

K I C METALIKS LIMITED

Registered Office: "Sir RNM House" 3B Lal Bazar Street,
4th Floor, Room No. 2, Kolkata-700 001

NOTICE OF POSTAL BALLOT (Pursuant to Section 192A of the Companies Act, 1956)

Dear Member(s),

Notice is hereby given that the following Resolutions are circulated for the approval of the Members of the Company to be accorded by Postal Ballot, in accordance with the provisions of Section 192A of the Companies Act, 1956 read with Companies (Passing of the Resolution by Postal Ballot) Rules, 2001, for alteration of the Main Object Clause of the Memorandum of Association of the Company under Section 17 and the enhancement of the borrowing limits under section 293(1)(d) other applicable provisions, if any, of the Companies Act, 1956.

Accordingly, the said draft of the Resolutions along with its Explanatory Statement setting out all material facts and the reasons thereto, the requisite Postal Ballot Form along with instructions, and the Self-addressed postage prepaid envelope is enclosed for your consideration.

**By Order of the Board
For K I C Metaliks Limited**

**Sd/-
Ruchika Dhanuka
Company Secretary**

**Dated : 22nd May, 2010
Place : Kolkata**

Notes:

You 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, postage prepaid envelope, so as to reach the Scrutinizer before the closing of working hours, on or before, **Tuesday, 6th July, 2010**. Please note that any Postal Ballot forms(s) received after the said date will be treated as not having been received. No photocopy of the Postal Ballot Form or any other form is permitted.

The Board of Directors has appointed Ms. Swati Bajaj, Partner, of M/s. P.S. & Associates, Practicing Company Secretaries as the Scrutinizer for conducting this postal ballot voting process in a fair and transparent manner. The Scrutinizer will submit her report to the Chairman or any Director of the Company as soon as possible after the last date for receipt of Postal Ballot Forms, but not later than the closing business hours of **Thursday, 8th July, 2010**. Results of the Postal Ballot shall be declared and confirmed by the Chairman or any other director of the company on **Saturday, 10th July, 2010 at 11.00 a.m.** at the Registered Office of the Company mentioned above.

Enclosures:

- 1.Draft Resolutions with Explanatory Statement.
 - 2.Postal Ballot Form & Self addressed postage envelope.
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DRAFT RESOLUTIONS

Item No.1

To consider and if thought fit, to give **assent/ dissent** to the following Resolution as a Special Resolution:

Alteration of Main Object Clause of the Memorandum of Association:

" **RESOLVED THAT** pursuant to the provisions of Section 17 and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modifications or re-enactment thereof for the time being in force), and subject to the necessary approvals, required if any, in this regard from appropriate authorities and subject further to such other terms, conditions, stipulations, alterations, amendments or modifications as may be required, specified or suggested by any of such appropriate authorities; which terms, conditions, stipulations, alterations, amendments or modifications, the Board of Directors (herein after referred to as "the Board", which term shall include any of its duly authorized Committee or individual Director) is hereby authorized to accept as it may deem fit; consent of the members of the Company be and is hereby accorded for alteration of the existing Main Object Clause by adding the following new Clauses after the existing Clause III A.1. of the Memorandum of Association of the Company :

2. To generate, accumulate, transmit, distribute, supply and trade in renewable and/or non renewable energy including electricity, thermal power, hydro power, bio-mass fuel energy, bio-diesel energy, solar power or electricity from coal, gas, petroleum, water, steam, waste heat, mineral or wind power or any other conventional/non-conventional sources for the purpose of industry, light, heat, power, captive consumption, trading and for all other purposes for which electrical energy can be employed and to manufacture and deal in all apparatus and things required for or capable of being used in connection with generation, distribution, supply, accumulation, trading and employment of electricity, power and deal in all kind of power project equipments, machinery and similar type of items and act as consultants, advisor, arranger, contractor, operator of power plants and other similar type of projects.
3. To purchase, take on lease, hire or otherwise acquire, any mines, mining ground, mining rights, licenses, grants, concessions and easements and any lands and hereditaments or other property in India or abroad and to prospect, explore, excavate, exploit, work, exercise, develop, finance and turn to account the same to win, quarry, bring to surface, assay, smelt, calcine, refine, dress, amalgamate, manipulate and prepare for market, ore, coal, metal, mineral substances of all kind and generally to carry on the business of mining in all of its branches and to buy, sell, import, export, store, transport, process, trade and deal in any manner in minerals, metals, scraps, machinery, implements, appliances, tools and other things capable of being used in connection with mining or metallurgical preparations and other similar type of activities."

