



Rane (Madras) Limited

CIN: L65993TN2004PLC052856

Registered Office: Maithri, 132, Cathedral Road, Chennai 600 086, Tamil Nadu, India

E-mail: investorservices@ranegroup.com Website: www.ranegroup.com

Phone: + 91 44 2811 2472 / 73

POSTAL BALLOT NOTICE

[Pursuant to Section 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014 and the MCA Circulars (as defined below)]

Dear Member(s),

Notice is hereby given, pursuant to section 110 and other applicable provisions, if any, of the Companies Act, 2013 (“**Companies Act**”) read with Rule 22 of the Companies (Management and Administration) Rules, 2014 (“**Rules**”) read with Regulation 44 and other applicable regulations of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**SEBI Listing Regulations**”) as amended and in terms of the circulars issued by the Ministry of Corporate Affairs (“**MCA**”) vide its General Circular No. 14/2020 dated April 08, 2020 and General Circular No. 17/2020 dated April 13, 2020 read with General Circular No. 33/2020 dated September 28, 2020 (collectively referred to as “**MCA Circulars**”) and other applicable laws and regulations for the time being in force, to seek your consent for the resolutions as set out hereunder and proposed to be passed through postal ballot (“**Postal Ballot**”) by way of remote electronic voting (“**e-voting**”).

In view of the Covid-19 pandemic requiring social distancing and pursuant to the guidelines issued by the Ministry of Home Affairs, Government of India, the MCA has advised Companies to take all decisions requiring Members’ approval, other than items of ordinary business or business where any person has a right to be heard, through the mechanism of Postal Ballot/ E-voting in accordance with the provisions of the Companies Act and Rules made thereunder, without holding a general meeting that requires physical presence of Members at a common venue.

The MCA has clarified that for Companies that are required to provide E-voting facility under the Companies Act, while they are transacting any business(es) only by Postal Ballot up to **December 31, 2020**, the requirements provided in Rule 20 of the Rules as well as the framework provided in the MCA Circulars will be applicable mutatis mutandis. In compliance with the provisions of the Companies Act, SEBI Listing Regulations and the MCA Circulars, the Postal Ballot through remote e-voting is being initiated to transact business(es) as set out in this Notice.

The Company has engaged Central Depository Services (India) Limited (CDSL) for facilitating the remote e-voting system. The remote e-voting period commences on **Friday, December 18, 2020 (9.00 a.m. IST)** and ends on **Saturday, January 16, 2021 (5.00 p.m. IST)**. The cut-off date for the purpose of determining eligibility of members for voting has been fixed as **Friday, December 11, 2020**.

In compliance with the aforesaid MCA Circulars, the hard copy of Postal Ballot Notice along with Postal Ballot Forms and pre-paid business envelope will not be sent to the Members. Notice of the Postal Ballot is being sent only through electronic mode to those Members holding shares either in physical form or dematerialised form as on **Friday, December 11, 2020 (“cut-off date”)** and whose email addresses are registered with the Company/ Depositories.

Members may note that the Notice of the Postal Ballot will also be available on the Company’s website www.ranegroup.com, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of

India Limited at www.bseindia.com and www.nseindia.com respectively, and on the website of CDSL www.evotingindia.com. Members are

requested to read carefully the instructions for remote e-voting given in the Notes forming part of this Notice.

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

Chennai
December 17, 2020

S Subha Shree
Secretary

Registered Office: "Maithri", 132, Cathedral Road, Chennai – 600086
CIN: L65993TN2004PLC052856
www.ranegroup.com

SPECIAL BUSINESS:

