



Mahaan Foods Limited

CIN: L15419HP1987PLC007356

Regd. Office : Highwinds, National Highway 22, Village Datar,
Parwanoo, Himachal Pradesh-173220

NOTICE OF THE POSTAL BALLOT

PURSUANT TO SECTION 110 OF THE COMPANIES ACT, 2013

To,

The Members of Mahaan Foods Limited,

NOTICE is hereby given pursuant to Section 110 of the Companies Act, 2013, read with Rule 22 of the Companies (Management and Administration) Rules, 2014 (including any statutory modification or re-enactment thereof for the time being in force) that the resolution appended below is proposed to be passed through Postal Ballot.

Pursuant to the provisions of Section 102 of the Companies Act, 2013, the Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, pertaining to the resolution setting out the material facts and the reasons thereof is annexed hereto along with the postal ballot form for your consideration.

The Board vide its Resolution passed on 14.11.2014 appointed Shri Deepak Bansal, Company Secretary in Practice, as Scrutinizer for conducting the Postal Ballot (physical and e-voting) process in accordance with law and in a fair and transparent manner.

Members are requested to carefully read the instructions printed on the postal ballot form and return the form duly completed and signed in the attached self-addressed, business reply envelope, so as to reach the Scrutiniser before the **close of working hours (06.00 p.m.) on the 27th day of December, 2014**. Please note that any postal ballot form(s) received after the said date will be treated as not having been received.

For members opting for E-Voting:

In compliance with Clause 35B of the Listing Agreement and provisions of Section 110 of the Companies Act, 2013 read with the Rules, the Company is pleased to provide e-voting as an alternate, to all its members, to cast their votes electronically, instead of physical Postal Ballot Form. E-voting is optional. Please carefully read and follow the instructions on e-voting printed in this Notice.

The Scrutinizer after completion of the scrutiny will submit his report to the Chairman cum Managing Director of the Company. The result of the voting by Postal Ballot will be declared in accordance with the provisions of Section 110 of the Companies Act, 2013 and Rule 22 of the Companies (Management and Administration) Rules, 2014 on **29th December, 2014 at 3.00 p.m at the Corporate Office of the Company at M-19, 1st Floor, M Block Market, Greater Kailash II, New Delhi 110048**. The results of the Postal Ballot will also be posted on the Company's website www.mahaanfoods.com besides communicating to the BSE where the Company's shares are listed. The results of the Postal Ballot shall also be announced through newspaper advertisement as well. The resolutions, if approved, will be taken as passed effectively on the date of declaration of results.

SPECIAL RESOLUTION TO BE PASSED THROUGH POSTAL BALLOT

1. Authorisation for Loans and Investments by the Company

To consider and if thought fit, to give Assent / Dissent to the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to section 186 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 (the 'Act') and subject to such approvals, consents, sanctions and permissions as may be necessary, consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company to make/give, from time to time, any loan(s)/advances/deposits/investments in shares, debentures and/or other securities and to give, on behalf of the Company, any guarantee and/or provide any security in connection with any loan or loans made by any other person to, or to any other persons by, any other Person(s)/Companies/Body Corporate(s) which shall be subject to aggregate limit of Rs 100 crore and which may be individual/aggregate in excess of the limits prescribed i.e. over and above 60% of the Company's paid-up share capital, security premium account and free reserves or 100 % of the Company's free reserves and security premium amount, whichever is more:

RESOLVED FURTHER THAT the aforesaid loans/investments will be made by the Company or in such manner and in such proportion as the Board thinks appropriate. Provided that in case of loans, the interest rate shall not be lower than the interest as may be prescribed by time to time.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to take such steps as may be necessary for obtaining approvals, statutory, contractual or otherwise, in relation to the above and to settle all matters arising out of and incidental there to, and to sign and execute all deeds, applications, documents and writings that may be required, on behalf of the company and generally to do all acts, deeds, matters and things that may be necessary, proper, expedient or incidental thereto for the purpose of giving effect to this Resolution.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to determine the actual sums to be involved in the proposed transaction and the terms & conditions related thereto and all other matters arising out of or incidental to the proposed transactions and generally to do all acts, deeds, matters and things that may be necessary, proper, expedient or incidental thereto for the purpose of giving effect to this Resolution.

Place : New Delhi
Date: 14.11.2014

By order of the Board
Sd-

(Vijay Gupta)

Company Secretary
ACS No.: 29731

Address : Flat No. 76, SBI Officers Flats
East of Kailash, New Delhi-110065

Annexure to the Notice

The Explanatory Statement as required under Section 102 of the Companies Act, 2013

Item No.1:

Pursuant to Section 186 and other applicable provisions of the Companies Act, 2013, the company can make loans to, give guarantees, provide securities to and make investments in the securities of any other person/other bodies corporate to the extent of 60% of its paid-up share capital and free reserves and securities premium account or 100% of its free reserves and security premium account, whichever is higher, with the approval of the Board of Directors. Where the aggregate of loans and investments made, guarantees given and securities provided exceeds the aforesaid limits, prior approval of the shareholders is required by way of a special resolution.

The Company is constantly reviewing opportunities for expansion of its business operations either directly or through its holding/subsidiaries/joint ventures/associate companies/other bodies corporate or persons and would, therefore, be required to provide financial support by way of loan(s)/and/or guarantee(s) and/or security(ies)/investment in securities of any other person/holding/subsidiary/joint ventures/associate companies/bodies corporate or otherwise, in order to achieve greater financial flexibility and to enable optimal financial structuring to facilitate speedy implementation of various projects of such persons/companies.

It is, therefore, proposed that the Board of Directors of the Company be authorized to invest by way of subscription, grant of loan(s), giving of guarantee(s) and/or providing of security (ies) for an amount not exceeding Rs. 100 crore from time to time in/to one or more of the persons/entities i.e. holding/subsidiaries/joint ventures/associate companies/other bodies corporate. The source of funds for making these investments would be met from borrowings/surplus funds generated by the company through operations or from such other sources as the board may deem appropriate. Since the above investments, loans, guarantees, and/or securities proposed together with the aggregate of loans made, guarantees given, securities provided and investments made from time to time by the Company may exceed the limit prescribed, approval of the shareholders is required for the same.

The proposal outlined above is in the interest of the Company and the Board commends the resolution set out in the accompanying Notice.

Except Directors and Key Managerial Personnel's of the Company who are/may be Directors/Shareholders in one or more Persons/bodies corporate described hereinabove, no other Director and Key Managerial Personnel of the Company is concerned or interested in the said resolution.

Place :New Delhi
Date: 14.11.2014

By order of the Board
Sd-
(Vijay Gupta)
Company Secretary
ACS No.:29731
Address : Flat No. 76, SBI Officers Flats
East of Kailash, New Delhi-110065