



# Shilpi Cable Technologies Ltd.

Regd. Office: A-19/B-1 Extension, Mohan Co-operative Industrial Estate  
Badarpur, Mathura Road, New Delhi-110 044  
Tel: 011-43117916, Fax: 011-43117902  
CIN: L64201DL2006PLC150753  
e-mail: cs@shilpicabletech.com, Website: www.shilpicables.com

## Postal Ballot Notice

[Pursuant to Section 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014

Dear Member(s),

**NOTICE** is hereby given pursuant to Section 110 of the Companies Act, 2013 ("the Act") read with the Rule 22 of the Companies (Management and Administration) Rules, 2014 including any statutory modification or re-enactment thereof for the time being in force, that the following resolutions seeking shareholders approval are proposed to be passed by Postal Ballot/ e-voting. The Explanatory Statement pertaining to the resolutions proposed in this notice setting out all material facts and reasons thereof along with a Postal Ballot Form is annexed herewith.

The Company has appointed Mr. Praveen Kumar Bharti, LL.B, ACS, of M/s. Rajeev Goel & Associates, Advocates & Corporate Consultants, as the Scrutinizer for conducting the Postal Ballot process in a fair and transparent manner. You are requested to carefully read the instructions printed on the Postal Ballot Form and the Notice and return the completed Form in the enclosed self-addressed postage pre-paid envelope (if posted in India), so as to reach the Scrutinizer, at the Registered Office of the Company at A-19/B-1 Extension, Mohan Co-operative Industrial Estate, Badarpur, Mathura Road, New Delhi-110 044, on or before close of business hours on Saturday, 28<sup>th</sup> February, 2015 the last date for the receipt of the completed Postal Ballot Forms. The postage on the enclosed self-addressed postage pre-paid envelope shall be borne and paid by the Company.

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

The Scrutinizer will submit his report to the Chairman of the Company or in his absence to the Company Secretary of the Company, upon completion of scrutiny of Postal Ballots in a fair and transparent manner and the result of the Postal Ballot will be announced on Wednesday, 4<sup>th</sup> March, 2015 at the Registered Office of the Company.

The result of the Postal Ballot shall also be hosted on the website of the Company www.shilpicables.com and also be displayed at the registered office of the Company besides communicating to the National Stock Exchange of India Limited and BSE Limited.

### Proposed Resolutions

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

**"Resolved that** pursuant to the provisions of Section 13 of the Companies Act, 2013 and other applicable provisions, if any, and subject to the approval of Registrar of Companies and other competent authorities, if required, consent of the members be and is hereby given for alteration of Clause III(A) of the Object clause of the Memorandum of Association of the Company in the following manner:

- a. Following objects be and is hereby inserted in the existing sub-clause no. 3, immediately after the "..... automotive and other industries":  
*"and to carry on the business of manufacturing assembling, altering, exchanging, buying, selling, importing, exporting or otherwise dealing in all types of automotive components, instruments and accessories.*
- b. following new sub-clause no. 5 and 6 is hereby inserted immediately after the existing sub-clause no. 4:
  5. To carry on the business of manufacturing assembling, altering, exchanging, buying, selling, importing, exporting or otherwise dealing in all types of electrical goods and instruments including all kinds of wires and cables, switches, switch gears, circuit breakers, fuses, meters, rectifiers, converters & alternators, current transformers, panels, electric motors, generators, electric magnets motor control centers, power control centers, distribution boards, rising mains, lighting, fixtures, fans, exhaust fan, heater, geyser, air coolers, air conditioners, electric home appliances, wiring accessories, iron clad switches, fuse units, distribution boxes, cutouts, lamps, fancy shades, heating elements, bulbs, fluorescent tubes, LED lightings, and its accessories including chokes, starters, switches & condensers.
  6. To carry on the business of assembling, altering, bunching, manufacturing, buying, selling, importing, exporting or otherwise dealing copper, copper rods, magnesium, magnesium rods, aluminum, aluminum rods and other metals.

**Resolved further that** pursuant to the provisions of Section 13 of the Companies Act, 2013 and other applicable provisions, if any, and subject to the approval of Registrar of Companies and other competent authorities, if required, consent of the members be and is hereby given for alteration of the heading of Sub-clause (B) of Clause III of the Object clause of the Memorandum of Association of the Company by replacing the existing with the following new heading:

*"(B) THE MATTERS WHICH ARE NECESSARY IN FURTHERENCE OF THE MAIN OBJECTS STATED IN CLAUSE (A) ABOVE:"*

**Resolved further that** pursuant to the provisions of Section 13 of the Companies Act, 2013 and other applicable provisions, if any, and subject to the approval of Registrar of Companies and other competent authorities, if required, consent of the members be and is hereby given for deletion of Sub-clause (C) of Clause III of the Object clause of the Memorandum of Association of the Company including all sub-clauses mentioned at object no. 1 to 48 of Clause III(C).

