

KILBURN CHEMICALS LTD

CIN: L24117WB1990PLC199409 "SHANTINIKETAN" 16TH FLOOR, 8, CAMAC STREET, KOLKATA-700 017
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NOTICE CALLING EXTRA-ORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT AN EXTRAORDINARY GENERAL MEETING ("EGM") OF THE SHAREHOLDERS OF THE COMPANY WILL BE HELD AT BHARATIYA BHASHA PARISHAD, 36A, SHAKESPEARE SARANI, KOLKATA- 700 017 AT 11:00 AM, ON SATURDAY, THE 27TH DAY OF FEBRUARY, 2016 TO TRANSACT THE FOLLOWING SPECIAL BUSINESSES:

1. TO CONSIDER THE ISSUE OF EQUITY SHARES ON PREFERENTIAL BASIS TO THE PROMOTER/PROMOTER GROUP:

To consider and if thought fit, to pass, with or without modification(s), the following resolution as a SPECIAL RESOLUTION:

"RESOLVED THAT in accordance with the provisions of Section 42, 62 and all other applicable provisions if any of the Companies Act, 2013, and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Securities Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and subsequent amendments thereto (the "**SEBI (ICDR) Regulations, 2009**"), and subject to the regulations/guidelines, if any, issued by the Government of India, the Reserve Bank of India and any other applicable laws, rules and regulations (including any amendment thereto or re-enactment thereof for the time being in force) and the relevant provisions of the Memorandum and Articles of Association of the Company and Listing Agreement/Regulations entered into by the Company with the Stock Exchanges where the shares of the Company are listed, and subject to such approvals, consents, permissions and sanctions as may be required from the Government of India, Reserve Bank of India, Securities and Exchange Board of India, Stock Exchanges and any other relevant statutory, governmental authorities or departments, institutions or bodies ("**Concerned Authorities**") in this regard and further subject to such terms and conditions or modifications thereto as may be prescribed or imposed by any of the Concerned Authorities while granting such approvals, and permissions as may be necessary or which may be agreed to by the Board of Directors of the Company (hereinafter referred to as "**the Board**", which term shall include any Committee constituted by the Board or any person(s) authorized by the Board to exercise the powers conferred on the Board by this Resolution), the consent of the Company be and is hereby accorded to the Board to offer, issue and allot upto 940000 (Nine Lakh Forty Thousand) Equity Shares of face value of Rs. 10/- (Rupees Ten Only) each of the Company, on Preferential Basis, at an Issue price of Rs. 39/- (Rupees Thirty Nine Only) per equity share, including a premium of Rs. 29/- (Rupees Twenty Nine Only) per equity share, or at such higher price as may be determined in accordance with chapter VII of the SEBI (ICDR) Regulations, 2009 and on such terms and conditions and in such manner as the Board may in its absolute discretion deem fit to the following entities/ persons as mentioned below:

Sr. No.	Name of the Proposed Allottees	No of Equity Shares to be allotted	Allottee is : QIB / MF / FI / Trust / Banks/Others	Mode of Payment
A.	Promoter Group:			
1.	M/s. Supriya Finance Ltd.	940000	Others	Cash
	Total	940000		

"RESOLVED FURTHER THAT:

- (i) The relevant date for the purpose of determining the minimum Issue Price of the shares in accordance with the SEBI (ICDR) Regulations, 2009, be fixed as 28th January 2016, being the 30th day prior to 27th February, 2016 i.e., the date on which the Extraordinary General Meeting of the shareholders is convened, in terms of Section 62(1)(c) of the Companies Act, 2013 (to the extant rules notified) to consider the proposed preferential issue.
- (ii) The equity shares to be issued and allotted pursuant to the preferential allotment shall be in dematerialized form only.
- (iii) The equity shares allotted in terms of this resolution shall be subject to the relevant provisions contained in the Memorandum and Articles of Association of the Company and shall rank pari-passu in all respects with the existing fully paid up equity shares of Rs. 10/- each of the Company.