Item No. 1: Issue of Warrants on Preferential basis

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

RESOLVED THAT pursuant to the provisions of Sections 23, 42, 62(1)(c) and all other applicable provisions, if any, of the Companies Act, 2013, and applicable rules made thereunder ("**Companies Act**") read with the Rule 13 of the Companies (Share Capital and Debenture) Rules, 2014, ("**Companies SCD Rules**"), Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014, ("**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, 2018 ("**SEBI ICDR Regulations**"), the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 ("**SEBI Takeover Regulations**"), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**SEBI Listing Regulations**") including any statutory modification(s)/ amendments or re-enactment thereof for the time being in force 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 as amended from time to time 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, to create, offer, issue and allot on a preferential basis up to 25,49,936 (Twenty five lakh forty nine thousand nine hundred and thirty six only) Warrants ("**Warrants**") ("**Preferential Issue of Warrants**"), to **Rane Holdings Limited**, having its registered office at "Maithri", 132, Cathedral Road, Chennai 600 086 ("**RHL**") being a company within the 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, in one or more tranches, for cash, at a price of ₹ 235.30/- (Indian rupees Two hundred thirty five and thirty paise only) each ("**Issue Price**" which includes the Warrant subscription price and Warrant exercise price),

being not less than the price determined in accordance with Chapter V of the SEBI ICDR Regulations, aggregating up to ₹ 60,00,00,000 (Indian Rupees Sixty Crores only), on such terms and conditions and in such manner, as the Board, may, in its absolute discretion deem fit at such time or times, on behalf of the Company.

RESOLVED FURTHER THAT subject to compliance with Chapter V 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 V of the SEBI ICDR Regulations) for the determination of the issue price of the Equity shares of the Company pursuant to the exercise of Warrants, to be issued and allotted shall be **Thursday, December 17, 2020** i.e. the date 30 days prior to the date on which the resolution is deemed to be passed i.e. **Saturday, January 16, 2021**.

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 Chapter V of SEBI ICDR Regulations.

RESOLVED FURTHER THAT without prejudice to the generality of the above, the issue of Warrants shall be subject to the following terms:

- a. Each Warrant held by RHL shall entails 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 169 of the SEBI ICDR Regulations, which will be kept by the Company to be adjusted and appropriated against the issue price of each Equity shares. Warrant exercise price equivalent to the 75% of

the issue price of each Equity shares shall be payable by the RHL at the time of exercising the Warrant.

- c. The issue and allotment of the Warrants as well as Equity shares arising from the exercise of the Warrants shall be in dematerialised form and be governed by the regulations and guidelines, issued by SEBI or any other statutory authority as the case may be, from time to time.
- 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 subject to the memorandum of association and articles of association of the Company and shall rank *pari passu* in all respects including dividend, if any, 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 V 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 thereunder.

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 and relevant rules framed thereunder.

RESOLVED FURTHER THAT the Warrants to be offered, issued and allotted shall be subject to lock-in as provided under the provisions of Chapter V of the SEBI ICDR Regulations and the Warrants so offered, issued and allotted shall be 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 as the Board in its absolute discretion may deem fit, 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 the Board be and is hereby authorized to delegate all or any of its powers herein conferred, as it may deem fit in its absolute discretion, to any Committee of the Board or any one or more Directors/Company Secretary/any officers of the Company to give effect to the aforesaid resolutions.

RESOLVED FURTHER THAT all actions taken by the Board including any of its duly constituted committee 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.

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

Chennai
December 17, 2020

S Subha Shree
Secretary

Registered Office: "Maithri", 132, Cathedral Road, Chennai – 600086
CIN: L65993TN2004PLC052856
Website: www.ranegroup.com