**Resolved further that** the Board of Directors of the Company be and is hereby authorized to agree to such changes/modifications as may be suggested by the Registrar of Companies or other competent authority or that may otherwise deem fit by the Board and to take such other steps as may be required to give effect to this resolution.

**Resolved further that** the Board be and is hereby authorized to settle all questions, difficulties or doubts that may arise in relation to aforesaid resolution without being required to seek further consent or approval of the members or otherwise to the end and intent that the members shall be deemed to have given their approval thereto expressly by authority of this resolution."

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

**“Resolved that** pursuant to section 13 and 61 of the Companies Act, 2013, (including any statutory modification or re-enactment thereof for the time being in force), and provisions of Articles of Association of the Company and other applicable provisions, the existing Authorized Share Capital of the Company be and is hereby increased from Rs. 100,00,00,000/- (Rupees one hundred crore only) to Rs. 105,00,00,000/- (Rupees one hundred and five crore only) by creation of another 50,00,000 (fifty lacs) equity shares of Rs. 10/- each aggregating Rs. 5,00,00,000 (Rupees five crore only).

**Resolved Further That** the Clause V of the Memorandum of Association of the Company be substituted with the following New Clause:

V. The Authorized Share Capital of the Company is Rs. 105,00,00,000/- (Rupees one hundred and five crore only) divided into 10,50,00,000 (ten crores fifty lacs) Equity Shares of Rs. 10/- (Rupees ten only) each.

**Resolved further that** the Board of Directors of the Company be and is hereby authorized to take such steps as may be necessary to give effect to this resolution including to agree to such amendments and modifications in the aforesaid article as may be required by any competent authority or as may otherwise be deemed fit by the Board.”

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

**“Resolved That** pursuant to the provisions of Section 62(1)(c) of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force), and such other applicable provisions, if any, and subject to the provisions of the Memorandum & Articles of Association of the Company, the Listing Agreements entered into by the Company with the Stock Exchanges, where the shares of the Company are listed and in accordance with the provisions of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2009, as amended and other applicable regulations and guidelines issued by the Securities and Exchange Board of India (“SEBI”), the Reserve Bank of India (“RBI”), Government of India (“GOI”), or any other relevant authority and clarifications thereon issued from time to time, if any, and subject to all such statutory, regulatory and government approvals, permissions or sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed by any of them, while granting such approvals, permissions or sanctions, and which may be agreed to by the Board of Directors of the Company (hereinafter referred to as “the Board” which expression shall be deemed to include any Committee constituted/to be constituted by the Board to exercise its powers, including the powers conferred by this Resolution) the consent, authority and approval of the members of the Company be and is hereby given to the Board to create, issue and allot, upto 40,00,000 (Forty lakhs) warrants (hereinafter referred to as “Convertible Warrant”), on preferential basis to M/s. Shilpi Cables Private Limited (a person belonging to the promoter category) at an exercise price of Rs. 65/- per underlying equity share of the face value of Rs. 10 each or such higher issue price as may be determined as per the SEBI (ICDR) Regulations, 2009 or other applicable provisions.

**Resolved Further That** the warrant holder shall be entitled to convert the Convertible Warrants, at the option of the warrant holder, into equal number of Equity Shares of a face value of Rs. 10/- each of the Company (hereinafter referred to as “Resultant Equity Share”), in one or more tranches, within a period of eighteen months from the date of allotment of Convertible Warrants, as per the terms and conditions, which, inter alia, include:

- a. Issue of upto 40,00,000 (Forty lakhs) Convertible Warrants to M/s Shilpi Cables Private Limited (Promoter category) with an entitlement to convert into equal number of Equity Shares of Rs. 10/- each of the Company, in one or more tranches, at the option of the warrant holder, within a period of 18 months from the date of allotment of such Convertible Warrants.
- b. Entitlement of the Convertible Warrant to the extent not exercised by the warrant holder shall be lapsed and up-front amount paid on such warrants shall be forfeited.
- c. The Equity Shares allotted on conversion of the Warrants shall be subject to the provisions of the Memorandum and Articles of Association of the Company and shall rank pari-passu in all respects including as to dividend with the existing equity shares of the Company except that new equity shares will be subject to lock-in requirement in terms of the provisions of the SEBI (ICDR) Regulations, 2009.
- d. In accordance with the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2009, the Relevant Date for the purpose of pricing of issue of Convertible Warrants and Resultant Equity Shares on conversion of the Warrants is 2<sup>nd</sup> February, 2015, being the 30<sup>th</sup> day prior to the date on which the result of the postal ballot, to consider the proposed issue would be declared.

**Resolved Further That** the Board be and is hereby authorized to issue and allot such number of Equity Shares as may be required to be issued and allotted upon exercise of option by Warrant holder(s), as may be necessary in accordance with the terms of the offer.

