

TITAGARH WAGONS LIMITED



Corporate Office :
Titagarh Towers, 756 Anandapur
EM Bypass, Kolkata - 700107
CIN: L27320WB1997PLC084819

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POSTAL BALLOT NOTICE

To

The Member(s),

NOTICE is hereby given that the following Resolutions are circulated herewith for approval of the members of **Titagarh Wagons Limited ("the Company")** to be accorded by Postal Ballot in accordance with the provisions of Sections 108 and 110 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014:

To consider and if thought fit, to give assent/dissent to the following Resolutions:

Raising of funds by way of issue of equity shares and/or other securities for an amount up to Rs. [2,500] million

1. To consider and if thought fit, to pass with or without modification(s) the following Resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 42, 62 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Prospectus and Allotment of Securities) Rules, 2014 and the Companies (Share Capital and Debentures) Rules, 2014 (including any statutory modification or re-enactment thereof, for the time being in force) and other applicable rules thereunder (the "Companies Act") and the enabling provisions of the Memorandum of Association and Articles of Association of the Company, and subject to and in accordance with any other applicable law or regulation, in India or outside India, including without limitation, the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (the "SEBI ICDR Regulations") (including any statutory modification or re-enactment thereof, for the time being in force), the Listing Agreements entered into with the respective stock exchanges where the shares of the Company are listed (the "Stock Exchanges"), the provisions of the Foreign Exchange Management Act, 1999, as amended, including the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000, as amended, the Issue of Foreign Currency Convertible Bonds and Ordinary Shares (Through Depository Receipt Mechanism) Scheme, 1993, as amended, and in accordance with the rules, regulations, guidelines, notifications, circulars and clarifications issued thereon from time to time by the Government of India ("GOI"), the Reserve Bank of India ("RBI"), the Securities and Exchange Board of India ("SEBI"), the Registrar of Companies (the "ROC"), the Stock Exchanges, and/ or any other competent authorities and subject to any required approvals, consents, permissions and/or sanctions of the Ministry of Finance (Department of Economic Affairs), the Ministry of Commerce & Industry (Foreign Investment Promotion Board / Secretariat for Industrial Assistance), the SEBI, the ROC, the RBI and any other appropriate statutory, regulatory or other authority and subject to such conditions and modifications as may be prescribed, stipulated or imposed by any of them while granting such approvals, consents, permissions and / or sanctions, the consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter called the "Board" which term shall be deemed to include any committee which the Board has constituted or may hereinafter constitute to exercise its powers including the power conferred by this Resolution) to create, issue, offer and allot (including with provisions for reservation on firm and /or competitive basis, of such part of issue and for such categories of persons including employees of the Company, as may be permitted), either in India or in the course of international offering(s) in one or more foreign markets, equity shares of the Company with a face value of Rs. 10 each (Rupees Ten Only) each (the "Equity Shares"), Global Depository Receipts ("GDR"), American Depository Receipts ("ADR") Foreign Currency Convertible Bonds ("FCCB") and/or other financial instruments convertible into or exercisable for Equity Shares (including warrants, or otherwise, in registered or bearer form), compulsorily convertible preference shares, optionally convertible preference shares, fully convertible debentures, partly

convertible debentures, non-convertible debentures with warrants and / or any security convertible into Equity Shares with or without voting / special rights and/ or securities linked to Equity Shares and/or securities with or without detachable warrants with right exercisable by the warrant holder to convert or subscribe to Equity Shares pursuant to a Green Shoe Option, if any (all of which are hereinafter collectively referred to as the "Securities") or any combination of Securities, in one or more tranches, whether rupee denominated or denominated in foreign currency, through public offerings and/or private placement and/or on preferential allotment basis or any combination thereof or by issue of prospectus and / or placement document and/ or other permissible / requisite offer document to any eligible person(s), including but not limited to Qualified Institutional Buyers in accordance with Chapter VIII of the SEBI ICDR Regulations, or otherwise, foreign/resident investors (whether institutions, incorporated bodies, mutual funds, individuals or otherwise), venture capital funds (foreign or Indian), alternative investment funds, foreign institutional investors, foreign portfolio investors, Indian and / or bilateral and / or multilateral financial institutions, non-resident Indians, stabilizing agents, state industrial development corporations, insurance companies, provident funds, pension funds and / or any other categories of investors whether or not such investors are members of the Company (collectively referred to as the "**Investors**"), as may be decided by the Board at its discretion and permitted under applicable laws and regulations for an aggregate amount not exceeding Rs. 2,500 million (Rupees twenty five hundred million only) or equivalent thereof in any foreign currency, inclusive of such premium as may be fixed on such Securities at such a time or times, in such a manner and on such terms and conditions including security, rate of interest, discount (as permitted under applicable law) etc., as may be deemed appropriate by the Board in its absolute discretion including the discretion to determine the categories of Investors to whom the offer, issue and allotment shall be made to the exclusion of other categories of Investors at the time of such offer, issue and allotment considering the prevailing market conditions and other relevant factors and wherever necessary in consultation with lead manager(s) and / or underwriter(s) and / or other advisor(s) for such issue.