- (iv) The new equity shares to be allotted to the Promoter/Promoter Group shall be subject to a lock-in period in accordance with Regulation 78 of the SEBI (ICDR) Regulations, 2009 and subsequent amendments thereto.
- (v) The Board be and is hereby authorized to decide and approve the other terms and conditions of the issue of equity shares, and also shall be entitled to vary, modify or alter any of the terms and conditions, including the issue price on a higher side than mentioned above, as it may deem expedient, without being required to seek any further consent or approval of the Company in EGM.

“RESOLVED FURTHER THAT for the purpose of giving effect to any issue or allotment of equity shares of the Company the Board be and is hereby authorized on behalf of the Company to take all such actions and do all such deeds, matters and things as it may, in its absolute discretion, deem necessary, desirable or expedient and to settle any question, difficulties or doubts that may arise in this regard including but not limited to the offering, issue and allotment of equity shares of the Company as it may in its absolute discretion deem fit and proper, without being required to seek any further consent or approval of the shareholders 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.”

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

2. TO CONSIDER THE ISSUE OF WARRANTS ON A PREFERENTIAL BASIS TO THE PROMOTER/PROMOTER GROUP:

To consider and if thought fit, to pass with or without modification(s), the following resolution as a SPECIAL RESOLUTION:

“RESOLVED THAT in accordance with the provisions of Section 42, 62 and all other applicable provisions if any of the Companies Act, 2013, and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Securities Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (the **“SEBI (ICDR) Regulations, 2009”**) as in force, and subject to the regulations/guidelines, if any, issued by the Government of India, the Reserve Bank of India and any other applicable laws, rules and regulations (including any amendment thereto or re-enactment thereof for the time being in force) and the relevant provisions of the Memorandum and Articles of Association of the Company and Listing Agreement entered into by the Company with the Stock Exchanges where the shares of the Company are listed, and subject to such approvals, consents, permissions and sanctions as may be required from the Government of India, Reserve Bank of India, Securities and Exchange Board of India, Stock Exchanges and any other relevant statutory, governmental authorities or departments, institutions or bodies (**“Concerned Authorities”**) in this regard and further subject to such terms and conditions or modifications thereto as may be prescribed or imposed by any of the Concerned Authorities while granting such approvals, and permissions as may be necessary or which may be agreed to by the Board of Directors of the Company (hereinafter referred to as **“the Board”**, which term shall include any Committee constituted by the Board or any person(s) authorized by the Board to exercise the powers conferred on the Board by this Resolution), the consent of the Company be and is hereby accorded to the Board to offer, issue and allot, in one or more tranches, upto 2725000 (Twenty Seven Lakhs Twenty Five Thousand) Convertible Warrants (hereinafter referred to as **“Warrants”**) on Preferential basis to the Promoters/ Promoter Group (as detailed below), on such terms and conditions and in such manner as the Board may think fit, each Warrant entitling the holder of the Warrants to apply for and be allotted one equity share of face value of Rs. 10/- each fully paid-up, at a price of Rs. 39/- (Rupees Thirty Nine Only) per equity share, including a premium of Rs.29/- (Rupees Twenty Nine Only) per equity share, or at such a higher price as may be determined in accordance with chapter VII of the SEBI (ICDR) Regulations, 2009, and the conversion of which should be made within a period not exceeding eighteen months from the date of allotment of the Warrants, in one or more tranches, in accordance with SEBI (ICDR) Regulations, 2009 and other relevant rules, regulations and guidelines as may be prevailing at the time of allotment of shares:

Sr. No.	Name of the Proposed Allottees	No. of Warrants to be allotted	Allottee is: Individual/ Banks/ Others	QIB/ FI/ Trust/	Mode of payment
A.	Promoter Group:				
1.	M/s. Shree Durga Agencies Limited	900000	Others		Cash

2.	M/s. Sandeep Investments Limited	285000	Others	Cash
3.	M/s. Nirvan Commercial Company Limited	500000	Others	Cash
4.	M/s. Anna Vincom Private Limited	800000	Others	Cash
5.	M/s. Arham Vyapaar Private Limited	240000	Others	Cash
	TOTAL	2725000		

“RESOLVED FURTHER THAT:

