs.39,73,50,000/- (Rupees Thirty Nine Crore Seventy Three Lakh Fifty Thousand Only) does not exceed 25% of the total paid-up equity capital and free reserves of the Company as on 31.03.2015;
- (viii). that the maximum number of shares proposed to be purchased under the Buyback i.e.1324500 equity shares, does not exceed 25% of the total number of shares in the paid-up equity capital as per the audited balance sheet as on 31.03.2015;
- (ix). That the ratio of the aggregate of secured and unsecured debts owned by the Company shall not be more than twice the paid-up equity share capital and free reserves after the Buyback.”

All the material documents referred to in the Explanatory Statement such as the Memorandum and Articles of Association of the Company, relevant Board resolution for the Buyback, the Auditors Report dated 14.11.2015 and the audited accounts for the period from 01.04.2014 to 31.03.2015 are available for inspection by the Members of the Company at its Registered Office on any working day between 10 a.m. and 5 p.m. up to the last date of receipt of Postal Ballot Form specified in the accompanying Notice.

For any clarifications related to the Buyback process, Members holding equity shares of the Company may contact any one of the following:

On behalf of	Name	Designation	Contact Details
Company	Mr. Vithal Das Mall	Company Secretary	Tel : +033 2248 2391, Email:vdm55@rediffmail.com
Merchant Banker	Ms. Urvi Belani	Asst. Vice President	Tel : +033 2225 3941, Email:urvi@vccorporate.com

In the opinion of the Board, the proposal for Buyback is in the interest of the Company and its Members holding equity shares of the Company. The Directors, therefore, recommend passing of the Special Resolution as set out in the accompanying Notice.

None of the Directors of the Company, KMP and their Relatives is, in anyway, concerned or interested, either directly or indirectly in passing of the said resolution, financially or otherwise save and except to the extent of their shareholding in the Company.

By Order of the Board of Directors  
For **Deepak Industries Limited**

Date: 14.11. 2015

Sd/-  
**V D Mall**  
Company Secretary

Place: Kolkata

#### NOTES AND INSTRUCTIONS

1. For the purpose of offering E-Voting facility, the Company has entered into an agreement with CDSL. E-voting is optional for Members. A Member who wish to vote by Postal Ballot Form (instead of e-voting) can use the enclosed Postal Ballot Form or download it from [www.dil-india.com](http://www.dil-india.com).

#### A. Casting of Vote in Electronic Form (E-Voting):

The instructions for e-voting are as under:

- (i). The E-voting period begins on 27.11.2015 at 9.00 A.M. and ends on 26.12.2015 at 5.00 P.M. During this period, shareholders of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 20.11.2015, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting after 5.00 P M on 26.12.2015.
- (ii). The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iii). Click on "Shareholders" tab.
- (iv). Now Enter your User ID
  - a. For CDSL : 16 digits beneficiary ID,
  - b. For NSDL : 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company, excluding the special characters.
- (v). Next enter the Image Verification as displayed and Click on Login.
- (vi). If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (vii). If you are a first time user follow the steps given below :

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric * PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>• Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two characters of their name and the eight digit sequence number in the PAN field.</li> <li>• In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters in CAPITAL</li> </ul>

	letters. Eg. if your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend /Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.  Please enter the DOB or Dividend Bank Details in order to login. If both details are not recorded with the depository or company please enter the member id/folio number in the Dividend Bank details field .as mentioned in instruction (vii)

- (viii). After entering these details appropriately, click on “SUBMIT” tab.
- (ix). Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x). For Members holding shares in physical form, the details can be used only for e voting on the resolutions contained in this Notice.
- (xi). Click on the EVSN for the relevant “Deepak Industries Limited” on which you choose to vote.
- (xii). On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option “YES” or “NO” as desired. The option YES implies that you assent to the Resolution and option No implies that you dissent to the Resolution.
- (xiii). Click on the “RESOLUTION FILE LINK” if you wish to view the entire Resolution details.
- (xiv). After selecting the resolution you have decided to vote on, click on “SUBMIT” A confirmation box will be displayed. If you wish to confirm your vote, click on “OK” else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xv). Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi). You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xvii). If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii). Note for Institutional Shareholders :
- Institutional shareholders (i.e. other than Individuals, HUF,NRI etc.) are required to log on to <https://www.evotingindia.com> and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details they have to create compliance user using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney(POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xix). In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