**Resolved Further That** for the purpose of giving effect to the above, the Board be and is hereby authorized on behalf of the Company to take all actions and do all such deeds, matters and things as it may, in its absolute discretion deem necessary, desirable, incidental or expedient to the issue or allotment of aforesaid Warrants and listing of the Equity Shares on conversion with the stock exchange(s) as appropriate and to resolve and settle all questions and difficulties that may arise in relation to the proposed issue, offer and allotment of any of the said Warrants, the utilization of the issue proceeds and to do all acts, deeds and things in connection therewith and incidental thereto as the Board in its absolute discretion may deem fit, without being required to seek 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.

**Resolved Further That** the Board be and is hereby authorised to delegate all or any of the powers conferred by this resolution on it, to any Committee of Directors, any other Director(s) or officer(s) of the Company to give effect to the aforesaid resolution.”

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

**“Resolved That** pursuant to the provisions of Sections 197, 198 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) and the Rules made thereunder, as amended from time to time, read with Schedule V to the Act, consent of the members be and is hereby accorded for increase in the remuneration of Mr. Manish Goel as the Managing Director of the Company upto a sum of Rs.10,00,000/- (Rupees ten lacs only) per month with effect from 1<sup>st</sup> February, 2015 for period of three years, whether paid as salary, allowance(s), perquisites or a combination thereof.

**Resolved Further That** payment towards the following perquisites will not be included in the aforesaid limit of remuneration:

- a. Contribution to provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income-tax Act, 1961;
- b. Gratuity payable at a rate not exceeding half a month's salary for each completed year of service; and
- c. Encashment of leave at the end of tenure

**Resolved Further That** the Nomination and Remuneration Committee of the Board of Directors of the Company be and is hereby authorized to fix and vary the remuneration from time to time within the aforesaid limit to the extent it may deem appropriate.

**Resolved further that** the Board of Directors of the Company (including Nomination and Remuneration Committee) be and is hereby authorized to take all necessary steps to give effect to the aforesaid resolution.”

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

“**Resolved That** pursuant to section 188 of the Companies Act 2013, the Companies (Meetings of Board and its Powers) Rules, 2014, Clause 49 of the listing agreement, as amended from time to time and other applicable provisions, and subject to such approvals, consents, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed while granting such permissions and sanctions; consent of the shareholders be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as “the Board” which terms shall be deemed to include any Committee, which the Board may constitute from time to time, to exercise its powers, including the powers conferred by the Board) to approve the transaction with M/s AGH Wires Private Limited (hereinafter referred to as the Contractee Party”) for taking on rent factory/ commercial premises from AGH Wires Pvt. Ltd. at a monthly rent not exceeding Rs. 50,000/- per month.

**Resolved Further That** the consent and authority be and is hereby given to the Board to do all acts, deeds, matters and things and execute all such deeds, documents and writings as it may in its discretion deem fit and proper in connection with the above transactions with the Contractee Party, including but not limited to alteration, amendment, modification of any terms and conditions of the transactions, finalization of the agreements, MOU, deeds etc. in respect to the aforesaid transactions, renewal of any of the transaction, settlement of all questions, difficulties or doubts that may arise in relation to the terms and conditions of the aforesaid transactions, without being required to seek further consent or approval of the members or otherwise to the end and intent that the members shall be deemed to have given their approval thereto expressly by authority of this resolution.