- (i) The relevant date for the purpose of determining the minimum Issue Price of the Warrants in accordance with the SEBI (ICDR) Regulations, 2009 be fixed as 28th January, 2016, being the 30th day prior to 27th February, 2016 i.e., the date on which the Extraordinary General Meeting of the shareholders is convened, in terms of Section 62(1)(c) of the Companies Act, 2013 (to the extant rules notified) to consider the proposed preferential issue.
- (ii) The equity shares allotted on conversion of Warrants to Promoters /Promoter Group of the Company shall be in dematerialized form only.
- (iii) An amount equivalent to 25% of the Issue Price shall be payable at the time of subscription and allotment of each Warrant. The balance 75% of the Issue Price shall be payable by the Warrant holder upon exercise of the entitlement attached to Warrants (s) to subscribe for Equity Share(s). The amount paid against Warrants shall be adjusted/ set off against the Issue Price of the resultant Equity Shares;
- (iv) If the entitlement against the Warrants to apply for the equity shares is not exercised within 18 (eighteen) months from the date of allotment of the Warrants, the entitlement of the Warrant holder to apply for equity shares of the Company along with the rights attached thereto shall expire and any amount paid on such Warrant shall stand forfeited by the Company.
- (v) The equity shares allotted on conversion of Warrants in terms of this resolution shall be subject to the relevant provisions contained in the Memorandum and Articles of Association of the Company and shall rank pari passu in all respects with the existing fully paid up equity shares of Rs. 10/- each of the Company.
- (vi) The aforesaid Warrants allotted in terms of this resolution and the resultant equity shares arising on exercise of right attached to such Warrants shall be subject to lock-in requirements as per the provisions of Chapter VII of the SEBI (ICDR) Regulations, 2009, and subsequent amendments thereto.
- (vii) The Board be and is hereby authorized to decide and approve the other terms and conditions of the issue of equity shares, and also shall be entitled to vary, modify or alter any of the terms and conditions, including the issue price on a higher side than mentioned above, as it may deem expedient, without being required to seek any further consent or approval of the Company in a General Meeting.

“RESOLVED FURTHER THAT the aforesaid issue of Warrants shall be in accordance with the following terms and conditions:

- (i) A Warrant by itself shall not give to a Warrant holder thereof, any rights of the shareholder or the debenture holder of the Company.
- (ii) In the event, the equity shares of the Company are either sub-divided or consolidated before the conversion of the Warrants into equity shares of the Company, then the face value, the number of equity shares to be acquired on conversion of the Warrants, and the Warrant Issue Price shall automatically stand adjusted in the same proportion, as the present value of the equity shares of the Company bears, to the newly sub-divided/ consolidated equity shares without affection any right or obligation of the said Warrant holders; and
- (iii) In the event, the Company’s equity capital is affected or changed due to any other corporate actions such as a merger, demerger, consolidation of business, Rights Issue, Bonus Issue, or other reorganization of the Company, tender offer for equity shares or sale of undertaking, necessary adjustments with respect to the terms of the aforesaid Warrants shall be made by the Company and such other action, as may be deemed necessary or appropriate by the Board shall be taken to reflect such corporate actions, including but without limitation, suitable adjustment of the issue of number of Warrants/ Warrant Issue Price etc., subject to necessary approvals, if any.”

“**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board be and is hereby authorized on behalf of the Company to take all actions and do all such deeds, matters and things as it may, in its absolute discretion, deem necessary, desirable or expedient to issue or allotment of the aforesaid Warrants and the resultant equity shares to the holders of Warrants upon exercise of right to subscribe the shares and listing thereof with the stock exchange(s) as appropriate and to resolve and settle all questions and difficulties that may arise in relation to the proposed issue, offer and allotment of any of the said Warrants, utilization of the issue proceeds and to do all acts, deeds and things in connection therewith and incidental thereto as the Board may in its absolute discretion deem fit, without being required to seek any further consent or approval of the shareholders 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.”