## **B. Casting of Vote through Postal Ballot Form**

1. i. Members desiring to cast their vote in Postal Ballot Form are requested to execute the Postal Ballot Form as per the instructions stated therein and send the same in the enclosed self-addressed postage prepaid envelope.

- ii. The vote can be cast by recording the assent in the Column FOR and dissent in the Column AGAINST by placing a tick mark (√) in the appropriate column.
- iii. Members are requested not to send any other paper / document along with the Postal Ballot Form in the enclosed self-addressed postage prepaid envelope. If sent, the same paper / document would not be acted upon.
2. Members can download the Postal Ballot Form from [www.dil-india.com](http://www.dil-india.com); or seek a duplicate Postal Ballot Form from Vithal Das Mall, Company Secretary, Deepak Industries Limited, 16, Hare Street, Kolkata-700 001 Phone: 033-2248-2391/2/3 or E-mail: [secretary@dil-india.com](mailto:secretary@dil-india.com) Fill in the details and send the same to the Scrutinizer.
  3. Kindly note that the Members can opt only one mode of voting i.e. either by Postal Ballot Form or e-voting. If you are opting for e-voting, then do not vote by Postal Ballot Form also and vice versa. However, in case a Member has voted both in Postal Ballot Form as well as e-voting, then voting done through e-voting shall prevail and voting done through Postal Ballot Form will be treated as invalid.
  4. The Company has appointed Mr. Pravin Kumar Drolia, Practicing Company Secretary, as the Scrutinizer for conducting the entire Postal Ballot process in a fair and transparent manner.
  5. You are requested to carefully read the instructions printed on the Postal Ballot Form and return the Form (no other Form or photo copy is permitted) duly completed, in the enclosed self-addressed postage prepaid envelope, so as to reach the Scrutinizer at the Registered Office of the Company at 16, Hare Street, 2nd Floor, Kolkata-700 001 on or before the close of working hours on 26.12.2015 (5.00 P.M.). No other request/ details furnished in the Self Addressed envelope will be entertained.
  6. The Postal Ballot Forms received after close of working hours (5 p.m.), 26.12.2015 will be treated as if the same has not been received from the Member.
  7. The Scrutinizer will submit his report, to the Chairman or in his absence to any other Director authorized by Board, after completion of scrutiny of Postal Ballot in a fair and transparent manner. The results of the Postal Ballot will be announced on 29.12.2015 and will be displayed at the Registered Office of the Company and will also be published in newspapers and communicated to The Calcutta Stock Exchange Limited where the equity shares of the Company are listed. The results of the Postal Ballot will also be displayed on the Company's website: [www.dil-india.com](http://www.dil-india.com) and website of CDSL.

**DEEPAK INDUSTRIES LIMITED**

CIN No.L63022WB1954PLC021638

Registered office: 16, Hare Street, Kolkata-700 001, Phone No.: 033-2248-2391/2/3

Fax No.: 033-2248-9382, Website: [www.dil-india.com](http://www.dil-india.com) Email: [secretary@dil-india.com](mailto:secretary@dil-india.com)**POSTAL BALLOT FORM****Postal Ballot No.:**

1. Name and Registered Address of the sole / first named shareholder	
2. Name(s) of the Joint holder(s), if any	
3. Registered Folio No. /DP ID/ Client ID (*Applicable to shareholders holding shares in dematerialised form)	
4. Number of Equity Share(s) held	
5. E-Voting Sequence Number (EVSN)	
6. User ID	
7. Password	

I / we hereby exercise my / our vote in respect of the Special Resolution to be passed through postal ballot for the business stated in the Notice of the Company dated 14.11.2015 by sending my/ our assent or dissent to the said resolution by placing tick ( ) mark in the appropriate box below:

Description	No. of Equity Shares	I / We assent to the Resolution (FOR)	I/ We dissent to the Resolution (AGAINST)
Special Resolution for buyback of equity shares of the Company upto a maximum of 1324500 equity shares of the Company from all the equity shareholders of the Company, on a proportionate basis, through the "Tender Offer" route.			

