



CIN: L29299TN1987PLC058738

Plot No. 13, 3rd Main Road, Industrial Estate, Ambattur, Chennai - 600 058.

Tel. No. : +44 - 4228 1100 Fax No.: +44 - 4228 1150

E-mail: investor.relations@esab.co.in

**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 Companies (Passing of the Resolution by Postal Ballot) Rules, 2011, for obtaining the consent of the members through postal ballot for:

- 1) Adoption of new Articles of Association of the Company containing regulations in conformity with the Companies Act, 2013.
- 2) To sell / dispose / transfer of the moveable and immoveable assets pertaining to the plant at Khardah pursuant to Section 180(1)(a) of the Companies Act, 2013.

The Board of Directors has appointed Mr V Mahesh, Practising Company Secretary, No.39/19, Aspen court, 3<sup>rd</sup> Floor, 6<sup>th</sup> Main Road, R A Puram, Chennai - 600 028 as Scrutinizer at its meeting held on **26<sup>th</sup> May 2015**, for conducting the postal ballot process in a fair and transparent manner.

The postal ballot form is enclosed. Members may kindly refer to the text of the special resolution reproduced below along with the Explanatory Statement annexed hereto.

Members are requested to carefully read the instructions set out in the postal ballot form and return the form duly completed, in the self addressed inland letter, so as to reach the scrutinizer, not later than **6<sup>th</sup> August, 2015**.

The Scrutinizer will submit his report to the Chairman of the Company or any person authorized by the Chairman, after completing the scrutiny of postal ballot forms. The results of the postal ballot will be announced by the Chairman or any person authorized by him in this regard on **10<sup>th</sup> August, 2015**. The date of declaration of the results of the postal ballot will be taken to be the date of passing of the special resolution by the members of the Company.

Members requiring any clarification may contact Mr S Venkatakrishnan, Company Secretary at the registered office of the Company.

**Special Business:**

1. To adopt new Articles of Association of the Company containing regulations in conformity with the Companies Act, 2013 and in this regard to consider and to pass, the following resolution as a **Special Resolution**:

RESOLVED THAT pursuant to the provisions of Section 14 and all other applicable provisions of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the draft regulations contained in the Articles of Association be and are hereby approved and adopted in substitution, and to the entire exclusion, of the regulations contained in the existing Articles of Association of the Company;

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

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

RESOLVED THAT pursuant to Section 180 (1) (a) and all other applicable provisions of the Companies Act, 2013, if any, and the rules framed thereunder (including any amendment thereto or re-enactment thereof); the provisions of the Memorandum and Articles of Association of the Company; and the applicable provisions of the Listing Agreement including Clause 49 thereof; and other applicable statutory provisions and regulations, if any, as amended from time to time, and subject to the necessary registration approvals, consents, permissions and sanctions required, if any, from the Company's lenders, and/or other institutions or bodies, statutory authorities, and such conditions or modifications as may be prescribed by any of them while granting any such approvals, which may be agreed to, in its sole discretion, by the Board of Directors of the Company (hereinafter referred to as "the Board", which term shall include any of its duly authorised committees or one or more Directors) the consent of the Company be and is hereby accorded, including confirmation of actions taken hitherto, to the Board to sell / dispose / transfer of the moveable and immoveable assets pertaining to the plant at Khardah, Kolkata or such other manner as the Board of the Company may deem fit and appropriate in the interest of the Company for a consideration as may be decided by the Board of Directors or its

Committee thereof, based on the market price to a potential buyer, on such terms and conditions and with such modifications as may be required by any of the concerned authorities or as the Board of the Company may deem fit and appropriate in the interest of the Company.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do and perform or cause to be done all such acts, deeds, matters and things, as may be required or deemed necessary or incidental thereto, including to determine the manner and method of sale, transfer, disposal and to settle and finalise all issues that may arise in this regard, without further referring to the Members of the Company, including without limitation, negotiating and finalising the terms of sale, and executing necessary agreements (including such representations, warranties indemnities and covenants as may be customary in such transactions), memorandum, share purchase agreement, deed of conveyance, deed of assignment, schemes and subsequent modifications thereto and such other documents as may be necessary or expedient in its own discretion and in the best interest of the Company, including without limitation, to settle any questions, difficulties, doubts that may arise in this regard, as it may in its absolute discretion deem fit, and to delegate all or any of the powers or authorities herein conferred to any Director(s) or other official(s) of the Company, to any Committee of the Board or to engage any advisor, consultant, agent or intermediary, as may be deemed necessary to give effect to this resolution.