RESOLVED FURTHER THAT if any issue of Securities is made by way of a Qualified Institutions Placement in terms of Chapter VIII of the SEBI ICDR Regulations (hereinafter referred to as "Eligible Securities" within the meaning of the SEBI ICDR Regulations), the allotment of the Eligible Securities, or any combination of Eligible Securities as may be decided by the Board shall be completed within twelve months from the date of passing of the shareholders' resolution for approving the above said issue of Securities or such other time as may be allowed under the SEBI ICDR Regulations from time to time at such a price being not less than the price determined in accordance with the pricing formula provided under Chapter VIII of the SEBI ICDR Regulations, provided that the Board may, in accordance with applicable law, also offer a discount of not more than 5% or such percentage as permitted under applicable law on such price determined in accordance with the pricing formula provided under Chapter VIII of the SEBI ICDR Regulations.

RESOLVED FURTHER THAT in the event that the Equity Shares are issued to Qualified Institutional Buyers under Chapter VIII of the SEBI ICDR Regulations, the relevant date for the purpose of pricing of the Equity Shares shall be the date of the meeting in which the Board decides to open the proposed issue of Equity Shares and in the event that convertible securities (as defined under the SEBI ICDR Regulations) are issued to Qualified Institutional buyers under Chapter VIII of the SEBI ICDR Regulations, the relevant date for the purpose of pricing of such securities, shall be the date of the meeting in which the Board decides to open the issue of such convertible securities or the date on which the holders of such convertible securities are entitled to apply for Equity Shares or such other time as may be decided by the Board or permitted by the SEBI ICDR Regulations, subject to any relevant provisions of applicable laws, rules, regulations as amended from time to time, in relation to the proposed issue of the Specified Securities.

RESOLVED FURTHER THAT the relevant date for the determination of applicable price for the issue of any other Securities shall be as per the regulations/guidelines prescribed by the SEBI, the Ministry of Finance, the RBI, the GOI through their various departments, or any other regulator and the pricing of any Equity Shares issued upon the conversion of the Securities shall be made subject to and in compliance with the applicable rules and regulations.

RESOLVED FURTHER THAT in pursuance of the aforesaid resolutions:

- a) the Securities to be so offered, issued and allotted shall be subject to the provisions of the Memorandum of Association and Articles of Association of the Company; and

- b) the Equity Shares that may be issued by the Company shall rank *pari passu* with the existing Equity Shares of the Company in all respects.

RESOLVED FURTHER THAT without prejudice to the generality of the above, subject to applicable laws, rules, regulations and guidelines and subject to approvals, consents and permissions, if any, of any governmental body, authority or regulatory institution including any conditions as may be prescribed in granting such approvals, consents or permissions by such governmental authority or regulatory institution, the aforesaid Securities may have such features and attributes or any terms or combination of terms that provide for the tradability and free transferability thereof in accordance with the prevailing practices in the capital markets including but not limited to the terms and conditions for issue of additional Securities and the Board be and is hereby authorized in its absolute discretion in such manner as it may deem fit, to dispose of such Securities that are not subscribed.

RESOLVED FURTHER THAT the Board be and is hereby authorized to issue and allot such number of Equity Shares as may be required to be issued and allotted upon conversion of any Securities or as may be necessary in accordance with the terms of the offering, all such Equity Shares ranking *pari passu* with the existing Equity Shares in all respects.