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

**By Order of the Board
For Kilburn Chemicals Limited
Sd/-
S. K. Jalan
(Managing Director)
DIN: 00015836**

Place: Kolkata
Date: 08.01.2016

NOTES:

1. The Explanatory Statement as required under Section 102 of the Companies Act, 2013, is annexed herewith and forms part of the Notice.
2. A MEMBER ENTITLED TO ATTEND AND VOTE, IS ENTITLED TO APPOINT A PROXY TO ATTEND AND ON A POLL TO VOTE INSTEAD OF HIMSELF /HERSELF. THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. A BLANK PROXY FORM IS ENCLOSED. THE PROXY FORM DULY STAMPED AND EXECUTED SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY.
3. The Instrument appointing a Proxy must be lodged at the Registered Office of the Company at least 48 hours prior to the time of the meeting.
4. A copy of all the documents referred to in the accompanying explanatory statement are open to inspection at the Registered Office of the Company on all working days except holidays between 11.00 a.m. to 1.00 p.m. up to the date of EGM and at the EGM.
5. The Auditor’s certificate certifying that the Issue of equity shares and Warrants on Preferential Basis is being made in accordance with the SEBI (ICDR) Regulations, 2009 on preferential issues, will be available for inspection at the Registered Office of the Company between 11.00 a.m. to 01.00 p.m. on all working days up to the date of EGM and at the EGM.
6. Members are requested to affix their signatures at the space provided on the Attendance Slip annexed to the Proxy Form and hand over the slip at the entrance to the place of the Meeting.
7. Members who hold shares in dematerialized form are requested to bring their Client ID and DP ID for easy identification of attendance at the meeting.
8. Corporate members intending to send their authorized representatives are requested to send a duly certified copy of the Board Resolution authorizing their representatives to attend and vote at the EGM.
9. E-voting clauses:
 - I. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide Members holding shares either in physical form or in dematerialized form the facility to exercise means and the business may be transacted through e-voting services by Central Depository Services Limited (CDSL). The instructions for e-voting are as under:

The Notice of the Extra Ordinary General Meeting (EGM) of the Company interalia indicating the process and manner of e-voting process along with printed Attendance slip and Proxy Form is being dispatched to all the Members. The voting particulars are provided at the bottom of the Attendance slip for the Extra-Ordinary General Meeting.

- a. Log on to the e-voting website: www.evotingindia.com during the voting period.
- b. Click on :**SHAREHOLDERS**” tab
- c. Now, select Electronic Voting sequence No. as mentioned in the Attendance slip along with “**KILBURN CHEMICALS LTD.**” .
- d. Now enter your **USER ID** (as mentioned in the Attendance Slip)

- i. For CDSL: 16 digits beneficiary ID.
 - ii. FOR NSDL: 8 Characters DP ID followed by 8 digits client ID
 - iii. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- e. Next enter the Image verification as displayed and Click on LOGIN.
 - f. If you are holding shares in Demat Form and has logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
 - g. However, if you are a first time user, please use the E-Voting particular provided in the attendance Slip and fill up the same in the appropriate boxes.
 - h. After entering these details appropriately, click on “SUBMIT “tab.
 - i. Members holding shares in physical form will then reach directly the Company selection screen. However, members 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 company on which their are eligible to vote, provided that company 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.
 - j. For members holding shares in physical form, the details in attendance slip can be used only for e-voting on the resolutions contained in this Notice.
 - k. Click on the EVSN “KILBURN CHEMICALS LTD” for which you choose to vote.
 - l. 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 option No implies that you dissent to the Resolution.
 - m. Click on the “RESOLUTION FILE LINK” if you wish to view the entire Resolutions.
 - n. After selecting the resolution you have decided to vote on click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
 - o. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify the vote.
 - p. You can also take out print out of the voting done by you clicking on “CLICK HERE TO PRINT” option on the voting page.
 - q. If Demat account holders have forgotten the changed password then enter the USER ID and image verification code (CAPTCHA CODE) click on Forgot Password and enter the details as prompted by the system.
 - r. Institutional Shareholders (i.e. other than Individuals, HUF, and NRI etc) are required to log on to [http:// www.evotingindia.co.in](http://www.evotingindia.co.in) and register themselves as Corporate.
 - They should submit a scanned copy of the registration form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com
 - After receiving the login details they have to create a user who would be able to link the account(s) for which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Authorised Person/Custodian, if any, in PDF Format in the system for the scrutinizer to verify the same.
- II. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (FAQ) and e-voting manual available at www.evotingindia.co.in. You can also contact the helpdesk on the toll free number: 1800-200-5533.
 - III. The Remote E-Voting period begins from 23th February, 2016 (9.00 A.M.) (IST) and ends on 26th February, 2016 (5.00 P.M.)(IST) During this period, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off/entitlement date of 20th February, 2016 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 shareholders by electronic means, the shareholders shall not be allowed to change it subsequently or cast his vote by any other means.