By the order of the Board of Directors  
For ESAB India Limited

Place : Chennai  
Date : 26 May, 2015

S Venkatakrisnan  
Company Secretary

Encl:

1. Explanatory Statement
2. Postal Ballot form and self addressed Inland letter

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### **Annexure to the Notice of postal ballot dated 26 May 2015** **Explanatory Statement pursuant to Section 102 of the Companies Act, 2013**

#### **Item No.1**

The Articles of Association ("AoA") of the Company as presently in force framed when the Company was incorporated in 1987. The existing AoA are based on the Companies Act, 1956 and several regulations in the existing AoA contain references to specific sections of the Companies Act, 1956 and some regulations in the existing AoA are no longer in conformity with the Act.

The Act is now largely in force. On September 12, 2013, the Ministry of Corporate Affairs ("MCA") had notified 98 Sections for implementation. Subsequently, on March 26, 2014, MCA notified most of the remaining Sections (barring those provisions which require sanction / confirmation of the National Company Law Tribunal). However, substantive sections of the Act which deal with the general working of companies stand notified.

With the coming into force of the Act several regulations of the existing AoA of the Company require alteration or deletions in several articles. Given this position, it is considered expedient to wholly replace the existing AoA by a new set of Articles.

The new AoA to be substituted in place of the existing AoA are based on Table 'F' of the Act which sets out the model articles of association for a company limited by shares. Shareholder's attention is invited to certain salient provisions in the new draft AoA of the Company viz:

- (a) Company's lien now extends also to bonuses declared from time to time in respect of shares over which lien exists;
- (b) the nominee(s) of a deceased sole member are recognized as having title to the deceased's interest in the shares;
- (c) new provisions relating to appointment of chief executive officer and chief financial officer, in addition to manager and company secretary;
- (d) existing articles have been streamlined and aligned with the Act;
- (e) the statutory provisions of the Act which permit a company to do some acts "if so authorized by its articles" or provisions which require a company to do acts in a prescribed manner "unless the articles otherwise provide" have been specifically included; and
- (f) the provisions of the existing AoA have been incorporated in the new AoA in such a way that this would help in the AOA being crisp, concise and clear and aids ease of reading and understanding.

The proposed new draft AoA has been uploaded on the Company's website [www.esabindia.com](http://www.esabindia.com) for perusal by the shareholders.

None of the Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise, in the resolution as set out in item no.1.

The Board recommends the Special Resolution as set out at Sr. No. 1 of the Postal Ballot Notice for approval by the shareholders.

#### **Item No.2**

The Company owns 9.67 acres of land in Khardah, Kolkata. The welding industry has encountered difficult trading conditions in recent times with competition building up from unorganized sector besides the international players. Under such circumstances, there is an urgent need to ensure that the costs are cut down drastically, while at the same time ensuring that the overall productivity of all the plants are improved to stay fit and competitive in this tough environment. The Board of Directors feel that this approach would enable the company to have an "Asset Light Strategy" and at the same time would lead to unlocking the value of the less productive assets. The management has been exploring options to sell assets with the intent to improve the capital structure more specifically its working capital.

It is thus proposed to sell / dispose / transfer moveable and immoveable assets at Khardah, Kolkata for a suitable consideration. In terms of Section 180 (1) (a) of the Companies Act, 2013, the Board may sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the company only with the consent of the members by way of special resolution. As the sale of land together with the building and other moveable assets by the Company may be deemed to be sale or otherwise disposal of whole or substantially the whole of an undertaking, pursuant to the provisions of Section 180(1) (a) of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, consent of the shareholders is required. Accordingly, the consent of the Members by way of Special Resolution is being sought for sale of the said land together with the building and other moveable assets. The Board of Directors is of the opinion that the proposed sale is in the overall interest of the Company. The proposed special resolution provide adequate flexibility and discretion to the Board to finalise the terms of the sale in consultation with advisors, consultants, agents, experts or other authorities as may be required.

None of the Directors, Key Managerial Personnel of the Company and their relatives is in any way, deemed to be concerned or interested financially or otherwise in the special resolution as set out in the Notice.

The Board recommends the Special Resolution as set out at Sr. No. 2 of the Postal Ballot Notice for approval by the shareholders.

By Order of the Board of Directors

Chennai  
26 May, 2015

**S Venkatakrishnan**  
Company Secretary

#### **Notes:**

1. An Explanatory Statement as required under Section 102 of the Companies Act, 2013 in respect of the business specified above is annexed hereto.
2. Voting rights are reckoned on the basis of the shares registered in the name of the Members/Beneficial Owners as on 26<sup>th</sup> June, 2015
3. Voting through electronic means:

The Company is pleased to provide members a facility to exercise their right to vote on the resolutions as set out in the Notice by 'electronic means' and all the businesses may be transacted through e-Voting services provided by National Securities Depository Limited (NSDL) in compliance with the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules 2014.