For and on Behalf of the Board  
For **Shilpi Cable Technologies Ltd.**

Sd/-

**Sneha Modi**

**Company Secretary**

**Membership No. A34158**

**Date: 9<sup>th</sup> January, 2015**

**Place: New Delhi**

**NOTES:**

- a. Explanatory Statement for the proposed resolutions mentioned above pursuant to Section 102 of the Companies Act, 2013 and its other applicable setting out material facts is appended herein below.
- b. **Inspection of Documents:** Documents referred to in the Notice etc., are open for inspection at the registered office of the Company at all working days except Saturdays between 11 A.M. and 2 P.M. up to Saturday, the 28<sup>th</sup> day of February, 2015.
- c. Under the Green Initiative of Ministry of Corporate Affairs, Postal Ballot Notice is being sent to the shareholders, who have registered their e-mail ids with the company/RTA through e-mail and to all other shareholders by post along with the Postal Ballot Form.
- d. The Notice of postal ballot will be dispatched to all the Members, whose names appear in the Register of Members/ Record of Depositories as on the cut-off date being Friday, 9<sup>th</sup> January, 2015.
- e. Voting period commences on and from Friday, the 30<sup>th</sup> January, 2015 and ends on Saturday, 28<sup>th</sup> February, 2015.
- f. Members are requested to notify change in address/e-mail ids, if any, in case of shares held in Electronic form to the concerned Depository Participant quoting their Client ID and in case of Physical shares to the Registrar and Transfer Agent of the Company quoting their Folio number.
- g. Only a shareholder entitled to vote is entitled to exercise his vote through Postal Ballot and a shareholder having no voting rights should treat this Notice as intimation only.
- h. **Voting in physical forms:** A Postal Ballot Form and a self-addressed pre-paid postage envelope are enclosed herewith. The shareholders are requested to exercise their voting rights by using the attached Postal Ballot Form only. No other form or photocopy of the form is permitted. Shareholders who do not receive the Postal Ballot Form may apply to the Company and obtain a duplicate thereof. Members desiring to exercise their vote by Postal Ballot are requested to carefully read the instructions mentioned herein and those mentioned in the Postal Ballot Form and return the same duly completed in the enclosed self addressed postage pre-paid Business Reply Envelope to the Scrutinizer. Postage on self addressed pre-paid Business Reply Envelope will be borne by the Company. However, envelopes containing Postal Ballot Form, if sent by Courier or by Registered Post at the expense of the registered Member will also be accepted. The Postal Ballot Form(s) may also be deposited personally at the Registered Office of the Company.
- i. In compliance with provisions of Section 108 of the Companies Act read with the Rules and Clause 35B of the Equity Listing Agreement, the Company is pleased to offer e-voting facility for its members to enable them to cast their votes electronically. Members have option to vote either through e-voting or through the physical Postal Ballot Form. If a member has opted for e-voting, then he/she should not vote by physical Postal Ballot also and vice-versa. However, in case members cast their vote both via physical Postal Ballot and e-voting, then voting through e-voting shall prevail and voting done by Postal Ballot shall be treated as invalid. For this purpose, the Company has signed an agreement with the Central Depository Services (India) Limited (“CDSL”) for facilitating e-voting.

**j. Voting through electronic mode:**

- (i) Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (ii) Click on "Shareholders" tab.
- (iii) 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
- (iv) Next enter the Captcha code as displayed and Click on Login.
- (v) 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.
- (vi) If you are a first time user follow the steps given below:

<b>For Members holding shares in Demat Form and Physical Form</b>	
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 letters of their name and the 8 digits of the 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 of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li></ul>
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 the 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 (v).

- (vii) After entering these details appropriately, click on "SUBMIT" tab.
- (viii) 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.
- (ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (x) Click on the EVSN for SHILPI CABLE TECHNOLOGIES LIMITED on which you choose to vote.
- (xi) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the each resolution the option "FOR/YES/FAVOUR for assent and AGAINST/NO" for dissent for voting. Select whether you assent or dissent for a resolution.
- (xii) Repeat the voting process for all the resolutions on which you want to vote.
- (xiii) After selecting the resolutions 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.
- (xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvi) 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.
  - Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> 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 a compliance user should be created 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.

**General Instructions: -**

- A. The e-voting period commences on Friday, 30<sup>th</sup> January, 2015 at 10.00 hrs and ends on Saturday, 28<sup>th</sup> February, 2015 at 18.00 hrs. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 9<sup>th</sup> January, 2015 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once, the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- B. Mr. Praveen Kumar Bharti, LL.B, ACS, of M/s Rajeev Goel & Associates, Advocates & Corporate Consultants, 785, Pocket-E, Mayur Vihar Phase - 2, Delhi 110 091, has been appointed as the Scrutinizer to scrutinize the e voting process in fair and transparent manner.
- C. The Scrutinizer shall within a period not exceeding three(3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two(2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- D. The voting rights of the shareholders shall be in proportion to their shares of paid up equity share capital of the Company as on the cut-off date i.e. 9<sup>th</sup> January, 2015.
- E. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.shilpicables.com](http://www.shilpicables.com) and on the website of CDSL within two(2) days of declaration of results by the chairman.
- F. 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.co.in](http://www.evotingindia.co.in) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

## **Explanatory statement pursuant to section 102 of the Companies Act, 2013**

### **Item No. 1**

Your Company is in the business of manufacturing of cables and wires used in the telecommunication industry, Automobile and other industry. Since, the Company is already dealing in the automotive industry; your board in future may explore to do the business of automotive components. Your Company is already in the wires and cable industry. Your Board may in future expand its operations in electrical goods, electric home appliances etc., which is a related segment. Further, your Board proposes to change the objects to enable it to do the business relating to metal, metal rods etc.

Accordingly, it proposes to change the Objects Clause of the Memorandum of Association by inserting the appropriate clauses under the Main Object Clause of the Memorandum of Association of the Company. The altered objects of the Memorandum shall enable the Company to carry on some business which under may conveniently & advantageously be combined with the business of the Company.

Certain other alterations in the Object Clause is also proposed to align the same with the amended provisions of the Companies Act, 2013.

The Directors recommend and place before you the proposed resolution for your consideration and approval.

None of the Directors, Key Managerial Personnel and relatives of Directors and Key Managerial Personnel may be deemed to be interested in the proposed resolution.

