

NOTICE TO SHAREHOLDERS

Notice is hereby given that an Extraordinary General Meeting (“EGM”) of the members of **Rane (Madras) Limited** (“Company”) will be held on Friday, September 1, 2017 at 10.15 a.m. at The Music Academy (Mini Hall), New No. 168, T.T.K Road, Royapettah, Chennai-600 014 to transact the following business:

SPECIAL BUSINESS(s):

Item 1: To approve Preferential Issue of Equity Shares

To consider and if thought fit, to pass the following resolution(s) as a **special resolution:**

Resolved that pursuant to the provisions of Section 42, Section 62 and all other applicable provisions, if any, of the Companies Act, 2013 and applicable rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) (“**Companies Act**”) read with Rule 13 of the Companies (Share Capital and Debenture) Rules, 2014, as amended (“**Companies SCD Rules**”), Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended (“**Companies PAS Rules**”), as amended from time to time and subject to the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and subsequent amendment thereto (“**SEBI ICDR Regulations**”), the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended (“**SEBI Takeover Regulations**”), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (“**SEBI Listing Regulations**”) and subject to other applicable rules, regulations and guidelines of the Securities and Exchange Board of India (“**SEBI**”) and the stock exchanges where the shares of the Company are listed (“**Stock Exchanges**”) and enabling provisions of the memorandum of association and articles of association of the Company and subject to requisite approvals, consents, permissions and / or sanctions if any, of, SEBI, Stock Exchanges and other relevant, statutory, appropriate, governmental authorities or departments, institutions or bodies, as may be required and subject to such conditions as may be prescribed by any of them while granting any such approvals, consents, permissions, and / or sanctions and which may be agreed to by the board of directors of the Company (“**Board**” which term shall be deemed to include any committee(s) constituted / to be constituted by the Board to exercise its powers including the powers conferred by this resolution), the consent of the members be and is hereby accorded to the Board and the Board be and is hereby authorised on behalf of the Company to create, offer, issue and allot on a preferential basis up to 10,96,892 (Ten lakhs ninety six thousand eight hundred and ninety two) Equity shares of face value of ₹ 10 each (Indian Rupees ten) (“**Equity Shares**”), fully paid up, for cash, at a price of ₹547.00 (Indian Rupees Five hundred and fourty seven only), each aggregating up to ₹ 59,99,99,924.00 (Indian Rupees Fifty nine crores ninety nine lakhs ninety nine thousand nine hundred and twenty four only), not less than the price determined in accordance with Chapter VII of the SEBI

ICDR Regulations on such terms and conditions and in such manner, as the Board, may, in its absolute discretion deem fit (“**Preferential Issue of Equity Shares**”), to **Rane Holdings Limited**, having its Registered office at “Maithri” No. 132, Cathedral Road, Chennai 600 086 (“**RHL**”), being a company within the Promoter/ Promoter Group (as defined in the SEBI ICDR Regulations), at such time or times, in one or more tranches and on such terms and conditions and in such manner, as the Board may think fit in its absolute discretion.

Resolved further that subject to the compliance of the Chapter VII of the SEBI ICDR Regulations, the Companies Act, the Companies SCD Rules, and the Companies PAS Rules, the members hereby approve the issue and allotment of the Equity Shares to RHL.

Resolved further that the relevant date, (as defined in Chapter VII of the SEBI ICDR Regulations) for the determination of floor price of issue of Equity Shares to be issued and allotted shall be August 2, 2017 (Wednesday) being the date which is 30 (thirty) days prior to the date of this Extraordinary General Meeting i.e. September 1, 2017 and the floor price so calculated is ₹546.92 (Indian Rupees Five hundred forty six and ninety two paise only) per Equity Share of face value of ₹10/- each.

Resolved further that the Equity Shares to be allotted to RHL pursuant to the aforesaid Preferential Issue of Equity Shares shall rank pari-passu in all respects including as to dividend, with the existing fully paid up Equity shares of face value of ₹10/- (Indian Rupees ten) each of the Company, subject to lock-in as per requirements of Chapter VII of SEBI ICDR Regulations and subject to the relevant provisions contained in the memorandum of association and articles of association of the Company.

Resolved further that the Company hereby takes note of the certificate from the statutory auditors of the Company certifying that the Preferential Issue of Equity Shares is being made in accordance with SEBI ICDR Regulations.

Resolved further that the Preferential Issue of Equity Shares shall be subject to the following terms and conditions:

- a) RHL shall be required to bring in 100% of the consideration, for the Equity Shares to be allotted to RHL on or before the date of allotment thereof.
- b) The consideration for allotment of Equity Shares shall be paid to the Company from the bank account of RHL.
- c) Equity Shares so allotted to RHL under this resolution shall not be sold, transferred, hypothecated or encumbered in any manner during the period of lock-in provided under SEBI ICDR Regulations, except to the extent and in the manner permitted thereunder.
- d) Allotment of Equity Shares shall only be made in dematerialized form.