RESOLVED FURTHER THAT the existing Memorandum of Association of the Company, duly modified as aforesaid, or as suggested by any appropriate authority and accepted by the Board, be adopted as the Memorandum of Association of the Company.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board, be and is hereby authorised to do all such acts, deeds, matters and things and give such directions as may be necessary or expedient, and to settle any or all questions / matters, difficulty or doubt that may arise in this regard as the Board in its absolute discretion may deem desirable or expedient in the best interest of the Company and its shareholders.

RESOLVED FURTHER THAT Mr. Radhey Shyam Jalan, Chairman and Managing Director and Ms. Ruchika Dhanuka, Company Secretary, be and are hereby authorised individually, to file necessary forms and do all such acts and deeds as may be necessary in this regard."

Item No. 2

To consider and if thought fit, to give **assent/dissent** to the following Resolution as an Ordinary Resolution:

Increase in Borrowing Powers beyond existing limits :

“RESOLVED THAT in suppression of the earlier resolutions passed pursuant to the provisions of Section 293(1)(d) and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modifications or re-enactments thereof and hereinafter referred to as the ‘Act’), the Company hereby accords its consent to the Board of Directors (which expression shall be deemed to include any Committee/s thereof and hereinafter referred to as the ‘Board’), for borrowing any sum or sums of money from time to time from any one or more the Company’s bankers and/or from any one or more other persons, firms, bodies corporate or financial institutions, whether in India or abroad, and whether by way of cash credit, advance or deposits, loans, debentures or bill discounting, and whether unsecured or secured by mortgage, charge, hypothecation or lien or pledge of the Company’s assets, licenses and properties, whether immovable or movable or stock-in-trade (including raw materials, stores, spare parts and components in stock or in transit) and work-in-progress and all or any of the undertaking of the Company, notwithstanding that the moneys to be borrowed together with moneys already borrowed by the Company (apart from temporary loans obtained from the Company’s bankers in the ordinary course of business) will or may exceed the aggregate of the paid-up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose, so that the total amount upto which the moneys may be borrowed by the Board and outstanding at any time shall not exceed the sum of Rs. 500,00,00,000/- (Rupees Five Hundred Crores only).

RESOLVED FURTHER THAT pursuant to the provisions of Section 293(1)(a) and other applicable provisions, if any, of the Act, the Company hereby accords its consent to the Board to mortgage and/or create charge in such form and manner and with such ranking and at such time and on such terms as the Board may determine, on all or any of the movable and/or immovable properties of the Company, both present and future and/or the whole or any part of the undertaking(s) of the Company together with the power to take over the management of business and concern of the Company in certain events of default, in favour of the lender(s), agent(s) and trustee(s) for securing the borrowings of the Company availed/to be availed by way of loan(s) (in foreign currency and/or rupee currency) and convertible/non-convertible securities (including fully/partly convertible debentures and/or non-convertible debentures with or without detachable or non-detachable warrants and/or secured premium notes and/or floating rates notes/bonds or other debt instruments), issued/to be issued by the Company upto the limits approved under Section 293(1)(d) of the Act together with interest at the respective agreed rates, additional interest, compound interest in case of default, accumulated interest, liquidated damages, commitment charges, premia on prepayment, remuneration of the agent(s) and/or trustee(s), premium (if any) on redemption, all other costs, charges and expenses, including any increase as a result of devaluation/revaluation/fluctuation in the rates of exchange and all other monies payable by the Company in terms of the Loan Agreement(s), Agreement(s), Debenture Trust Deed(s) or other Agreements or any other document, entered into/to be entered into between the Company and the lender(s)/investor(s)/agent(s) and/or trustee(s), in respect of the said loans/borrowings/debentures and continuing such specific terms and conditions and covenants in respect of enforcement of security as may be stipulated in that behalf and agreed to between the Board and the lender(s), agent(s) and/or trustee(s).

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred to any Committee of Directors or the Managing Director or any Director or any other Officer or Officers of the Company to give effect to this resolution.”