- IV. The voting rights of shareholders shall be in proportion to their shares of the paid up equity capital of the Company as on the cut-of/entitlement date of 20th February, 2016.
- V. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through Polling Paper.
- VI. The members who have cast their vote by remote e-voting may also attend the Meeting but shall not be entitled to cast their vote again.
- VII. Mr. Sunil Kumar Banerjee (Membership No.FCS 4652) has been appointed as the scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- VIII. The scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period in block the votes in the presence of at least (2) witnesses not in the employment of the Company and make scrutinizer's report of the votes cast in favour or against, if, any, forthwith.

The results shall be declared on or after the Extra-Ordinary General Meeting of the Company. This Notice as well as the Results declared along with the Scrutinizer's Report shall be communicated to CDSL and The Bombay Stock Exchange on or after 28.02.2016.

Registered Office:

Shantiniketan Building,
16th Floor,
8, Camac Street,
Kolkata- 700 017
Dated: 08.01.2016

**By Order of the Board
For Kilburn Chemicals Limited
Sd/-
S. K. Jalan
(Managing Director)
DIN: 00015836**

EXPLANATORY STATEMENT TO BE ANNEXED TO NOTICE PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 (TO THE EXTANT RULES NOTIFIED AND APPLICABLE) AND DISCLOSURES AS REQUIRED UNDER REGULATION 73 OF SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURES REQUIREMENTS) REGULATIONS, 2009, AND SUBSEQUENT AMENDMENTS THERETO [“SEBI (ICDR) REGULATIONS, 2009”].

Item No. 1 & 2:

The Company is in the process of setting up a new Chemical Project for production of both Anatase and Rutile Grades of Titanium dioxide with an annual capacity of 15,000 MT at Jolwa Village at Dahej in the State of Gujarat. The Company has already acquired land for the abovementioned Project from Gujarat Industrial Development Corporation. The Bank of Baroda and State Bank of India has already sanctioned the loan to the Company for the financial assistance to the captioned Project. In order to partly finance the Promoter’s contribution towards Investments in the aforesaid Chemical Project, the Board of Directors of the Company (“**the Board**”) at their meeting held on 08.01.2016, thought it prudent to infuse fresh equity capital in the Company by issue, offer and allot 940000 (Nine Lakhs Forty Thousand) Equity Shares to the Promoter/Promoter Group and 27,25,000 (Twenty Seven Lakhs Twenty Five Thousand) convertible warrants (the “**Warrants**”) to the Promoter/Promoter Group, particulars of which are given hereafter, on Preferential Basis at an Issue Price of Rs. Rs. 39/- per equity share, including a premium of Rs. 29/- each per equity share, or at such higher price as determined in compliance with Chapter VII of the Securities & Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2009 & subsequent amendments thereto [“**SEBI (ICDR) Regulations, 2009**”].

Since the Equity Shares and Warrants are proposed to be issued and allotted on private placement basis, the consent of the shareholders by a Special Resolution is necessary in terms of section 62(1)(c) of the Companies Act, 2013 subject to receipt of requisite corporate and regulatory approvals. The aforesaid issue and allotment of Equity Shares and Warrants will be governed by the provisions of the SEBI (ICDR) Regulations, 2009 and subsequent amendments thereto.