Resolved further that the Equity Shares shall be issued and allotted by the Company to RHL in dematerialized form within a period of 15 (fifteen) days from the date of passing of this resolution provided that

where the issue and allotment of the Equity Shares is pending on account of pendency of any approval for such issue and allotment by any regulatory authority or the Government of India, the issue and allotment shall be completed within a period of 15 (fifteen) days from the date of such approval.

Resolved further that the monies received by the Company from RHL for application of the Equity Shares pursuant to this Preferential Issue of Equity Shares shall be kept by the Company in a separate bank account opened by the Company and shall be utilized by the Company in accordance with Section 42 of the Companies Act.

Resolved further that the Equity Shares to be offered, issued and allotted shall be listed subject to the receipt of necessary regulatory permissions and approvals.

Resolved further that subject to the provisions of the SEBI Regulations and other applicable laws, the Board be and is hereby authorized to vary, modify or alter any of the relevant terms and conditions, including size of the preferential issue to RHL, as it may deem expedient.

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 acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, desirable, incidental or expedient to the Preferential Issue of Equity Shares and listing of the Equity Shares to be allotted on preferential allotment basis with the Stock Exchange(s) as appropriate and to resolve and settle all questions and difficulties that may arise in relation to the proposed Preferential Issue of Equity Shares, offer and allotment of any of the Equity Shares, the utilization of the issue proceeds and to do all acts, deeds and things in connection therewith and incidental thereto including without limitation, issuing clarifications on the issue, making any application etc., to the concerned regulatory authorities including application to the Stock Exchanges for obtaining in-principle approval, listing of shares, filing of requisite documents with the Registrar of Companies, National Securities Depository Limited ("NSDL"), Central Depository Services (India) Limited ("CDSL") and/or such other authorities as may be necessary for the purpose, issuing and allotment of the Equity Shares, to execute necessary documents and enter into contracts, arrangements, other documents (including for appointment of agencies, intermediaries and advisors for the issue) and to authorize all such persons as may be necessary, in connection therewith and incidental thereto as the Board in its absolute discretion shall 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 and the decision of the Board shall be final and conclusive.

Resolved further that the Board be and is hereby authorized to do all such acts, deeds and things as may be required in connection with the aforesaid resolution and also to delegate all or any of the powers herein conferred to any committee of the Board or any director(s) or officer(s) of the Company and to generally do all such acts, deeds and things as may be required in connection with the aforesaid resolutions, including making necessary filings and applications etc., with the Stock Exchanges and regulatory authorities and execution of any documents

on behalf of the Company and to represent the Company before any governmental and regulatory authorities and also to enter into and execute all such arrangements, agreements, memoranda, documents, etc. with such agencies/ professionals, as may be required, and as permitted by law.

Resolved further that all actions taken by the Board in connection with any matter(s) referred or contemplated in any of the foregoing resolutions be and are hereby approved, ratified and confirmed in all respects.

Item 2: To approve Preferential Issue of Warrants

To consider and, if thought fit, to pass the following resolution(s) as a **special resolution**:

Resolved that pursuant to the provisions of Section 42, Section 62 and all other applicable provisions, if any, of the Companies Act, 2013, and applicable rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) ("**Companies Act**") read with the Rule 13 of the Companies (Share Capital and Debenture) Rules, 2014, as amended ("**Companies SCD Rules**"), the Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended ("**Companies PAS Rules**") and the regulations framed thereunder subject to the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and subsequent amendment thereto ("**SEBI ICDR Regulations**"), the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended ("**SEBI Takeover Regulations**"), the Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015, as amended ("**SEBI Listing Regulations**") and subject to other applicable rules, regulations and guidelines of the Securities and Exchange Board of India ("**SEBI**"), and the stock exchanges where the shares of the Company are listed ("**Stock Exchanges**") and enabling provisions of the memorandum of association and articles of association of the Company and subject to requisite approvals, consents, permissions and / or sanctions if any, of the Government of India, SEBI, Stock Exchanges and other relevant, statutory, appropriate, governmental authorities or departments, institutions or bodies, as may be required and subject to such conditions as may be prescribed by any of them while granting any such approvals, consents, permissions, and / or sanctions and which may be agreed to by the board of directors of the Company ("**Board**" which term shall be deemed to include any committee(s) constituted / to be constituted by the Board to exercise its powers including the powers conferred by this resolution), the consent of the members be and is hereby accorded to the Board and the Board be and is hereby authorised on behalf of the Company to create, offer, issue and allot on a preferential basis up to 3,65,630 (Three lakhs sixty five thousand six hundred and thirty only) warrants ("**Warrants**") ("**Preferential Issue of Warrants**"), to **Rane Holdings Limited**, having its registered office at "Maithri" No 132, Cathedral Road, Chennai 600 086 ("**RHL**") being a company within the Promoter/Promoter Group (as defined in the SEBI ICDR Regulations), each convertible into 1 (one) Equity share of face value of ₹10 (Indian Rupees ten) each, fully paid up, for cash, at a price of ₹ 547.00 (Indian Rupees five hundred and forty seven only) each (including the warrant subscription price and warrant exercise

price), aggregating up to ₹ 19,99,99,610 (Indian Rupees nineteen crores ninety nine lakhs ninety nine thousand six hundred and ten only) not less than the price determined in accordance with Chapter VII of the SEBI ICDR Regulations on such terms and conditions and in such manner, as the Board, may, in its absolute discretion deem fit at such time or times, in one or more tranches and on such terms and conditions and in such manner, as the Board may think fit in its absolute discretion.