NOTES

1. In terms of Section 102 and other applicable provisions of the Companies Act, 2013 read together with rules and Secretarial Standard on General Meetings (SS-2), an explanatory statement setting out the material facts concerning special business to be transacted through Postal Ballot is annexed and forms part of this Notice.
2. In compliance with the MCA Circulars, the hard copy of Postal Ballot Notice along with Postal Ballot Forms and pre-paid business envelope will not be sent to the Members. Notice of the Postal Ballot is being sent only through electronic mode to those Members holding shares either in physical form or dematerialised form as on **Friday, December 11, 2020** ("cut-off date") and whose email addresses are registered with the Company/ Depositories viz. National Securities Depository Limited ("NSDL")/ Central Depository Services (India) Limited ("CDSL"). Members who have not registered their email id may do so by sending the details of name of the registered shareholder(s), folio number, DP ID / Client ID and no. of equity shares held, to the Registrar and Share Transfer Agent of the Company i.e., Integrated Registry Management Services Private Limited at srirams@integratedindia.in.
3. Each Member's voting rights shall be in proportion to their share of the Paid-Up Equity Share Capital of the Company as on cut-off date, which will only be considered for voting.
4. Only a member holding Equity shares as on the Cut-off Date is entitled to exercise his / her vote through remote e-voting facility only and a person who is not a member as on the aforesaid date should treat this Notice for information purposes only.
5. The E-voting will remain open for the Members for exercising their voting from **Friday, December 18, 2020 at 9.00 a.m. (IST)** till **Saturday, January 16, 2021 at 5.00 p.m. (IST)** both days inclusive. During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. **Friday, December 11, 2020** 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 member, the member shall not be allowed to change it subsequently.
6. All the documents referred to in this Notice and the Statement pursuant to Section 102 of the Companies Act, 2013, will be posted on the Company's website www.ranegroup.com to facilitate online inspection upto the last date for exercising the voting.
7. Mr. C Ramasubramaniam, Practicing Company Secretary (ICSI Membership no. FCS 6125) and Partner in M/s. CR & Associates, Company Secretaries, has been appointed as the scrutinizer to

scrutinize the postal ballot, in a fair and transparent manner.

8. The results of the postal ballot will be declared not later than 48 hours of conclusion of remote e-voting i.e. on or before **Monday, January 18, 2021**. The results declared along with the report of the Scrutinizer shall be placed on the website of the Company viz., www.ranegroup.com and on the website of CDSL www.evotingindia.com immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the stock exchanges where the Company's shares are listed.
9. The resolutions, if passed by the requisite majority, shall be deemed to have been

passed on the last date specified by the Company for remote e-voting i.e. **Saturday, January 16, 2021**. Further, resolutions passed by the Members through remote e-voting are deemed to have been passed effectively at a general meeting.

10. As required by Rule 20 and Rule 22 of the Companies (Management and Administration) Rules, 2014 read with MCA Circulars and the listing regulations, the details pertaining to the postal ballot shall be published in one English national daily newspaper circulating throughout India (in English language) and one Tamil daily newspaper circulating in Chennai (in vernacular language, i.e. Tamil).

INSTRUCTION FOR REMOTE E-VOTING

A. To Log-in to CDSL e-Voting website

1. Visit the e-Voting website of CDSL. Open a web browser by typing the following URL: www.evotingindia.com either on a Personal Computer or on a mobile.
2. Click on 'Shareholders' module.
3. 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) Shareholders holding shares in physical form should enter Folio Number registered with the Company.

(OR)

Alternatively, if you are registered for CDSL's EASI/ EASIEST e-services, you can log-in at www.cdslindia.com from Login - Myeasi using your login credentials. Once you successfully log-in to CDSL's EASI / EASIEST e-services, click on e-Voting option and proceed directly to cast your vote electronically.

4. Next, enter the Image Verification as displayed and click on 'Login'.
5. If you are holding shares in demat and have already logged on to the CDSL e-Voting platform and voted earlier then you can use your existing password to login and cast your vote.
6. If you are using CDSL e-Voting system for the first time, then follow below steps:
 - (i) Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)

Shareholders who have not updated their PAN with the Company / Depository Participant are requested to use the sequence number- the first two letters of their name and the last 8 digits of the Client ID /Folio number in the PAN field. 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.

- (ii) Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login.

If Dividend Bank Details or Date of Birth are not recorded with the depository or Company please enter the member id / folio number in the Dividend Bank details field as mentioned in point 3 of clause A.