The instructions for e-Voting are as under:

In case of members' receiving e-mail from NSDL [for members whose email IDs are registered with the Company / Depository Participant(s)]:

- (i) Open e-mail and then open PDF file viz., "ESAB India Limited e-Voting.pdf" with their Client ID or Folio No. as password. The said PDF file contains the User ID and password for e-Voting. Please note that the password is an initial password.
- (ii) Launch internet browser by typing the following URL in the address bar: [www.eVoting.nsdl.com](http://www.eVoting.nsdl.com)
- (iii) Click on shareholder - Login
- (iv) Enter User ID and password as initial password noted in step (i) above. Click Login.
- (v) Password change menu appears. Change the password with new password with minimum 8 digits / characters or combination thereof. Note the new password. It is strongly recommended not to share the password with any other person and take utmost care to keep the password confidential.
- (vi) Home page of e-Voting opens. Go to "eVoting" icon and select "Active Evoting Cycles".

- (vii) Select "EVEN" of ESAB INDIA LIMITED.
- (viii) Now members are ready for e-Voting as Cast Vote page opens.
- (ix) Cast the vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
- (x) Upon confirmation, the message "Vote cast successfully" will be displayed.
- (xi) Once the member has voted on the resolution, such member will not be allowed to modify their vote, subsequently.
- (xii) Institutional members (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF / JPG Format) of the relevant board resolution / authority letter etc. together with attested specimen signature of the duly authorized signatory(ies), who are authorized to vote, to the Scrutinizer through e-mail to [maheshvenki@vmacs.co.in](mailto:maheshvenki@vmacs.co.in) and / or [anildoshi@vmacs.co.in](mailto:anildoshi@vmacs.co.in) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).

In case of members receiving physical copy of the Notice

- (i) Initial password is provided as below / at the bottom of the notice

<b>EVEN (e-Voting Number)</b>	<b>USER ID</b>	<b>PASSWORD/ PIN</b>

- (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) of note no. 3 to cast vote.

In case of any queries, members may refer to the Frequently Asked Questions (FAQs) for Members and e-Voting user manual for Members available at the downloads section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or contact NSDL at the following Telephone No: 022- 24994600.

If members are already registered with NSDL for e-Voting, then they can use their existing user ID and password for casting the vote. Members can also update their mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).

The e-Voting period commences on 8<sup>th</sup> July 2015, 9:00 AM and ends on 6<sup>th</sup> August 2015, 5:00 PM. During this period, members holding shares either in physical form or in dematerialized form, as on 26<sup>th</sup> June, 2015 may cast their votes electronically. The e-Voting module will be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by a member, such member will not be allowed to change it subsequently.

The Scrutinizer shall within a period not exceeding three working days from the conclusion of the e-Voting period unblock the votes in the presence of at least

two 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.

The Results declared along with the Scrutinizer's Report will be placed on the Company's website [www.esabindia.com](http://www.esabindia.com) and on the website of NSDL within two days of passing of the resolutions communicated to the Stock Exchanges.

All documents referred to in the accompanying Notice and the Explanatory Statement will be open for inspection at the Registered Office of the Company during 10.00 am to 12.00 noon on all working days up to and including 6<sup>th</sup> August 2015.

- 4. Members are requested to read the instructions given below and return the Form duly completed in the attached self addressed Inland letter so as to reach the Scrutinizer on or before 6<sup>th</sup> August, 2015, at the following address:

Mr V Mahesh  
Scrutinizer  
C/o.Integrated Enterprises (India) Ltd  
Unit: ESAB India Limited  
2<sup>nd</sup> Floor, 'Kences Towers',  
No.1 Ramakrishna Street, North Usman Road,  
T. Nagar, Chennai 600017

- 5. The Scrutinizer, after completion of the Scrutiny, will submit his report to the Chairman of the Company. The result of the postal ballot will be declared by the Chairman or by any person authorized by him in this regard on 10<sup>th</sup> August, 2015. The result shall also be announced to the Stock Exchanges where shares of the Company are listed and intimated through a press release in the newspapers viz. Business Standard in English and Makkalkural in Tamil. The result will also be put up on the Company's website [www.esabindia.com](http://www.esabindia.com). The resolution, if approved, will be taken as passed effectively on the date of declaration of the result, explained as above.
- 6. In case of any queries, members may contact the Company Secretary at the registered office of the Company.

#### Notes / Instructions

- 1. A member desiring to exercise his/her vote by postal ballot may complete this postal ballot form (no other form or photocopy thereof is permitted to be used for the purpose) and send it to the Scrutinizer at the address in the attached postage pre-paid self addressed inland letter. The postage will be borne and paid by the Company. The Company shall also accept envelopes containing postal ballot forms, if deposited with the Company in person or if sent by courier at the expense of the member. Members residing outside India should stamp the envelopes appropriately.