Resolved further that subject to compliance of the Chapter VII of the SEBI ICDR Regulations, the Companies Act, the Companies SCD Rules, and the Companies PAS Rules, the members hereby approve the issue and allotment of the Warrants to RHL.

Resolved further that the relevant date (as defined in Chapter VII of the SEBI ICDR Regulations) for the determination of floor price of issue of the Equity shares of the Company pursuant to the exercise of Warrants, to be issued and allotted shall be August 2, 2017, being the date which is 30 (thirty) days prior to the date of this Extra-Ordinary General Meeting i.e. September 1, 2017 and the floor price so calculated is ₹ 546.92 (Indian Rupees Five hundred forty six and ninety two paise only) per Equity Share of face value of ₹10/- each (including the warrant subscription price and warrant exercise price).

Resolved further that the Company hereby takes note of the certificate from the statutory auditors of the Company certifying that the Preferential Issue of Warrants is being made in accordance with SEBI ICDR Regulations.

Resolved further that without prejudice the generality of the above, the issue of Warrants shall be subject to the following terms:

- a. Each Warrant held by RHL shall entitle it to apply for and obtain allotment of one Equity share of the Company at any time after the date of allotment but on or before the expiry of 18 (eighteen) months from the date of allotment (the **“Warrant Exercise Period”**).
- b. A Warrant subscription price equivalent to 25% of the issue price of the Equity shares will be payable at the time of subscription to the Warrants, as prescribed by Regulation 77 of the SEBI ICDR Regulations, which will be kept by the Company to be adjusted and appropriated against the issue price of the Equity shares. Warrant exercise price equivalent to the 75% of the issue price of the Equity shares shall be payable by the RHL at the time of exercising the Warrant.
- c. The issue of the Warrants as well as Equity shares arising from the exercise of the Warrants shall be governed by the regulations and guidelines issued by SEBI or any other statutory authority as the case may be or any modifications thereof.
- d. In the event RHL does not exercise the Warrants within 18 (eighteen) months from the date of allotment of the Warrants, the Warrants shall lapse and the amount paid shall stand forfeited by the Company.
- e. The Equity shares to be issued and allotted by the Company on exercise of the Warrants in the manner aforesaid shall be in dematerialised form and subject to the memorandum of association and articles of association of the Company and shall rank paripassu in all respects including dividend, with the existing Equity shares of the Company.

- f. The Warrants and the Equity shares allotted pursuant to exercise of such warrants shall be subject to a lock-in for such period as specified under Chapter VII of SEBI ICDR Regulations and subject to the relevant provisions contained in the memorandum of association and articles of association of the Company.
- g. The consideration for allotment of Warrants and/or Equity shares of the Company arising out of exercise of such Warrants shall be paid to the Company from the bank account of RHL.
- h. The Warrants by itself until converted into Equity shares of the Company arising out of exercise of such Warrants, do not give to RHL any voting rights in the Company in respect of such Warrants.
- i. Warrants so allotted under this resolution shall not be sold, transferred, hypothecated or encumbered in any manner during the period of lock-in provided under SEBI ICDR Regulations except to the extent and in the manner permitted there under.

Resolved further that the Warrant shall be issued and allotted by the Company to RHL within a period of 15 (fifteen) days from the date of passing of this resolution provided that where the allotment of the Warrants is pending on account of pendency of any approval for such issue and allotment by any regulatory authority or the Government of India, the issue and allotment shall be completed within a period of 15 (fifteen) days from the date of such approval.

Resolved further that the monies received by the Company from RHL for application of the Warrants pursuant to this Preferential Issue of Warrants shall be kept by the Company in a separate bank account opened by the Company and shall be utilized by the Company in accordance with Section 42 of the Companies Act.

Resolved further that the Warrants to be offered, issued and allotted shall be subject to lock-in as provided under the provisions Chapter VII of the SEBI ICDR Regulations and the Warrants so offered, issued and allotted subject to the receipt of necessary regulatory permissions and approvals.

Resolved further that the Board be and is hereby authorized to issue and allot such number of Equity shares of the Company as may be required to be issued and allotted upon exercise of the option in the Warrants held by RHL and subject to the provisions of the SEBI Regulations and other applicable laws, the Board be and is hereby authorized to vary, modify or alter any of the relevant terms and conditions, including size of the preferential issue to RHL, as may deem expedient.

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 acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, desirable, incidental or expedient for the same and to resolve and settle all questions and difficulties that may arise in relation to the proposed Preferential Issue of Warrants, offer and allotment of any of the Warrants, the utilization of the issue proceeds and to do all acts, deeds and things in connection therewith and incidental thereto including without limitation, issuing clarifications on the offer, making any application etc., to the concerned regulatory authorities including application to the Stock Exchanges for obtaining in-principle approval, listing of

shares on conversion of the warrants, filing of requisite documents with the Registrar of Companies, National Securities Depository Limited ("NSDL"), Central Depository Services (India) Limited ("CDSL") and/or such other authorities as may be necessary for the purpose, issuing and allotment of the Warrants, to execute necessary documents and enter into contracts, arrangements, other documents (including for appointment of agencies, intermediaries and advisors for the issue) and to authorize all such persons as may be necessary, in connection therewith and incidental thereto as the Board in its absolute discretion shall 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 and the decision of the Board shall be final and conclusive.