RESOLVED FURTHER THAT for the purpose of giving effect to the resolutions described above, the Board be and is hereby authorized on behalf of the Company to do all such acts, deeds, matters and things including but not limited to finalization and approval of the preliminary as well as final offer document(s), determining the form and manner of the issue, including the class of investors to whom the Securities are to be issued and allotted, number of Securities to be allotted, issue price, face value, discounts permitted under applicable law (now or hereafter), premium amount on issue/conversion of the Securities, if any, rate of interest, execution of various agreements, deeds, instruments and other documents, including the private placement offer letter, creation of mortgage/ charge in accordance with the provisions of the Companies Act in respect of any Securities as may be required either on *pari passu* basis or otherwise, as it may in its absolute discretion deem fit, necessary, proper or desirable, and to give instructions or directions and to settle all questions, difficulties or doubts that may arise in regard to the issue, offer or allotment of Securities and utilization of the issue proceeds and to accept and to give effect to such modifications, changes, variations, alterations, deletions, additions as regards the terms and conditions as may be required by the SEBI, the ROC, the lead managers, or other authorities or agencies involved in or concerned with the issue of Securities and as the Board may in its absolute discretion deem fit and proper in the best interest of the Company without being required to seek any further consent or approval of the members or otherwise, and that all or any of the powers conferred on the Company and the Board vide this Resolution may be exercised by the Board or such committee thereof as the Board has constituted or may constitute in this behalf, to the end and intent that the members shall be deemed to have given their approval thereto expressly by the authority of this Resolution, and all actions taken by the Board or any committee constituted by the Board to exercise its powers, in connection with any matter(s) referred to or contemplated in any of the foregoing resolutions be and are hereby approved, ratified and confirmed in all respects.

RESOLVED FURTHER THAT the Board be and is hereby authorized to engage / appoint the lead managers, underwriters, guarantors, depositories, custodians, registrars, stabilizing agent, trustees, bankers, advisors and all such agencies as may be involved or concerned in such offerings of Securities and to remunerate them by way of commission, brokerage, fees or the like and also to enter into and execute all such arrangements, agreements, memoranda, documents etc. with such agencies and to seek the listing of such Securities on one or more national and/ or international stock exchange(s).

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate (to the extent permitted by law) all or any of the powers herein conferred to any Committee of Directors or any Whole-Time Director or Directors or any other officer or officers of the Company to give effect to the aforesaid resolutions."

Sub-division of 1 (one) Equity Share of face value of Rs.10/- into 5 Equity Shares Rs. 2 each (Stock Split)

2. To consider and, if thought fit, to pass, with or without modification(s), the following resolution, as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 61, 64 and other applicable provisions, if any, of the Companies Act, 2013, (including any statutory modification or re-enactment thereof for the time being in force)

and in accordance with the provisions of the Memorandum and Articles of Association of the Company and subject to such other approval(s), consent(s), permission(s) and sanction(s) as may be necessary from the concerned Statutory Authority(ies), each Equity Share of the Company having a face value of Rs.10 each fully paid-up be sub-divided into 5 (Five) Equity Shares of the face value of Rs. 2/- (Two) each fully paid-up.

RESOLVED FURTHER THAT on sub-division, 5 (Five) Equity Shares of face value of Rs. 2/- each be allotted in lieu of existing 1 (one) Equity Share of Rs. 10 each subject to the terms of the Memorandum and Articles of Association of the Company and shall rank *pari passu* in all respects with the existing fully paid Equity Shares of Rs.10 each of the Company and shall be entitled to participate in full in dividends to be declared after the subdivided Equity Shares are allotted.

RESOLVED FURTHER THAT on sub-division of Equity Shares as aforesaid, the existing share certificate(s) in relation to the existing Equity Shares of the face value of Rs. 10 each held in physical form shall be deemed to have been automatically cancelled and be of no effect on and from the Record Date and the Company may, without requiring the surrender of the existing share certificate(s), issue and dispatch the new share certificate(s) of the Company in lieu of such existing share certificate(s) subject to the provisions of the Companies (Share Capital and Debentures) Rules, 2014 and in the case of Equity Shares held in the dematerialized form, the number of sub-divided Equity Shares be credited to the respective beneficiary accounts of the Members with the depository participants, in lieu of the existing credits representing the Equity Shares of the Company before sub-division.