Place :

Date :

\_\_\_\_\_  
Signature(s) of Shareholder(s)**NOTE: PLEASE READ THE INSTRUCTIONS PRINTED OVERLEAF INSTRUCTIONS**

1. This Postal Ballot Form is provided as per the requirement of the law.
2. A Member can opt for only one mode of voting, i.e. either through e-voting or by Postal Ballot Form. If a Member casts vote by both modes, then voting done through e-voting shall prevail and Postal Ballot Form shall be treated as invalid.
3. For detailed instructions on e-voting, please refer to the notes and instructions appended to the Notice.

**Process and manner for Members opting to vote by using the Postal Ballot Form:**

1. A Member(s) desirous to exercise vote by Postal Ballot may complete this Postal Ballot Form and send it so as to reach the Scrutinizer appointed by the Board of Directors of the Company, Mr. Pravin Kumar Drolia, Practicing Company Secretary, in the enclosed self-addressed postage prepaid envelope. Postage will be borne by the Company. Envelope containing Postal Ballot Form, if deposited in person or sent by courier at the expense of the Member(s) will also be accepted.
2. Please convey your assent/ dissent in this Postal Ballot Form. The assent or dissent received in any other form shall not be considered valid.
3. The self-addressed envelope bears the name and postal address of the Scrutinizer appointed by the Board of Directors of the Company.
4. The Postal Ballot Form should be completed and signed by the Member (as per the specimen signature registered with the Company or furnished by National Securities Depository Limited (NSDL) / Central Depository Services (India) Limited (CDSL), in respect of shares held in the physical form or dematerialized form respectively).

5. In case of joint holding, this Form must be completed and signed by the first named Member and in his /her absence, by the next named Member.
6. Unsigned, incomplete or incorrectly ticked Postal Ballot Forms shall be rejected.
7. Duly completed Postal Ballot Forms should reach the Scrutinizer not later than 26.12.2015 (5.00 p.m. IST). Postal Ballot Form received after this date will be strictly treated as if the same has not been received from the Member.
8. In the case of shares held by Institutions, Companies, Trusts, Societies, etc., the duly completed Postal Ballot Form should be accompanied by a certified copy of the Board Resolution / Authority together with the specimen signature(s) of the duly authorised signatories.
9. A Member may request for a duplicate Postal Ballot Form, if so required. However, the duly filled in duplicate Postal Ballot Form should reach the Scrutinizer not later than 26.12.2015(5.00 p.m.).
10. The exercise of vote through Postal Ballot is not permitted through a proxy.
11. Members are requested to fill the Postal Ballot Form in indelible ink (and avoid filling it by erasable writing medium(s) like pencil).
12. Voting rights shall be reckoned on the paid-up value of the equity shares registered in the name(s) of the Member(s)/list of beneficial owners as received from NSDL/CDSL on the cut-off date i.e. 20.11.2015.
13. Members are requested not to send any other paper along with the Postal Ballot Form in the enclosed self addressed postage prepared envelope. If any extraneous papers are found, the same will be destroyed by the Scrutinizer.
14. There will be one Postal Ballot Form for every Folio/ Client ID, irrespective of the number of joint holders.
15. The Scrutinizer's decision on the validity of the Postal Ballot will be final.
16. The results of voting shall be declared on 29.12.2015. The results declared along with Scrutinizer's Report shall be placed on Company website [www.dil-india.com](http://www.dil-india.com) and on the website of CDSL and communicated to The Calcutta Stock Exchange Limited, where the equity shares of the Company are listed.