Resolved further that the Board be and is hereby authorized to do all such acts, deeds and things as may be required in connection with the aforesaid resolution and also to delegate all or any of the powers herein conferred to any committee of the Board or any director(s) or officer(s) of the Company and to generally do all such acts, deeds and things as may be required in connection with the aforesaid resolutions, including making necessary filings and applications etc., with the Stock Exchanges and regulatory authorities and execution of any documents on behalf of the Company and to represent the Company before any governmental and regulatory authorities.

Resolved further that all actions taken by the Board in connection with any matter(s) referred or contemplated in any of the foregoing resolutions be and are hereby approved, ratified and confirmed in all respects.

Item No. 3 : To approve appointment of Mr. Aditya Ganesh, a related party, as General Manager-Corporate Planning, under Section 188 of the Companies Act, 2013

To consider and, if thought fit, to pass the following resolution(s) as a **ordinary resolution**:

"Resolved that pursuant to the provisions of Section 188 and other applicable provisions of the Companies Act, 2013 ('the Act'), the rules made thereunder or any amendment thereto or modification thereof and such other approvals, permissions and sanctions, as may be required the consent of the members be and is hereby accorded to the appointment of Mr. Aditya Ganesh, who is a relative of Mr. L Ganesh, Chairman and Promoter of the Company as General Manager – Corporate Planning of the Company, inter-alia considered as an office or place of profit under the Act, with effect from September 4, 2017, on the following terms and conditions:

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| (a) Remuneration | : | Salary in the scale of ₹ 1,15,000/- to ₹ 1,93,000/- per month. |
| (b) Benefits, perquisites, performance pay, allowances and contribution to Funds | : | As per the policy of the Company as applicable to employees of similar grade, in force from time to time. Gratuity shall be payable as per the rules of the Company. |

"Resolved further that the consent of the members be and is

hereby also accorded for any promotion and / or change in designation(s) and corresponding change in terms and conditions, in the course of his employment with the Company, as per the policy of the Company for the time being in force.

(By order of the board)
For **Rane (Madras) Limited**

Sadasivpet, Telangana
August 5, 2017

S Subha Shree
Secretary

Registered Office:

"Maithri", 132, Cathedral Road
Chennai 600 086
CIN: L65993TN2004PLC052856
www.ranegroup.com

NOTES

- The statement pursuant to the provisions of Section 102 of the Companies Act, 2013, as amended ("Companies Act") read with Secretarial Standard on General Meetings, an explanatory statement setting out the material facts concerning business to be transacted at the extraordinary general meeting ("EGM") is annexed and forms part of this Notice.
- A member entitled to attend and vote at the EGM is entitled to appoint a proxy to attend the EGM and vote instead of himself and a proxy need not be a member. A person can act as a proxy on behalf of members not exceeding 50 (fifty) and holding in the aggregate not more than ten percent of the total share capital of Rane (Madras) Limited ("Company") carrying voting rights. However, member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or member.**
The instrument of proxy ("proxy form"), in order to be effective, must be signed, dated, properly stamped and deposited either in person or through the post so as to reach the Company at its registered office at least 48 (forty eight) hours before the commencement of the EGM.
- Corporate members intending to send their authorized representatives to attend the EGM are requested to send to the Company via e-mail at raneevoting@gmail.com, a certified copy of the Board Resolution / Authority letter authorizing their representative to attend and vote on their behalf at the EGM.
- Every member entitled to vote at the EGM of the Company can inspect the proxies lodged at the Company at any time during the business hours of the Company during the period beginning 24 (twenty four) hours before the time fixed for the commencement of the EGM and ending on the conclusion of the EGM. However, a prior notice of not less than 3 (three) days in writing of the intentions to inspect the proxies lodged shall be required to be provided to the Company.
- The notice of the EGM is being sent to all the members of the Company, whose names appear on the register of