### **Item No. 2**

Your Board has proposed to issue convertible warrants on preferential basis to promoter group person. Accordingly to accommodate the additional capital proposed to be issued, it is proposed to enhance the Authorized Share Capital of the Company from Rs. 100.00 Crore to Rs. 105.00 Crore.

Consent of the members by way of a special resolution is required for amendment in Memorandum of Association of the Company and increase in authorized share capital. Your Directors recommend the resolution.

None of the Directors, Key managerial Persons or their relatives may be deemed to be concerned or interested in the proposed resolution, except Mr. Manish Goel and Mr. Mukesh Gupta, who are, directors, shareholder and promoters of the Company.

No member of the company who is a related party shall be eligible to vote on the present special resolution.

### **Item No.3**

To augment the fund requirements of the Company, your Company intends to raise funds through preferential issue of Convertible Warrants. Your Board proposes to issue upto 40,00,000 (Forty lacs) Convertible Warrants with an entitlement to convert into equal number of Equity Shares of the Company.

Since your Company is a listed company, the proposed issue is in terms of the provisions of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements), Regulations, 2009, and other applicable provisions, if any. In terms of the provisions of the Companies Act, and the aforesaid SEBI Regulation, the relevant disclosures/ details are given below:

**Instrument and Numbers:** The Company is proposing to issue the following securities on preferential allotment basis:

- a. Convertible Warrants not exceeding 40,00,000 (Forty lacs) to an investor belonging to promoter category.
- b. The holder of these warrants shall be entitled to convert the warrants into Equity Shares of the Company in the ratio of 1:1 (i.e., one Equity Shares of Rs. 10/- each for every one Convertible Warrant held), within a period of 18 (eighteen) months from the date of allotment of Convertible Warrants.

The warrant holder shall make a written request to the Company to exercise the entitlement and send the same along with complete balance payment payable on the Resultant Equity Shares to the Company. Entitlement of the Convertible Warrants to the extent not exercised shall lapse and up-front amount paid on such Convertible Warrants shall be forfeited.

No allotment on preferential basis has been made during the current financial year and further there is no preferential allotment under process except as proposed in this notice.

The warrant by itself does not give to the holder(s) thereof any rights of the shareholders of the Company.

**Relevant Date & Issue Price:** The relevant date for the purpose of determination of issue price of the Convertible Warrants/ Resultant Equity Shares is 2<sup>nd</sup> February, 2015.

As per Regulation 76(1) of the SEBI (ICDR) Regulations, 2009, a minimum issue price of the equity shares in preferential issues has to be calculated as follows:

- a) The average of weekly high and low of the volume weighted average price of the related shares quoted on the stock exchange during the twenty six weeks preceding the relevant date; or
- b) The average of weekly high and low of the volume weighted average price of the related shares quoted on a stock exchange during the two weeks preceding the relevant date; whichever is higher.

The shares of the Company are listed and traded on BSE Ltd (BSE) and the National Stock Exchange of India Limited (NSE). Shares of the Company are frequently traded. The issue price will be higher than the minimum issue price determined under Regulation 76 of the SEBI (ICDR) Regulations, 2009.

### **Payment:**

In terms of the provisions of Regulation 77 of the SEBI (ICDR) Regulations, 2009, 25% of the issue price shall be payable before the allotment of Convertible Warrants. The balance 75% of the issue price shall be payable on or before allotment of Resultant Equity Shares pursuant to exercise of option against Convertible Warrants by the warrant holder. It is clarified that the equity shares shall be allotted by the Company upon conversion of Warrants only on fully paid-up basis.

In case the warrant holder does not exercise the option to take equity shares against any of the Convertible Warrant held by it; the up-front payment made in respect of such Convertible Warrant shall be forfeited by the Company.

**Identity & particulars of proposed allottee and pre & post issue holding of the proposed allottee:** Present preferential issue of Convertible Warrants is proposed to be made to the following person belonging to promoter category. The identity and the pre-issue & post issue shareholding of the proposed allottee is shown in the table below:

Name & PAN	Address	Category	Identity of the natural persons who are the ultimate beneficial owners of the shares of the proposed allottee and / or who ultimately control the proposed allottee	No. of Warrants proposed to be allotted	Pre-issue Shareholding		Post-issue Shareholding*	
					No. of Shares	%	No. of Shares	%
Shilpi Cables Private Limited PAN: AAMCS9294H	A-19/B-1 Extension, Mohan Cooperative Industrial Estate, P.O. Badarpur, Mathura Road, New Delhi-110044	Promoter Group	Mr. Manish Goel & Mr. Mukesh Kumar Gupta	40,00,000	Nil	Nil	40,00,000	3.90

\*Assuming 100% conversion of Warrants.

There is no pre-preferential shareholding of the proposed allottee. Further, the proposed allottee has not sold any shares of the Company during the last six months.