7. After entering these details appropriately, click on 'SUBMIT' tab.
8. Shareholders holding shares in physical form will then directly reach the Company selection screen.
9. Create Password:

Shareholders holding shares in physical form will then directly reach the Company Selection screen. However, shareholder 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 companies on which they are eligible to vote, provided that such Companies 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.
10. If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
11. For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

B. To Cast your vote electronically on CDSL e-Voting system

1. After successful login, you will reach the Company selection screen.

2. Click on 'EVSN' for RANE (MADRAS) LIMITED.
3. Now you are ready for e-Voting as the Voting page opens.
4. On the voting page, you will see 'RESOLUTION DESCRIPTION' and against the same, the option 'YES/NO' for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and the option NO implies that you dissent to the Resolution.
5. Click on the 'RESOLUTION FILE LINK' if you wish to view the entire Resolution details.
6. After selecting the resolution that 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.
7. Once you 'CONFIRM' your vote on the resolution, you will not be allowed to modify your vote.
8. You can also take a printout of the votes cast by clicking on 'CLICK HERE TO PRINT' option on the Voting page.
9. Shareholders can also cast their vote using CDSL's mobile app 'm-Voting'. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
10. Note for Non – Individual Shareholders and Custodians:
 - Non - Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the 'Corporates' module.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details 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 linked in the login should be mailed to 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.
- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address investorservices@ranegroup.com (designated email address by Company), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

11. In case of any queries or issues, you may refer to the Frequently Asked Questions (FAQs) and e-voting manual available at www.evotingindia.com under help section or write an e-mail to helpdesk.evoting@cdslindia.com .

C. Process for those shareholders whose email ids are not registered with the depositories for obtaining login credentials for e-voting for the resolutions proposed in this notice:

1. In case shares are held in physical mode, please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to Company's email ID on investorservices@ranegroup.com or to RTA's email ID on srirams@integratedindia.in.
2. In case shares are held in demat mode, please provide DPID-CLID (NSDL: 8 digit DPID + 8 digit CLID or CDSL: 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to Company's e-mail ID investorservices@ranegroup.com or to RTA's email ID srirams@integratedindia.in .
3. The Company/RTA shall co-ordinate with CDSL and provide the login credentials to the aforesaid shareholders.
4. Individual /non- Individual shareholders for obtaining the login credentials are required to send the relevant details as prescribed in point 1 above on or before, **Monday, January 11, 2021**.

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

Chennai
December 17, 2020
Registered Office: "Maithri", 132, Cathedral Road, Chennai – 600086
CIN: L65993TN2004PLC052856
Website: www.ranegroup.com

S Subha Shree
Secretary

EXPLANATORY STATEMENT TO THE POSTAL BALLOT NOTICE
(Pursuant to the provisions of section 102 of the Companies Act, 2013)

Item No. 1: Issue of Warrants on Preferential basis

In order to pursue capital expenditure programs, meet working capital requirements of the Company and support the overseas subsidiaries, the Board considers it desirable to increase the equity capital base of the Company, which will also help the Company in reducing the debt position and achieve an optimum debt-equity ratio.

The Board of Directors at its meeting held on **December 17, 2020**, after a detailed review of the performance and business plans of the Company and after careful consideration of various options of fund raising, decided that it would be in the best interest of the Company in the long-term to increase the capital base of the Company, by about Rs. 60 crores, by way of preferential issue to the Promoter and Promoter Group of the company. The Board of Directors of the Company has authorised its Issue and Allotment Committee to explore and finalise the modalities of the fund raising through Preferential Issue.

M/s. Rane Holdings Limited, having its registered office at "Maithri", 132, Cathedral Road, Chennai 600 086 and having Income tax Permanent Account Number AABCR5136J ("RHL"), being a company within the Promoter Group [as defined in the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and subsequent amendments thereto ("**SEBI ICDR Regulations**")], agreed to further infuse an amount not more than ₹ 60,00,00,000 (Indian Rupees Sixty Crores only), through a preferential issue of Equity shares / convertible Warrants of the Company at price not less than the price determined in accordance with Chapter V of the SEBI ICDR Regulations.

Based on the Letter of intent received from the holding company viz., Rane Holdings Limited, the Issue and Allotment Committee of the Board of Directors of RML at its meeting held on December 17, 2020, accorded its approval to offer, issue and allot 25,49,936 (Twenty five lakh forty nine thousand nine hundred and thirty six only) Warrants in 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 ₹ 235.30/- (Indian Rupees Two hundred thirty five and thirty paise only) each ("**Issue Price**" which includes the Warrant subscription price and Warrant exercise price), aggregating ₹ 60,00,00,000 (Indian Rupees Sixty Crores only) respectively, including the premium.