RESOLVED FURTHER THAT the Board of Directors of the Company (which expression shall also include a Committee thereof) be and is hereby authorized to make appropriate adjustments due to the sub-division of Equity Shares as aforesaid, to stock options which have or would have been granted to employees of the Company under its Employee Stock Option Scheme pursuant to the applicable guidelines of the Securities and Exchange Board of India (SEBI), such that the exercise price for all employee stock options which are outstanding as on the Record Date (vested and unvested options including lapsed and forfeited options available for reissue) shall be proportionately adjusted and the number of stock options which are available for grant and those already granted but not exercised as on Record Date shall be appropriately adjusted.

RESOLVED FURTHER THAT subject to approval(s), consent(s), permission(s) and sanction(s) as may be necessary from the concerned Statutory Authority(ies) and Indian Depositories the consent of the Company be and is hereby accorded for registering additional equity shares arising out of the stock split/ sub-division as may be required to maintain the existing ratio of shares post sub-division.

RESOLVED FURTHER THAT the Board of Directors of the Company (which expression shall also include a Committee thereof) be authorised to take such steps as may be necessary including the delegation of all or any of its powers herein conferred to any Director(s), the Company Secretary or any other officer(s) of the Company for obtaining approvals, statutory, contractual or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto, and to 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 for the purpose of giving effect to this resolution."

Alteration in the Memorandum of Association

3. **To consider and if thought fit, to pass with or without modification(s) the following Resolution as a Special Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 13 of the Companies Act, 2013 (the Act) read with the Rules made thereunder, the sub-clause (V) shall be substituted by the following sub-clause:

(V) "The Authorised Share Capital of the Company is Rs. 1,48,00,00,000/- (Rupees One Hundred Forty Eight Crores only) divided into 48,00,00,000 (Forty Eight Crores) Equity Shares of Rs. 2/- (Rupees Two only) each, and 5,20,00,000 (Five Crores Twenty Lacs) Preference Shares of Rs. 10/- (Rupees Ten only) each, all or any part of the Share Capital shall be capable of being increased or reduced, classified or reclassified or reorganised in accordance with the Company's Regulations and Legislative provisions for the time being in force in that behalf, with power to divide the Shares in the Capital for the time being into Equity Share Capital and Preference Share Capital, to attach thereto respectively any preferential, qualified, deferred or special rights, privileges or conditions and to vary, modify or abrogate any such rights, privileges or conditions."

RESOLVED FURTHER THAT the Board of Directors of the Company (which term shall include a committee thereof) be and is hereby severally authorized to make such applications and to do and perform all such acts, deeds, matters or things as may be necessary, appropriate, expedient or desirable to give effect to this Resolution.”

Alteration in the Articles of Association

4. **To consider and if thought fit, to pass with or without modification(s) the following Resolution as a Special Resolution:**

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

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to do all such acts, deeds and action as may be necessary, proper or expedient to give effect to this resolution.”

Registered Office :

1B, Aster Court

3, Loudon Street, Kolkata 700017

4th March, 2015

By Order of the Board
for TITAGARH WAGONS LIMITED

Dinesh Arya

Company Secretary

NOTES :

1. Explanatory Statement and reasons for the proposed resolutions stated hereinabove, pursuant to Section 102 of the Companies Act, 2013 (“the Act”) read with the Companies (Management and Administration) Rules, 2014 are appended hereto.
2. The Company has appointed Messrs Sushil Goyal & Co., Practising Company Secretaries as Scrutinizers for conducting the postal ballot process, in a fair manner.
3. The votes should be cast either in favour of /or against by putting the tick [✓] mark in the column provided for assent or dissent. Postal Ballot Form bearing [v] in both the columns will render the form invalid.
4. The Notice is being sent to all the Members, whose names appear in the Register of Members/ List of beneficial owners as received from National Securities Depository Limited (NSDL) / Central Depository Services (India) Limited (CDSL) as on Friday, March 6, 2015 (Cut-Off date).
5. In compliance with provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Clause 35B of the Listing Agreement, the Company is pleased to offer e-voting facility as an alternative, to all the Shareholders of the Company. For this purpose, the Company has entered into agreement with NSDL for facilitating e-voting to enable shareholders to cast their vote electronically instead of despatching Postal ballot Form. E-voting is optional.