#### Lock-in Period

The Convertible Warrants issued to promoter allottee shall be subject to a lock-in period of three years or such other period as may be prescribed in accordance with the SEBI regulations. The Resultant Equity Shares allotted on conversion of Convertible Warrants to promoter allottee shall further be subject to a lock-in period three years from the date of trading approval of the stock exchanges.

Further, securities allotted on preferential basis shall not be transferred by the allottee till trading approval is granted by all the recognized stock exchanges, where the equity shares of the Company are listed.

Since there is no pre-preferential shareholding of the proposed allottee, there is no requirement for lock-in of pre-preferential shareholding.

#### Intention of promoters/directors/key management persons to subscribe:

No promoters/ directors/ key management persons intends to subscribe to the present preferential issue except the proposed allottee belonging to promoter group as disclosed in the notice.

#### Details of change of management/ control, consequent to the present preferential issue:

There shall not be any change in control of the Company consequent to the proposed preferential issue of Convertible Warrants/ Resultant Equity Shares.

**Pre-issue & Post-issue Shareholding Pattern of the Issuer Company:** Pre-issue and post issue shareholding pattern of the Company is as below:

SN	Category	Pre Issue		Post Issue*	
		Number of Shares	%	Number of Shares	%
<b>(A)</b>	<b>Shareholding of Promoter and Promoter Group</b>				
<b>1</b>	<b>Indian</b>				
(a)	Individuals/ Hindu Undivided Family	72000	0.07	72000	0.07
(b)	Central Government/ State Government(s)	-	-	-	-
(c)	Bodies Corporate	33500000	33.96	37500000	36.54
(d)	Financial Institutions/ Banks	-	-	-	-
(e)	Any Other	-	-	-	-
	<b>Sub Total(A)(1)</b>	<b>33572000</b>	<b>34.04</b>	<b>37572000</b>	<b>36.61</b>
<b>2</b>	<b>Foreign</b>				
a	Individuals (Non-Residents Individuals/ Foreign Individuals)	-	-	-	-
b	Bodies Corporate	-	-	-	-
c	Institutions	-	-	-	-
d	Any Other	-	-	-	-
	<b>Sub Total(A)(2)</b>	<b>0</b>		<b>0</b>	
<b>(A)</b>	<b>Total Shareholding of Promoter and Promoter Group (A) = (A)(1)+(A)(2)</b>	<b>33572000</b>	<b>34.04</b>	<b>37572000</b>	<b>36.61</b>
<b>(B)</b>	<b>Public shareholding</b>				
<b>1</b>	<b>Institutions</b>				
(a)	Mutual Funds/ UTI	-	-	-	-
(b)	Financial Institutions /Banks	100	0.00	100	0.00
(c)	Central Government/ State Government(s)	-	-	-	-

(d)	Venture Capital Funds	-	-	-	-
(e)	Insurance Companies	-	-	-	-
(f)	Foreign Institutional Investors	13518000	13.71	13518000	13.17
(g)	Foreign Venture Capital Investors	-	-	-	-
(h)	Any Other	-	-	-	-
	<b>Sub-Total (B)(1)</b>	<b>13518100</b>	<b>13.71</b>	<b>13518100</b>	<b>13.17</b>
<b>B 2</b>	<b>Non-institutions</b>				
(a)	Bodies Corporate	10851136	11.00	10851136	10.57
(b)	Individuals	-	-	-	-
I	Individuals -i. Individual shareholders holding nominal share capital up to Rs 1 lakh	4935297	5.00	935297	4.81
II	ii. Individual shareholders holding nominal share capital in excess of Rs. 1 lakh.	19525953	19.80	19525953	19.03
(c)	Any Other	16229786	16.45	16229786	15.81
	<b>Sub-Total (B)(2)</b>	<b>51542172</b>	<b>52.26</b>	<b>51542172</b>	<b>50.22</b>
<b>(B)</b>	<b>Total Public Shareholding (B)= (B)(1)+(B)(2)</b>	<b>65060272</b>	<b>65.96</b>	<b>65060272</b>	<b>63.39</b>
	<b>TOTAL (A)+(B)</b>	<b>98632272</b>	<b>100.00</b>	<b>102632272</b>	<b>100.00</b>
(c)	Shares held by Custodians and against which Depository Receipts have been issued	-	-	-	-
	<b>GRAND TOTAL (A)+(B)+(c)</b>	<b>98632272</b>	<b>100.00</b>	<b>102632272</b>	<b>100.00</b>

\*Assuming 100% conversion of Warrants.

#### Objects and purpose of the Preferential Issue

Funds raised through the proposed preferential issue will be utilized for the purpose of redemption of debenture issued by the Company, to meet the long term working capital requirements and other general corporate purpose.

#### Proposed time of Allotment

The allotment of Convertible Warrants in the present preferential issue will be made within a period of 15 days from the date of passing of the Special Resolution by way of Postal Ballot excluding the time taken in obtaining the necessary approvals, if any.