The proposed Preferential Issue is subject to 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 163 of SEBI ICDR Regulations to be made in the explanatory statement to the notice are given hereunder:

1. The objects of the Preferential Issue:

To pursue capital expenditure programs, meet working capital requirements of the Company, support the overseas subsidiaries reduce the debt position to an optimum debt-equity ratio. RHL has agreed to infuse further funds towards preferential issue of Warrants of the Company.

2. Maximum number of specified securities to be issued:

25,49,936 (Twenty five lakh forty nine thousand nine hundred and thirty six 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 ₹ 235.30/- (Indian Rupees Two hundred thirty five and thirty paise only) each (including the Warrant subscription price and Warrant exercise price), aggregating ₹ 60,00,00,000 (Indian Rupees Sixty Crores only) respectively, including the premium. Warrants shall be exercised within a period of 18 (eighteen) months from the date of allotment, in one or more tranches.

The proposed issue of Equity shares upon exercise of Warrants would be

within the limits of the existing authorised capital of the Company.

3. Intent of the Promoters / Directors or Key Management Personnel to subscribe to the offer:

RHL, being a company within the Promoter Group (as defined in the SEBI ICDR Regulations) has indicated its intention to subscribe, to the preferential issue. None of the other Promoters / Directors / Key Management Personnel of the Company intends to subscribe to the preferential issue.

4. Relevant Date:

The Relevant Date as per the SEBI ICDR Regulations for the determination of the issue price of Warrant and the resultant Equity shares of the Company pursuant to the exercise of Warrants, to be issued and allotted shall be **Thursday, December 17, 2020** i.e. the date 30 days prior to the date on which the resolution is deemed to be passed i.e. **Saturday, January 16, 2021**, the last date for voting.

5. Pricing of Preferential Issue:

The Warrants will be allotted in accordance with the price determined in

7. Shareholding pattern before and after the preferential issue:

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

S. No.	Category	Pre-issue		Assuming Conversion of Outstanding Warrants*		Post-issue	
		No. of Shares held	% of Holding	No. of Shares held	% of Holding	No. of Shares held **	% of Holding
1.	Indian Promoters:						
	Individuals	65,928	0.52	65,928	0.48	65,928	0.41
	Bodies Corporate: Rane Holdings Limited	79,61,398	63.42	91,22,838	66.52	1,16,72,774	71.77
	Sub Total	80,27,326	63.94	91,88,766	67.00	1,17,38,702	72.18
2.	Foreign Promoters:						
	Individuals	77,253	0.62	77,253	0.56	77,253	0.47
	Sub Total (A)	81,04,579	64.56	92,66,019	67.56	1,18,15,955	72.65
3.	Non- Promoters holdings:						
4.	Non- Institution: Private Corporate Bodies	4,62,827	3.69	4,62,827	3.37	4,62,827	2.85
	Directors and Relatives	-	-	-	-	-	-
	Indian Public	38,56,208	30.71	38,56,208	28.12	38,56,208	23.70
	Others (Including NRIs)	130,227	1.04	130,227	0.95	1,30,227	0.80
	Sub Total (B)	44,49,312	35.44	44,49,312	32.44	44,49,312	27.35
	Grand Total (A+B)	1,25,53,891	100.00	1,37,15,331	100.00	1,62,65,267	100.00

*The above mentioned shareholding pattern assumes that the entire outstanding 11,61,440 Warrants issued to RHL bearing maturity of June 18, 2021, will be converted into Equity shares, failing which, the percentage will accordingly change.

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

terms of Regulations 164 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, the minimum issue price of Warrants has been calculated with reference to NSE. The minimum price per share has been computed as ₹235.25/-.

It is proposed to issue Warrants which are convertible into equivalent number of equity shares, at an issue price of ₹235.30/- each.