Instructions for e-voting by shareholders are as under:-

I. In case of Shareholders receiving e-mail

- a. In case a member receives an email from Karvy (for members whose email IDs are registered with the Company/ Depository participant(s):
 - b. Launch internet browser by typing the URL : <https://evoting.karvy.com>
 - c. Enter the login credentials (i.e., User ID and password mentioned on the Postal Ballot Form). However, if you are already registered with Karvy for e-voting, you can use your existing User ID and password for casting your vote.
 - d. You will reach the Password change menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character. The system will prompt you to change your password and update any contact details like mobile, email etc. on first login. You may also enter the secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - e. You need to login again with the new credentials.
 - f. On successful login, the system will prompt you to select the *EVENT* i.e.
- g. On the voting page, the number of shares as held by the shareholder as on the Cut-off Date will appear. If you desire to cast all the votes assenting/dissenting to the Resolution then enter all shares and click “FOR” / Against as the case may be. You are not required to cast all your votes in the same manner. You may also choose the option ABSTAIN in case you wish to abstain from voting.

- h. Shareholders holding multiple folios / demat account shall choose the voting process separately for each folios / demat account.
- i. Cast your vote by selecting an appropriate option and click on SUBMIT. A confirmation box will be displayed. Click OK to confirm else CANCEL to modify. Once you confirm, you will not be allowed to modify your vote. During the voting period, shareholders can login any number of times till they have voted on the resolution.
- j. 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: corp@titagarh.in a copy marked to evoting@karvy.com
- k. Once you have cast your vote on a resolution you will not be allowed to modify it subsequently.
- II. In case of Shareholders receiving Postal Ballot through Post
 - a. To use the following URL for e-voting: <https://evoting.karvy.com>
 - b. Enter the login credentials i.e., user id and password as provided at the Postal Ballot Form, as per format given below:

EVEN (E Voting Event Number)	USER ID	PASSWORD/PIN

- c. Please follow all steps from (c) to (k) above, to cast vote.
6. The voting period for e-voting module commences at 10.00 A.M. on Friday, the 13th March, 2015 and ends at 6.00 P.M. on Saturday, the 11th April, 2015. The e-voting module shall thereafter be disabled by KCPL.
7. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for shareholders and e-voting User Manual for shareholders available at the download section of <https://evoting.karvy.com> or contact Karvy Computershare Pvt. Ltd. at 040 44655000 or at 1800 345 4001 (toll free).
8. It is strongly recommended not to share your password with any other person and take utmost care to keep it confidential.
9. Kindly note that the Members can opt only one mode of voting i.e. either by physical Ballot or e-voting. If you are opting for e-voting, then do not vote by physical Ballot also and vice versa. However, in case member has voted both in physical as well as e-voting, then voting done through valid physical Ballot shall prevail and voting done by e-voting will be treated as invalid.
10. Shareholders who have registered their e-mail IDs with depositories or with the Company are being sent Notice of Postal Ballot by e-mail and shareholders who have not registered their e-mail IDs will receive Notice of Postal Ballot along with Postal Ballot Form through post. In case, the Members, who have been sent the Notice by email and who wish to avail the Notice and Postal Ballot in physical Form, may send a request to the Company at corp@titagarh.in or to the Karvy Computershare Private Limited at evoting@karvy.com (RTA). On receipt of such requests, the Company will arrange to dispatch the same.
11. A member may also request for a duplicate Postal ballot Form, if so required, by sending a request to the Company at corp@titagarh.in or at Karvy Computershare Private Limited at Plot No. 17 to 24, Vittal Rao Nagar, Madhapur, Hyderabad - 500 081 (RTA).
12. The shareholders are requested to carefully read the instructions printed on the attached Postal Ballot Form. The Postal Ballot Form, duly completed and signed, should be returned in the enclosed self-addressed and postage prepaid Envelope to the Scrutinizer. Envelopes, containing postal ballot form, deposited in person at the address given therein or sent by courier or registered post at the expenses of the member will also be accepted. The envelopes containing the Postal Ballot should reach the Scrutinizer not later than the close of the working hours, i.e., by 6 P.M., on Saturday, 11th April, 2015.
13. The voting rights of Shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on Friday, the 6th March, 2015 (Cut-off Date).
14. The result of the Postal Ballot shall be announced by the Executive Chairman, or in his absence, by any other person so authorized by him on Monday, the 13th April, 2015 at its Corporate Office of the Company ("**the Venue**") and the Resolutions will be taken as passed effectively on the date of announcement of the result if the result of the Postal Ballot indicates that the requisite majority of the Shareholders had assented to the Resolutions. The result of Postal Ballot shall be declared by placing it along with the Scrutinizer's report on Company's website at www.titagarh.biz besides being communicated to the Stock Exchanges and published in the newspaper(s). Voting rights shall be reckoned on the paid up value of shares registered in the name of the member as on the Cut-off Date. Members can vote for their entire voting rights as per their discretion
15. All documents referred to in accompanying Notice and Explanatory Statement shall be open for inspection at the Registered Office/Corporate Office of the Company during the office hours on all working days except Saturdays between 10:00 am to 3:00 pm up to the date of declaration of results of Postal Ballot.
16. Members who have not registered their e-mail addresses so far are requested to register their e-mail address so that they can receive the correspondence(s) and other communication(s) from the Company electronically.