After allotment of Convertible Warrants, the warrant holder shall be entitled to convert the Convertible Warrants, into Equity Shares, in one or more tranches, within a period of eighteen months from the date of allotment of Convertible Warrants, as per the terms and conditions of the issue of Convertible Warrants.

**Undertaking in terms of Regulation 73 read with Regulation 76(2) & (3) of the SEBI (ICDR) Regulations, 2009:** We undertake to re-compute the price of the securities to be allotted under the preferential issue, where it is required to do so as per the SEBI (ICDR) Regulations, 2009. We further undertake that if the amount payable on account of the re-computation of price is not paid within the time stipulated in these regulations, the securities shall continue to be locked-in till the time such amount is paid by the allottee.

The Statutory Auditors of the Company has certified that the present preferential issue is being made in accordance with the requirements contained in the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements), Regulations, 2009, as amended up to date. The Auditors' Certificate would be available for inspection at the website of the Company at [www.shilpicables.com](http://www.shilpicables.com).

In terms of the provisions of the Companies Act and SEBI (ICDR) Regulations, the consent of members by way of a special resolution is required. The Board recommends the resolution for adoption by the members through postal ballot.

None of the Directors, Key managerial Persons or their relatives may be deemed to be concerned or interested in the proposed resolution, except Mr. Manish Goel and Mr. Mukesh Gupta, who are, directors, shareholder and promoters of the Company.

No member of the company who is a related party shall be eligible to vote on the present special resolution.

Your directors recommend the resolution as item no. 3 for your approval.

#### Item No. 4

Mr. Manish Goel, Managing Director of the Company has been associated with the Company since incorporation. The Nomination and Remuneration Committee, in its meeting held on January 09, 2015 recommended and the Board of Directors, in its meeting held on January 09, 2015 approved the payment of remuneration of upto Rs. 1,20,00,000 per annum payable to Mr. Manish Goel, (DIN 00163105), Managing Director of the company with effect from 1- February, 2015 subject to the approval of shareholders.

As per the provisions of Clause A of section II of Part II of Schedule V of the Companies Act, 2013, a statement containing the information required under the said clause is as follows:

#### I. GENERAL INFORMATION

(1)	Nature of Industry	Shilpi Cable Technologies Limited is engaged in the business of manufacturing of cables and wires and other related activities.
(2)	Date or expected date of commencement of commercial production	The Company obtained Certificate of Commencement on 13 <sup>th</sup> July, 2006 and started the commercial production from January 2008
(3)	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not Applicable
(4)	Financial Performance of the Company is given below*	

Particulars	Financial Year ended		
	31 <sup>st</sup> March, 2014 (Amount in Lacs)	31 <sup>st</sup> March, 2013 (Amount in Lacs)	31 <sup>st</sup> March, 2012 (Amount in Lacs)
Revenue from operations	98575.92	65488.86	46054.89
Other Income	333.37	173.94	265.97
Total Revenue	98936.76	65662.80	46320.86
Total Expenses	94951.30	61922.58	43543.88
Profit before tax	3989.80	3740.22	2776.98
Tax expense	1186.79	121.23	914.57
Profit after tax	2803.01	2618.99	1862.41

Paid-up Share Capital	4931.61	3751.61	3229.88
Reserves and Surplus (excluding revaluation reserve)	17304.99	12534.08	9967.55
(6) Foreign investments or collaborators, if any	The company has made investments in its subsidiaries, viz, Shilpi Worldwide DMCC, UAE; Shilpi Worldwide PTE, Singapore and Shilpi Global LLC, UAE.		

## II. INFORMATION ABOUT THE APPOINTEE

(1) Background details	Mr. Manish Goel has been designated as Managing Director of the Company for a period of five years with effect from 29 <sup>th</sup> March, 2014 for 5 years. He is instrumental in the growth of our Company since incorporation.
(2) Past remuneration	Rupees 4,00,000 per month
(3) Recognition or awards	N.A.
(4) Job profile and his suitability	Mr Manish Goel, designated as Managing Director of the Company for a period of five years with effect from 29 <sup>th</sup> March, 2014. He is one of the Co-founder of the Company. He holds Bachelor's Degree in Business Management from Rai Business University (Institute of Learning and Management). He has overall responsibility for the regular business and marketing activities of the Company.
(5) Remuneration proposed	Monthly Remuneration of Rs 10,00,000 (Rupees Ten Lacs) whether paid as salary, allowance(s), perquisites or a combination thereof, as approved by the Nomination & Remuneration Committee w.e.f. 1 <sup>st</sup> February, 2015 for three years. The following statutory perquisites will not be included in the aforesaid remuneration: a. Contribution to provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income-tax Act, 1961; b. Gratuity payable at a rate not exceeding half a month's salary for each completed year of service; and c. Encashment of leave at the end of tenure. In case of inadequate or absence of profits during any financial year of the tenure of the Managing Director the aforesaid remuneration will be the Minimum Remuneration. After expiry of three years; the Board of Directors and the Nomination & Remuneration Committee of the Board of Directors shall fix the remuneration of Mr. Manish Goel for the remaining period.
(6) Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin)	The exact figures are not readily available. However, the proposed remuneration is reasonably justified in comparison with the general market trends and remuneration package of top-level managerial persons having comparative qualifications and experience.
(7) Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any	Mr. Manish Goel is one of the promoters of the Company. He is the son of Mr. Mukesh Kumar Gupta, Director of the Company. Save as the mentioned above, he does not have any other material pecuniary relationship with the Company.