- members/record(s) of depositories as on Friday, July 28, 2017.
6. Members/proxies should fill in the attendance slip for attending the EGM and hand over the same at the entrance of the venue of the EGM. Members who hold shares in dematerialized form are requested to bring their depository account number for easy identification and recording of the attendance at the EGM.
 7. All documents referred to in this notice and explanatory statement are open for inspection at the registered office of the Company on all working days between 10:00 hrs (IST) and 17:00 hrs (IST) (excluding Saturday and Sunday) upto the date of the EGM.
 8. The notice of the EGM along with attendance slip and proxy form is being sent to all the members whose email address (s) are registered with the Company/depository participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the notice of the aforesaid EGM of the Company inter alia indicating the process and manner of e-voting along with attendance slip and proxy form is being sent in the permitted mode. We encourage your participation and request your support in this regard, to receive communications from the Company in electronic form, please register your e-mail address with your DP / RTA.
 9. Members may also note that the notice of the EGM along with attendance slip and proxy form is available on the website of the company at www.ranegroup.com
 10. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their DP with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the RTA.
 11. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to the RTA, for consolidation into a single folio. The share certificate(s) will be returned to the members after necessary endorsements.
 12. Members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the Company. The nomination form can be downloaded from the Company's website www.ranegroup.com
 13. The Board, at its meeting held on August 5, 2017 has appointed Mr. C Ramasubramaniam, Practicing Company Secretary (ICSI Membership no. FCS 6125), Partner, M/s CR & Associates, Company Secretaries, as scrutinizer for conducting the e-voting and poll processes in a fair and transparent manner and Mr. C Ramasubramaniam has communicated his willingness to be appointed and will be available for same.
 14. Voting rights: Members holding Equity shares of the Company shall have one vote per Equity share held in the Company. In case of joint holders attending the EGM, only such joint holder who is first in order of names will be entitled to vote.
 15. Members holding share in physical form are requested to notify any change in their address, bank details or e-mail address to RTA immediately at the following address:

M/s. Integrated Registry Management Services Private Limited,
 II Floor, "Kences Towers", No.1, Ramakrishna Street,
 North Usman Road, T.Nagar, Chennai 600017,
 Phone : (044) 28140801, Fax : (044) 28142479,
 Email : corpserv@integratedindia.in
 16. The resolution(s) shall be deemed to be passed on the date of the EGM, subject to receipt of sufficient votes.
 17. The route map showing directions to reach the venue of the EGM is annexed and forms part of this notice.
 18. The particulars as required by Rule 20 of Companies (Management and Administration) Rules, 2014, as amended ("Management and Administration Rules") shall be published through an advertisement in the following newspapers: (i) Business Standard (English); and (ii) Dinamani (Tamil), both having wide circulation in the district where the registered office of the Company is situated. Further, in terms of Section 108 of the Companies Act read with SEBI LODR, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed at the EGM by electronic means and the business may be transacted through e-voting services:
- Members may note the following process and manner for 'remote e-voting':**
- i. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the EGM ('remote e-voting') will be provided by National Securities Depository Limited (NSDL).
 - ii. The facility for voting through polling paper shall be made available at the EGM and the members attending the meeting who have not cast their vote by 'remote e-voting' shall be able to exercise their right at the meeting through poll.
 - iii. The members who have cast their vote by 'remote e-voting' prior to the EGM may also attend the EGM but shall not be entitled to cast their vote again.
 - iv. The 'remote e-voting' period commences on **Tuesday, August 29, 2017** (9:00 hrs. IST) and ends on **Thursday, August 31, 2017** (17:00 hrs. IST). During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of **Friday, August 25, 2017**, may cast their vote by 'remote e-voting'. The 'remote e-voting' module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
 - v. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date Friday, August 25, 2017.
 - vi. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. Friday, August 25, 2017, may obtain the login ID and password by sending a request at

evoting@nsdl.co.in or to the Company / RTA.

- vii. However, if you are already registered with NSDL for 'remote e-voting' then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details / Password" option available on www.evoting.nsdl.com or contact NSDL at the following toll free no.: 1800-222-990.
- viii. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and 'remote e-voting' user manual for Members available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990.
- ix. You can also update your mobile number and e-mail ID in the user profile details of the folio which may be used for sending future communication(s).
- x. A member may participate in the EGM even after exercising his right to vote through 'remote e-voting' but shall not be allowed to vote again at the EGM.
- xi. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of 'remote e-voting' as well as voting at the EGM through poll.
- xii. Mr. C Ramasubramaniam, Practicing Company Secretary (ICSI Membership no. FCS 6125), Partner, M/s CR & Associates, Company Secretaries, has been appointed as the Scrutinizer to scrutinize the 'remote e-voting' process and voting at the EGM, in a fair and transparent manner.
- xiii. The Chairman shall, at the EGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of Scrutinizer, by use of "Polling Paper" for all those members who are present at the EGM but have not cast their votes by availing the 'remote e-voting' facility.
- xiv. The Scrutinizer shall, after the conclusion of voting at the general meeting, first count the votes cast at the meeting and thereafter unblock the votes cast through 'remote e-voting' in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the EGM, a consolidated Scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by the board. who shall countersign the same and declare the result of the voting forthwith.
- xv. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company www.ranegroup.com and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by the board. The results shall also be immediately forwarded to the stock exchanges where the Company's shares are listed.

INSTRUCTIONS FOR 'REMOTE E-VOTING'

a. In case a Member receives an e-mail from NSDL (for Members whose e-mail addresses are registered with the Company / Depositories):

- (i) open email and open PDF file viz; "RML-EGM-remote e-

voting'.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password / PIN for 'remote e-voting'. Please note that the password is an initial password.