EXPLANATORY STATEMENT IN RESPECT OF SPECIAL BUSINESSES SET OUT IN THE NOTICE OF POSTAL BALLOT PURSUANT TO THE PROVISIONS OF SECTION 102 OF THE COMPANIES ACT, 2013 ('THE ACT')

ITEM NO. 1

Your Directors draw your attention to the fact that the Company requires funds to meet the needs of growing business viz. upgradation of the facilities and expansion by inorganic route to be able to compete with its peer group in domestic as well as international markets. While it is expected that the internal generation of funds would partially finance the need for capital to raise resources externally, it is thought prudent for the Company to have enabling approvals to raise a part of the funding requirements for the said purposes as well as for such other corporate purposes as may be permitted under applicable laws through the issue of appropriate securities as defined in the resolution, in Indian or international markets.

It is proposed to create, offer, follow on offer, issue and allot securities as stated in the resolution at such price or prices, at a discount or premium to market price or prices in such manner and on such terms and conditions including security, rate of interest, etc. as may be deemed appropriate by the Board/ Committee at its discretion including the discretion to determine the categories of allottees to whom the offer, issue and allotment shall be made at the time of such offer, issue and allotment considering the market conditions and other relevant factors and wherever necessary in consultation with lead managers, either in foreign currency or equivalent Indian Rupees inclusive of such premium as may be determined by the Board/ Committee, in any convertible foreign currency, as the Board/ Committee at its absolute discretion may deem fit and appropriate. The Company intends to issue securities for aggregate amount not more than Rs. 2,500 million or its equivalent in one or more foreign currencies.

This Special Resolution enables the Board of Directors/ Committee to undertake a Qualified Institutions Placement with Qualified Institutional Buyers as per SEBI (Issue of Capital and Disclosures Requirements) Regulations, 2009, amended from time to time ("ICDR Regulations"). The Board of Directors/ Committee may adopt this mechanism, as prescribed under Chapter VIII of the ICDR Regulations in order to facilitate and meet capital expenditure needs of the existing /future projects of the Company, its subsidiaries and to meet any exigencies etc. without the need for fresh approval from the shareholders.

Basis or Justification of Price: The pricing of the Securities to be issued to Qualified Institutional Buyers pursuant to Chapter VIII of the ICDR Regulations shall be determined by the Board/Committee subject to such a price not being less than the price calculated in accordance with the ICDR Regulations.

The Special Resolution also enables the Board/ Committee to issue Securities in tranches, at such times, at such prices and to such person(s) including institutions, bodies incorporated and/or individuals or otherwise as the Board/ Committee deem fit. The Company with this resolution intends to retain the right and flexibility to issue securities including but not limited to GDRs, ADRs, FCCBs and Equity Shares. The Company may, in accordance with applicable laws, offer a discount of not more than 5% or such percentage as permitted under applicable law on the price determined pursuant to the ICDR Regulations. The "Relevant Date" for this purpose will be the date when the Board or the Committee thereof decides to open the Qualified Institutions Placement for subscription.