## III. OTHER INFORMATION

(1) Reasons for loss or inadequate profits	The company has net profit of Rs. 2803.01 lacs for the Financial Year ended 31 <sup>st</sup> March, 2014. Hence, there is no loss or inadequate profit at present.
(2) Steps taken or proposed to be taken for improvement	Your Directors are taking their best efforts for growth of the business and improve its topline and bottom-line.
(3) Expected increase in productivity and profits in measurable terms	The company is expected to have improved sales and profitability figures in the next financial years.

## IV. DISCLOSURES

The shareholders of the Company shall be informed of the remuneration package of the Managing Director as the same shall be disclosed under corporate governance report of the Board's Report of the Company.

The proposal for increase in remuneration of Mr. Manish Goel has already been considered by the Board of Directors and Nomination and Remuneration committee.

The members' approval is required by way of a Special resolution for the payment of remuneration to Mr. Manish Goel, Managing Director of the Company.

Your directors recommend the adoption of resolution in the larger interests of the Company.

None of the Directors, Key managerial Persons or their relatives may be deemed to be concerned or interested in the proposed resolution, except Mr. Manish Goel and Mr. Mukesh Gupta, who are, directors, shareholder and promoters of the Company.

No member of the company who is a related party shall be eligible to vote on the present special resolution.

### Item No. 5

A group company AGH Wires Pvt.Ltd. has a factory premises at Bahadurgarh. To optimize the resources, the company has taken a premises on rent from AGH Wires Pvt. Ltd. In terms of the provisions of section 188 of the Companies Act 2013, the Companies (Meetings of Board and its Powers) Rules, 2014, Clause 49 of the listing agreement, as amended from time to time and other applicable provisions, approval of members is required for the transaction for the aforesaid transaction.

Disclosure as per Clause 3 of explanation (1) to Rule 15 of Companies (Meeting of Board and its Powers) Rules, 2014 is as under:

Name of the Related Party	AGH Wires Pvt. Ltd.
Name of the director or key managerial personnel, who is related	Mr. Manish Goel, Managing Director
Nature of relationship	Mr. Manish Goel, Managing Director of your Company is also a Director in AGH Wires Pvt. Ltd.
Nature, material terms, monetary value and particulars of the contract or arrangement	For taking on rent factory/ commercial premises from AGH Wires Pvt. Ltd at a monthly rent not exceeding Rs. 50,000/- per month
Any other information relevant and important for the members to take decision on the proposed resolution	N.A.

The Board of Directors recommends the Special Resolutions for the approval of the Members.

None of the Directors, the Key Managerial personnel of the Company and their relatives are deemed to be concerned or interested in the resolution except Mr. Manish Goel (one of the promoter and director of AGH Wires Pvt Ltd) & Mr. Mukesh Gupta (father of Mr. Manish Goel).

For and on Behalf of the Board  
For **Shilpi Cable Technologies Ltd.**

Sd/-

Sneha Modi

Company Secretary

Membership No. A34158

Date: 9<sup>th</sup> January, 2015

Place: New Delhi

Encl:

1. Postal Ballot Form





RMA/2014-15/117

**TO WHOMSOEVER IT MAY CONCERN**

On basis of the information and explanation furnished to us, we, the undersigned, being the statutory Auditors of Shilpi Cable Technologies Limited, a company incorporated under the Companies Act, 1956 and having its registered office at A-19/ B-1 Extension, Mohan Cooperative Industrial Estate, P.O. Badarpur, Mathura Road, New Delhi- 110044, (hereinafter referred to as the Company"), do hereby certify and confirm that the Company has complied with all applicable provisions of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2009 and as, amended, and any other applicable provisions, in connection with the proposed issue of 40,00,000 (Forty Lacs) convertible warrants on preferential basis to the promoter group company.

We further certify and confirm that no Statutory Authority has restrained the Company from issuing the aforesaid warrants on preferential basis.

**For RMA & Associates**  
**Chartered Accountants**  
**FRN: 000978N**

  
**Partner**  
**Membership No.: 405219**



**Place: New Delhi**  
**Date: 9<sup>th</sup> January, 2015**