- (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
 - (iii) Click on Shareholder – Login
 - (iv) Put user ID and password as initial password / PIN noted in step (i) above. Click Login.
 - (v) Password change menu appears. Change the password / PIN with new password of your choice with minimum 8 digits / characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - (vi) Home page of 'remote e-voting' opens. Click on 'remote e-voting': Active Voting Cycles.
 - (vii) Select "EVEN" of "Rane (Madras) Limited".
 - (viii) Now you are ready for 'remote e-voting' as Cast Vote page opens.
 - (ix) Cast your 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 you have voted on the resolution, you will not be allowed to modify your vote.
 - (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF / JPG Format) of the relevant Board Resolution / Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to raneevoting@gmail.com with a copy marked to evoting@nsdl.co.in.
- b. In case of members' receiving physical copy of the notice of EGM and desires to cast e-vote [for members whose email IDs are not registered with the Company / Depository Participant(s) or requesting physical copy]:**
- (i) Initial password is provided as below / at the bottom of the Attendance Slip for the EGM:
 - (ii) Please follow all steps mentioned from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.

(By order of the board)
For **Rane (Madras) Limited**

Sadasivpet, Telangana
August 5, 2017

Registered Office:

"Maithri", 132, Cathedral Road
Chennai 600 086
CIN: L65993TN2004PLC052856
www.ranegroup.com

S Subha Shree
Secretary

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

As required under Section 102 of the Companies Act, 2013, as amended ("**Companies Act**"), the following statement sets out the material facts concerning the special business(s) to be transacted at the extraordinary general meeting ("**Extraordinary General Meeting**") of Rane (Madras) Limited ("**Company**"):

Item Nos. 1 & 2: Preferential Issue of Equity Shares and Warrants

The Company has previously taken financial assistance in the form of debts for funding its capital expenditure requirements especially die casting division. In order to accelerate the Company's growth and enhance its ability to pursue future business opportunities, the Company needs to strengthen its financial position and maintain an optimum debt- equity ratio.

Considering the long-term financial requirements towards capital expenditure, working capital and the debt-equity position, infusion of funds is necessitated. Therefore the board of directors, after careful consideration of various funding options, recommended issuance of equity shares and convertible securities to the holding company viz., Rane Holdings Limited.

Rane Holdings Limited, having its registered office at "Maithri" No 132, Cathedral Road, Chennai 600 086 and having PAN AABCR5136J ("**RHL**"), being a company within the Promoter/Promoter Group [as defined in the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and subsequent amendment thereto ("**SEBI ICDR Regulations**"), agreed to further infuse an amount not more than ₹ 80,00,00,000 (Indian Rupees eighty crores), through a preferential issue of Equity shares and Warrants of the Company at price not less than the price determined in accordance with Chapter VII of the SEBI ICDR Regulations.

The Board has accordingly at its meeting held on August 5, 2017, given its approval to enhance its Equity base by offer, issue and allotment of 10,96,892 (Ten lakhs ninety six thousand eight hundred and ninety two) Equity shares of face value of ₹ 10 each (Indian Rupees ten) ("**Equity Shares**"), fully paid up, for cash, at an issue price of ₹ 547.00 (Indian Rupees Five hundred and forty seven only) each (including premium) aggregating up to ₹ 59,99,99,924.00 (Indian Rupees Fifty nine crores ninety nine lakhs ninety nine thousand nine hundred and twenty four only) and 3,65,630 (Three lakhs sixty five thousand six hundred and thirty only) Warrants of the Company each convertible into 1 (one) Equity share of face value of ₹ 10 (Indian Rupees ten) each, fully paid up, for cash, at a price of ₹ 547.00 (Indian Rupees five hundred and forty seven only) each (including the warrant subscription price and warrant exercise price), aggregating up to ₹ 19,99,99,610 (Indian Rupees nineteen crores ninety nine lakhs ninety nine thousand six hundred and ten only) respectively. The existing authorised Capital is sufficient to accommodate the increase in Equity including post conversion of warrants.

The proposed transaction with RHL is subject to the receipt of customary conditions including receipt of shareholders' approval.

The details of the issue and other disclosures in accordance with the Companies Act and in terms of Regulation 73 of SEBI ICDR Regulations to be made in the explanatory statement to the notice of the Extraordinary General Meeting are given hereunder:

1. The objects of the Preferential Issue:

The Company needs funds for working capital requirements, repayment of debt and RHL has agreed to infuse further funds against preferential issue of Equity Shares and Warrants of the Company.

2. The proposal of the promoters / directors or key management personnel to subscribe to the offer:

None of the directors/key management personnel of the Company intend to subscribe to the preferential issue. RHL, being a Company within the Promoter/Promoter Group (as defined in the SEBI ICDR Regulations) has proposed to subscribe, to all the Equity Shares and Warrants under the preferential issue.

3. Relevant Date:

The Relevant Date as per the SEBI ICDR Regulations for the determination of issue price of the Equity Shares and Warrants pursuant to the aforesaid preferential allotment is August 02, 2017 i.e. the date falling 30 (thirty) days prior to the date of this Extraordinary General Meeting to approve the proposed preferential issue, in terms of Section 62 of the Companies Act. Warrants shall be exercised within a period of 18 (eighteen) months from the date of allotment, in one or more tranches.