The detailed terms and conditions for the offer will be determined by the Board/ Committee in consultation with the Lead Managers and such other authorities as may be required considering the market conditions and in accordance with the applicable provisions of law. The Equity Shares allotted or arising out of conversion of any Securities will be listed on recognized stock exchanges subject to the availability of regulatory approvals.

Section 62 of the Companies Act, 2013 and the provisions of Listing Agreements entered into with the stock exchanges, provide, inter alia, that where it is proposed to increase the subscribed share capital of the Company by allotment of further shares, such further shares may be offered to the person other than members of the Company, if authorized by the members pursuant to a special resolution. The special resolutions seek the consent and authorization of the members to the Board/ Committee to make the proposed issue of Securities, in consultation with the lead managers, advisors and other intermediaries and in the event it is decided to issue Securities convertible into equity shares, to issue to the holders of such convertible Securities in such manner and such number of equity shares on conversion as may be required to be issued in accordance with the terms of the issue, keeping in view the prevailing market conditions and in accordance with the applicable rules & regulations or guidelines.

The Stock Exchange for the same purpose is BSE Limited/National Stock Exchange of India Limited.

In case of QIP issuance the special resolution has a validity period of 12 months before which allotments under the authority of said resolution should be completed.

The Directors recommend this Resolution at Item No. 1 of the accompanying Notice for the approval of the Members of the Company by way of a special resolution.

None of the Directors and Key Managerial Personnel of the Company or their relatives is directly or indirectly concerned or interested in this resolution.

ITEM NO. 2

The Equity Shares of the Company are listed and actively traded on the National Stock Exchange of India Limited and the Bombay Stock Exchange Limited. With a view to encourage the participation of small investors by making Equity Shares of the Company affordable, the Board has considered and approved the sub-division of one Equity Share of the Company having a face value of Rs. 10 each into 5 [Five] Equity Shares of face value of Rs. 2 (Two) each subject to approval of the Members and any other statutory and regulatory approvals, as applicable. The Record Date for the aforesaid sub-division of the Equity Shares will be fixed after approval of the Members is obtained.

The sub-division of Equity Shares would, *inter alia*, require appropriate adjustments with respect to all the stock options of the Company under its Employee Stock Option Scheme in force or as may come into force prior to the sub-division, such that all the stock options outstanding as on Record Date (vested and unvested options including lapsed and forfeited options available for reissue) as well as stock options which are available for grant and those already granted but not exercised as on Record Date shall be proportionately converted into options for Equity Shares of face value of Rs. 2 (Two) each and the grant price of all the outstanding stock options shall be proportionately adjusted by dividing the existing grant price by 5 (Five).

Presently, the authorised share capital of the Company is Rs.1480 million divided into: (i). 9,60,00,000 Equity Shares of Rs. 10 each and (ii) 5,20,00,000 preference shares of Rs.10 each.

The sub-division as aforesaid would require consequential amendments to the existing Clause V of the Memorandum of Association and Article 5(a) of the Articles of Association of the Company as set out in Item Nos. 3 and 4 of the Notice respectively to reflect the change in face value of each Equity Share.

The Directors recommend passing of the Resolution at Item No. 2 of the Notice.

None of the Directors, Key Managerial Personnel or their relatives are in any way concerned or interested in the Resolution at Item No. 2 of the Notice except to the extent of their shareholding and outstanding employee stock options in the Company.

ITEMS NO. 3 & 4

The existing Memorandum of Association (MOA) requires alteration to reflect the sub division of equity shares as proposed hereinabove and Articles of Association (AOA) are based on the Companies Act, 1956 and several regulations in the existing AOA contain references to specific sections of the Companies Act, 1956.

With the coming into force of the Companies Act, 2013, several regulations of the existing AOA require alteration. There is no change of any object in the MOA. Given this position, it is considered expedient to replace the existing AOA by a new set of Articles.

The Directors commend the Resolutions for approval by the Members.

None of the Directors or Key Managerial Personnel (KMP) or their relatives is in any way concerned or interested in the Resolutions.

Registered Office :
1B, Aster Court
3, Loudon Street, Kolkata 700017
4th March, 2015

By Order of the Board
for TITAGARH WAGONS LIMITED
Dinesh Arya
Company Secretary