2. The Board of Directors of the Company has at its meeting held on 26<sup>th</sup> May, 2015 appointed Mr V Mahesh, Practising Company Secretary, No.39/19, Aspen court, 3<sup>rd</sup> Floor, 6<sup>th</sup> Main Road, R A Puram, Chennai - 600 028 as Scrutinizer for conducting the postal ballot process in a fair and transparent manner. The name and address of the Scrutinizer to whom the postal ballot papers are to be sent are given below:  
  
Mr V Mahesh  
Scrutinizer  
C/o.Integrated Enterprises (India) Ltd  
Unit: ESAB India Limited  
2<sup>nd</sup> Floor, 'Kences Towers',  
No.1 Ramakrishna Street, North Usman Road,  
T. Nagar, Chennai 600017
3. This form should be completed and signed by the members (as per specimen signature recorded with the Company/Depositories). In case of joint shareholding, this form should be completed and signed by the first named member and in his/her absence, by the next named member. In case, holders of power of attorney sign the postal ballot form, reference to the Power of Attorney registered with the Company should be mentioned in the postal ballot form. The right of voting by postal ballot cannot be exercised by proxy.
4. Unsigned postal ballot forms will be rejected. Duly completed postal ballot forms should reach to the Company not later than by the close of working hours at 17.00 hours on 6<sup>th</sup> August, 2015 Postal ballot forms received after this date and time will be strictly treated as if the reply from such member has not been received.
5. In the case of shares held by bodies corporate/trust/societies, the duly completed postal ballot form should be accompanied by a certified true copy of the relevant resolution/authorization.
6. There will be only one postal ballot form for every folio irrespective of the number of joint member(s).
7. Voting rights shall be reckoned on the paid up value of the shares registered in the name of the members as on 26<sup>th</sup> June, 2015.
8. Members are requested not to send any other paper along with the postal ballot form such as envelopes to the Scrutinizer and the scrutinizer would destroy any extraneous paper found in such envelope.
9. Votes will be considered invalid on the following grounds:
  - a. If the ballot form is unsigned;
  - b. If the member's signature does not tally with the specimen signature in the records of the Company, depositories;
  - c. If the member has voted all his shares both in favour and also against in the ballot paper although member need not use all his votes or cast all his votes in the same way.
  - d. If the ballot paper received is torn or defaced or mutilated to an extent that it is difficult for the Scrutinizer to identify either the member or the number of votes or as to whether the votes are cast in favour or against the resolution or if the signature could not be checked or on one or more of the above grounds; or
  - e. On such other grounds which in the opinion of the scrutinizer makes the votes invalid.
10. The Scrutinizer's decision on the validity of a postal ballot form will be final and binding.
11. The result of the postal ballot will be announced by the Chairman or in his absence, any person authorized by the Chairman on 10<sup>th</sup> August, 2015. The date of the declaration of the results of the postal ballot will be taken to be the date of passing of the special resolution.
12. The results will thereafter be published in the website of the Company, [www.esabindia.com](http://www.esabindia.com) and in newspapers viz. Business Standard in English and MakkalKural in Tamil.

**ESAB INDIA LIMITED**

CIN: L29299TN1987PLC58738

Plot No.13, 3rd Main Road, Industrial Estate, Ambattur, Chennai - 600058.

Phone No.: +44 - 42281100 Fax No.: +44 - 42281150

Email: investor.relations@esab.co.in

**POSTAL BALLOT FORM**

(to be returned to the Scrutinizer appointed by the Company)

1. Name(s) of the Member(s) :  
(including joint holders, if any)2. Registered address of the Sole / :  
first Named member3. Registered Folio No/ DP ID No. & :  
Client ID No.

4. Number of Shares held :

I / We hereby exercise my / our vote in respect of the special resolutions to be passed through postal ballot for the business stated in the Postal Ballot notice of the Company by conveying my/our assent or dissent to the said resolutions by placing the tick(✓) mark at the appropriate box below:

Item	Type of Resolution	Description	No. of Shares	I / We assent to the Resolution	I / We dissent to the Resolution
				For	Against
1.	Special	To adopt new Articles of Association of the Company containing regulations in conformity with the Companies Act, 2013.			
2.	Special	To sell / dispose / transfer the movable and immovable assets at Khardah, Kolkata.			

EVEN	USER ID	PASSWORD

Place :

Date :

Signature of the Member :

**Note:** Kindly read the instructions printed on the Postal Ballot Notice dated 26th May, 2015 Sl. No. 1 to 12 before filling the form. Last date for receipt of postal ballot forms by the Scrutinizer is 6 August, 2015.