4. Pricing of Preferential Issue:

The Equity Shares and Warrants will be allotted in accordance with the price determined in terms of Regulation 76 of the SEBI ICDR Regulations. The Equity Shares of the Company are listed on both National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) and are frequently traded. Since, the trading volume at NSE is higher, accordingly, the minimum issue price of Equity Shares and Warrant have been calculated with reference to NSE. The minimum price per share has been computed as ₹ 546.92 per share. It is proposed to issue shares and warrants at an issue price of ₹ 547.00 per share to the allottee.

The Company shall, wherever if required, undertakes to re-compute the issue price in accordance SEBI ICDR Regulations. Further, if the amount payable on account of the re-computation of issue price is not paid by the proposed allottee within the time stipulated under the SEBI ICDR Regulations, the Equity Shares allotted to the proposed allottee shall continue to be locked-in till the time such amounts are paid by them.

5. Shareholding pattern before and after the preferential issue:

The shareholding pattern of the Company pre and post the preferential allotment of Equity Shares and Warrants under the proposed preferential issue is given below:

S. No.	Category	Pre-issue		Post-issue*	
		No. of Shares held	% of Holding	No. of Shares held	% of Holding
	Indian Promoters:				
	Individuals	83,841	0.80%	83,841	0.70%
	Bodies Corporate:				
	Rane Holdings Limited	59,18,156	56.31%	73,80,678	61.64%
	Sub Total	60,01,997	57.10%	74,64,519	62.34%
	Foreign Promoters:				
	Individuals	73,060	0.70%	73,060	0.61%
	Sub Total (A)	60,75,057	57.80%	75,37,579	62.95%
	Non- Promoters holdings:				
	Institutional Investors	10,205	0.10%	10,205	0.09%
	Non- Institution:				
	Private Corporate Bodies	6,06,828	5.77%	6,06,828	5.07%
	Directors and Relatives	-	-	-	-
	Indian Public	36,35,218	34.59%	36,35,218	30.36%
	Others (Including NRIs)	1,83,341	1.74%	1,83,341	1.53%
	Sub Total (B)	44,35,592	42.20%	44,35,592	37.05%
	Grand Total (A+B)	1,05,10,649	100.00%	1,19,73,171	100.00%

*The above mentioned post issue shareholding pattern assumes that the preferential issue of Warrants issued pursuant to this resolution are converted into Equity shares, failing which, the percentage will accordingly change.

6. Securities to be issued, particulars of the proposed allottee and Identity of the person who is the ultimate beneficial owner of the Equity Shares and Warrants proposed to be allotted:

The identity of the person who is the ultimate beneficial owner of the Equity Shares and Warrants proposed to be allotted is as follows:

Identity of Proposed Allottee	Category	Pre-issue Holding	% of Pre Issue	No. of Equity Shares proposed to be issued ^s	No. of Warrants proposed to be issued [#]	Issue price of Equity Shares & Warrants	Post issue holding ^{**}	% of post issue
M/s. Rane Holdings Limited* CIN: L35999TN1936PLC002202 PAN: AABCR5136J Address: "Maithri", No. 132, Cathedral Road, Chennai 600 086	Promoter	59,18,156	56.31 %	10,96,892	3,65,630	₹ 547.00	73,80,678	61.64%

* The proposed allottee is widely held public company listed on the BSE & NSE.

\$ Each equity share of face value of ₹ 10 each, fully paid up

Each warrant is convertible into 1 equity share of face value of Rs. 10 each, fully paid up

** Assuming allotment of equity shares and full conversion of Warrants.

7. Proposed time within which the Preferential Issue of Equity Shares and Warrants shall be completed:

In terms of the Regulation 74(1) of the SEBI ICDR Regulations, the allotment of Equity Shares and Warrants shall be completed within a period of 15 (fifteen) days from the date of passing of the resolution nos. 1 & 2 by the shareholders. Provided that where the allotment is pending on account of pendency of any approval from any regulatory authority / body, the allotment shall be completed by the Company within a period of 15 (fifteen) days from the date of such approval(s).

8. Change in control:

There shall be no change in management or control of the Company pursuant to the issue of Equity Shares and Warrants. However, voting rights will change in tandem with the shareholding pattern.

9. Auditor's certificate & Inspection of Documents:

The certificate from M/s. Deloitte Haskins & Sells, Chartered Accountants, Statutory Auditors of the Company, certifying that the above Preferential Issue of Equity Shares and Warrants is made in accordance with applicable provisions of the SEBI ICDR Regulations, will be made available for inspection at the registered office of the Company between 10:00 hrs and 17:00 hrs on all working days (excluding Saturday and Sunday) up to the date of the Extraordinary General Meeting. Copies of the above mentioned statutory auditor's certificate shall also be laid before the Extraordinary General Meeting. All other documents referred to in the accompanying notice and statement annexed thereto would also be available for inspection without any fee, by the members at the registered office of the Company during aforementioned hours on any working day (excluding Saturday and Sunday) up to the date of the Extraordinary General Meeting.

10. Lock-in period:

The proposed allotment shall be subject to lock-in as per requirements of the SEBI ICDR Regulations. The Equity Shares including those arising pursuant to exercise of options against each Warrant, to be issued on a preferential basis, to entities belonging to the Promoter/Promoter Group, shall be subject to 'lock-in' for a period of 3 (three) years from the date of trading approval for such Equity Shares in accordance with Regulation 78(1) of the SEBI ICDR Regulations.