By Order of the Board
For K I C Metaliks Limited

Sd/-
Ruchika Dhanuka
Company Secretary

Dated : 22nd May, 2010
Place : Kolkata

NOTES:

1. An Explanatory Statement pursuant to section 173(2) read with Section 192A of the Companies Act, 1956 in respect of the business under Item No.1 and 2, is annexed hereto.
2. The Company has appointed Ms. Swati Bajaj, Partner, of M/s.P.S. & Associates, Practicing Company Secretaries as Scrutinizer for conducting the Postal Ballot voting process in accordance with the law and in a fair and transparent manner.
3. The Notice is being sent under certificate of posting to all the members whose names appear in the Register of Members/ Record of Depositories **as on Friday, May 28, 2010.**
4. A member desiring to exercise vote by Postal Ballot may complete the enclosed Postal Ballot Form and send it to the Scrutinizer in the enclosed self-addressed Business Reply Envelope. Postage will be borne and paid by the Company. However, envelopes containing Postal Ballots, if sent by courier or by Registered Post at the expense of or deposited by the registered member will also be accepted.

The envelopes containing the Postal Ballot should reach the Company not later than the close of working hours on **Tuesday, 6th July, 2010**. Since response received from the Members after July 6, 2010 shall be treated as if no response is received in terms of Rule 5(f) of Companies (Passing of the Resolution by Postal Ballot) Rules 2001, the Members are requested to send the duly completed Postal Ballot forms well before the said date, providing sufficient time for postal transit.

5. The members are requested to exercise their voting rights by using the attached Postal Ballot Form only. No other form or photocopy is permitted.
6. The results of the Postal Ballot shall be announced by the Chairman or any other Director, duly authorized by the Chairman on **Saturday, 10th July, 2010** at the Registered Office of the Company at **“Sir RNM House” 3B Lal Bazar Street, 4th Floor, Room No. 2, Kolkata-700001 at 11.00 a.m.** and the resolutions will be taken as passed effectively on the date of announcement of the results, if the results of the Postal Ballot indicates that the requisite majority of the members had assented to the Resolutions. The results of the Postal Ballot will also be announced through a newspaper advertisement and hosted on the website of the Company **www.kicmetaliks.com**.
7. A copy of the relevant documents is open for inspection at the Registered Office of the Company on all working days, except holidays, between 11.00 a.m. and 1.00 p.m. up to the date of the results of Postal Ballots.
8. The members are requested to carefully read the instructions printed on the backside of the Postal Ballot Form before exercising their vote.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956.

ITEM NO. 1

As the members are aware, the Company is primarily engaged into the business of manufacturing of Pig Iron and Portland Slag Cement. Now, your Company proposes to enter into generation of power and acquisition and exploration of mines in addition to its main manufacturing activity which will further help the Company in carrying on its business more economically and effectively and attain its main purpose by new and improved means. The said projects will enable the company to economically source quality raw material which will help in reducing the operational costs of the Company in view of captive power source and the same can be conveniently and advantageously combined with the existing business of the Company.

As the present Main Objects Clause of the Memorandum of Association of the Company is not covering the areas, which may be considered in future by the Company for diversification, etc., it is desirable to

amend suitably the existing Clause, as fully detailed in the resolution. The amendment shall be effective upon the registration of the resolution with the Registrar of Companies.

Since the above amendment comes within the ambit of Section 17 of the companies Act, 1956 your approval is sought under the provisions of Section 192A of the said Act read with Companies (Passing of the Resolution by Postal Ballot) Rules, 2001 by voting through Postal Ballot.

The draft copy of the Memorandum of Association of the Company is available for inspection at the Registered Office of the Company on any working day during business hours.

None of the Directors of your Company, in any way, are concerned or interested in the resolution.

The Directors recommend the said resolution for acceptance by the members, by exercising the vote through the postal ballot form, which is sent along with the Notice.

ITEM NO. 2

As the business of the Company is expanding, the existing borrowing powers of Rs.200 Crores may not be adequate to give effect to the same. Therefore, keeping in view, the projections for investments in the upcoming projects and considering the fact that the company would require additional funds in the near future, the existing limits for borrowings of upto Rs.200 Crores be increased to Rs. 500 Crores.

The Company might be required to mortgage and/or create charge on the movable and immovable properties of the Company present and future and/or the whole or any part of the undertaking(s) of the Company in favour of the lender(s) or trustee(s) for securing the borrowings of the Company availed/to be availed by way of loan(s) (in foreign currency and/or rupee currency) and securities (issued/to be issued by the Company), from time to time, subject to the limits approved by the members under Section 293 (1) (d) of the Companies Act, 1956.

None of the Directors of your Company, in any way, are concerned or interested in the resolution.

The Directors recommend the said resolution for acceptance by the members, by exercising the vote through the postal ballot form, which is sent along with the Notice.

By Order of the Board
For K I C Metaliks Limited

Sd/-
Ruchika Dhanuka
Company Secretary

Dated: 22nd May, 2010
Place : Kolkata