6. Undertaking(s):

The Company shall, wherever required, undertake 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 Warrants and the Equity Shares allotted pursuant to exercise of such Warrants allotted to the proposed allottee(s) shall continue to be locked-in till the time such amounts are paid by them.

The Equity shares and Warrants held by the allottee and the entire promoter group are in Dematerialised form.

RHL was allotted 17,42,160 Warrants out of which 5,80,720 Warrants was converted on March 20, 2020 and currently holds 11,61,440 Warrants convertible to equity shares before June 18, 2021. These Warrants were allotted pursuant to the preferential issue approved by the members at their EGM held on December 09, 2019. Hence the allottee is presently eligible in terms of Regulation 159 (1) of SEBI ICDR.

8. Identity of the natural persons who are the ultimate beneficial owners of the shares proposed to be allotted and/or who ultimately control the proposed allottees, the percentage of post preferential issue capital that may be held by them and change in control, if any, in the issuer consequent to the Preferential Allotment:

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

Identity of Proposed Allottee	Category	Pre-issue Holding ²	% of Pre Issue	No. of Warrants proposed to be issued ³	Issue price of Warrants	Post issue holding ⁴	% of post issue
M/s. Rane Holdings Limited ¹ CIN: L3599TN1936PLC002202 PAN: AABCR5136J Address: "Maithri", 132, Cathedral Road, Chennai 600086	Promoter	91,22,838	66.52%	25,49,936	₹ 235.30	1,16,72,774	71.77%

¹ The proposed allottee is widely held public company listed on the BSE & NSE. There is no single natural person who has the ultimate control in RHL.

² assuming that the entire outstanding 11,61,440 Warrants issued to RHL with a maturity date of June 18, 2021 will be converted into Equity shares.

³ Each Warrant is convertible into 1 equity share of face value of Rs. 10/- each, fully paid up

⁴ Assuming full allotment of equity shares upon conversion of all Warrants.

There will not be any change in management or control of the Company pursuant to the preferential issue (including equity shares arising from exercise of Warrants). However, voting rights will change in tandem with the shareholding pattern.

9. Proposed time within which the Preferential Issue of Warrants shall be completed:

In terms of the Regulation 170 of the SEBI ICDR Regulations, the allotment of Warrants shall be completed within a period of 15 (fifteen) days from the date of passing of the resolution 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 approvals.

10. Auditor's certificate & Inspection of Documents:

The certificate from M/s. BSR & Co., LLP, Chartered Accountants, Statutory Auditors of the Company, certifying that the above Preferential Issue of Warrants is made in accordance with applicable provisions of the SEBI ICDR Regulations, will be made available on the Company's website www.ranegroup.com up to the last date of voting to facilitate inspection by members.

11. Lock in period:

The proposed allotment of Warrants shall be subject to lock-in as per requirements of the SEBI ICDR Regulations for period of one year from the date of allotment. The Equity Shares arising pursuant to exercise of options against each Warrant, to entities belonging to the 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 167 and 168 of the SEBI ICDR Regulations.

The entire pre-preferential shareholding of the proposed allottee shall be locked in from the relevant date i.e. **Thursday, December 17, 2020** and up to a period of six months from the date of allotment of Warrants.

12. Disclosure with regard to the names of issuer, its Promoters or any of its Directors not appearing in the list of wilful defaulters 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").

13. Report of registered valuer:

No report of registered valuer is required for the offer, issue and allotment of Warrants and the Equity Shares allotted pursuant to exercise of

such Warrants under the provisions of second proviso to Rule 13(1) of the Companies SCD Rules.

14. Details of the Directors, Key Managerial Personnel 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 viz., RHL, to the extent of their shareholding.

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

The Board of Directors recommends the resolutions set out in item no. 1 of this notice for the issue of the Warrants on a preferential basis, to the allottee belonging to the Promoter Group, by way of a special resolution.

As and when the Board/Committee 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.

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

S Subha Shree
Secretary

Chennai
December 17, 2020

Registered Office: "Maithri", 132, Cathedral Road, Chennai – 600086
CIN: L65993TN2004PLC052856
Website: www.ranegroup.com