The entire pre-preferential shareholding of the proposed allottee shall be locked in from the relevant date i.e August 02, 2017 upto a period of six months from the date of trading approval.

11. Disclosure with regard to the names of issuer, its promoter or any of its directors not appearing in the list of wilful defaulter as issued by RBI.

The Company, its promoters and its directors are not categorized as wilful defaulter(s) by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India ("RBI").

12. Report of registered valuer:

No report of registered valuer is required for the offer, issue and

allotment of the Equity Shares and Warrants under the provisions of second proviso to Rule 13(1) of the Companies SCD Rules.

13. Details of the directors, key managerial persons or their relatives, in any way, concerned or interested in the said resolution:

None of the directors or key managerial personnel or their relatives is in any way concerned or interested, financially or otherwise, in the above referred resolutions, except Mr. L Ganesh, Mr. L Lakshman and Mr. Harish Lakshman and their relatives being the promoters of the Company and of the proposed allottee i.e. RHL, to the extent of their shareholding.

14. The Company has not made any preferential issue of securities during the current year save and except as proposed in the aforementioned resolutions:

The Board of Directors recommend the resolutions set out in item nos. 1 & 2 of this notice for the issue of the warrants and Equity shares, on a preferential basis, to the persons belonging to the promoter category, by way of a special resolution.

As and when the Board does take a decision on matters on which it has the discretion, necessary disclosures will be made to the relevant stock exchanges on which the Equity Shares are listed under the provisions of the regulations framed by Securities Exchange Board of India.

Item No. 3 : To approve appointment of Mr. Aditya Ganesh, a related party, as General Manager- Corporate Planning, under Section 188 of the Companies Act, 2013

Mr Aditya Ganesh, 29 years, holds Masters degree in Business Management from INSEAD (France and Singapore) and holds Masters' in Industrial Engineering from The Ohio State University, USA. Mr Aditya is a Mechanical Engineering graduate from PSG College of Technology. He has about 4 years of industrial experience.

Mr Aditya Ganesh had worked with Cummins Inc., USA as a Health, Safety & Environmental and Manufacturing engineer and played a key leadership role in team management, project management and problem solving areas. Prior to Cummins Inc., USA, Mr Aditya Ganesh has worked with Rane (Madras) Limited as Supplier Quality Engineer involved in supplier quality process audits, planning for new products developments, coordinating TQM activities for the corporate materials team through successful Japan Quality Medal Diagnosis phase.

Considering his qualification and experience in managerial and technical areas, it is proposed to appoint Mr Aditya Ganesh as General Manager - Corporate Planning in the Company. In this role, he will be supporting the CEO in strategic business and annual operating plans of both the steering and die casting division. In addition, he will also handle certain specific projects for both the divisions to enhance global sales and customer engagement.

The terms and conditions of the proposed appointment commensurate with his qualification(s), domain expertise and experience and is in line with the industry standards prevalent in India. Since Mr Aditya Ganesh, is son of Mr L Ganesh, Chairman and Promoter, his proposed appointment would be 'an office or place of

profit' and a transaction with related party, in terms of the provisions contained in Section 188 of the Companies Act, 2013 and the rules made thereunder.

In terms of the aforementioned provisions of the Act, based on the recommendations of the Audit Committee, the board of directors

have approved the appointment and recommended the same for approval of shareholders vide resolution set out at item no.3 of this notice.

The particulars of the transaction pursuant to para 3 of explanation (1) to Rule 15 of the Companies (Meeting of Board and its Powers) Rules, 2014 are as under:

Name of the related party	Mr Aditya Ganesh
Name of the director or Key Managerial Personnel who is related	Mr L Ganesh, Chairman
Nature of relationship	Mr Aditya Ganesh is son of Mr L Ganesh and is part of the Promoter and Promoter group of the Company.
Nature, material terms, monetary value and particulars of the contract or arrangement	Mr Aditya Ganesh is proposed to be appointed as an employee of the Company in the designation of General Manager – Corporate Planning. He will be entitled to allowances, benefits, perquisites, contribution to funds, per the policy of the Company as applicable to employees of similar grade, in force from time to time. The terms and conditions of the proposed appointment, including remuneration are as furnished in resolution under item no.3 of the notice.
Duration of contract	Mr Aditya Ganesh is proposed to be appointed under a contract of employment effective from September 4, 2017. The contract will continue as long as he remains an employee of the Company and shall include any promotion and / or change in designation(s) and corresponding change in terms and conditions of his employment.
Shareholding in the Company	Mr Aditya Ganesh holds 0.08% (8,483 equity shares) in the equity share capital of the Company

Except for Mr L Ganesh, none of the directors and Key Managerial Personnel of the Company and their relatives are concerned or interested financially or otherwise in the resolution, except to the extent of their shareholding, if any, in the Company.

(By order of the board)
For **Rane (Madras) Limited**

Sadasivpet, Telangana
August 5, 2017

S Subha Shree
Secretary

Registered Office:
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Route Map to EGM Venue