Disclosure that is required to be made pursuant to clause 73(1) of the SEBI (ICDR) Regulations, 2009:

a) Object of the Issue:

The Objects of the Preferential Allotment is to raise funds for business purposes as mentioned in the explanatory statement.

b) Intention of the Promoters/Directors/Key Management Persons to subscribe to this Offer:

The Promoters/ Promoter Group of the Company, as detailed below, intend to subscribe to the extent of 9,40,000 equity shares and 27,25,000 Warrants, with each Warrant being convertible into one equity share of face value of Rs. 10/- (Rupees Ten Only).

Name of the Proposed Allottees:	No. of Securities
Equity shares:	
- M/s. Supriya Finance Ltd.	940000
Warrants:	
- M/s. Shree Durga Agencies Limited	900000
- M/s. Sandeep Investments Limited	285000
- M/s. Nirvan Commercial Company Limited	500000
- M/s. Anna Vincom Private Limited	800000
- M/s. Arham Vyapaar Private Limited	240000
TOTAL	3665000

**On an assumption of full conversion of the Warrants into equity shares of the Company by each of the allottees.*

Except the above, there is no intention of any other Promoters, Directors and Key Management Persons of the Company to subscribe to the captioned Preferential Issue.

c) Shareholding Pattern before and after the Offer: (as of 08.01.2016)

A. The pattern of shareholding before and after the issue of 9,40,000 Equity Shares would be as under:

Class of Members	Pre- Preferential Issue		Post- Preferential Issue (Assuming full allotment of 9,40,000 equity shares)	
	No. of Shares	% of share capital	No. of Shares	% of share capital
A. Promoters/ Promoter Group:				
a. Indian Promoters				

Class of Members	Pre- Preferential Issue		Post- Preferential Issue (Assuming full allotment of 9,40,000 equity shares)	
	No. of Shares	% of share capital	No. of Shares	% of share capital
(i) Proposed Allottees - M/s. Supriya Finance Ltd.	879423	10.74	1819423	19.93
(ii) Others	3350324	40.91	3350324	36.69
b. Foreign Promoters	Nil	0.00	Nil	0.00
Total for Promoter Group (A)	4229747	51.65	5169747	56.62
B. Public Shareholdings:				
i Institutional	7700	0.09	7700	0.08
ii Central Government/ State Government/President of India	0	0.00	0	0.00
iii Non Institutional				
- Individuals				
a. Individual members holding nominal share capital up to Rs. 2 Lac	1934021	23.61	1934021	21.19
b. Individual members holding nominal share capital in excess of Rs. 2 Lac	235617	2.88	235617	2.58
c. NBFCs registered with RBI	0	0.00	0	0.00
d. Overseas Depositories	0	0.00	0	0.00
e. Any Other				
- Bodies Corporate	1749129	21.36	1749129	19.16
- Clearing Member	10024	0.12	10024	0.11
- Non-resident Individual	23762	0.29	23762	0.26
iv Any Other				
- Custodian/ DR Holder	0	0.00	0	0.00
- Employee benefit Trust(under SEBI ESOP Scheme)	0	0.00	0	0.00
Total Public Shareholdings (B)	3960253	48.35	3960253	43.38
GRAND TOTAL (A) + (B)	8190000	100.00	9130000	100.00

B. The pattern of shareholding post- issue of 940000 Equity Shares as aforesaid and after the full conversion of 2725000 Warrants into equity shares would be as under:

Class of Members	Pre- Preferential Issue (Post allotment of 9,40,000 equity shares)		Post- Preferential Issue (Assuming full conversion of 2725000 Warrants into Eq. Shares)	
	No. of Shares	% of share capital	No. of Shares	% of share capital
A. Promoters/ Promoter Group:				
a. Indian Promoters				
(i) Proposed Allottees				
- M/s. Shree Durga Agencies Limited	1308170	14.33	2208170	21.41
- M/s. Sandeep Investments Limited	129677	1.42	414677	4.02
- M/s. Nirvan Commercial Company Limited	654465	7.17	1154465	9.74
- M/s. Anna Vincom Private Limited	Nil	0.00	800000	6.70
- M/s. Arham Vyapaar Private Limited	Nil	0.00	240000	2.02
(ii) Others	3077435	33.70	3350324	36.69
b. Foreign Promoters	Nil	0.00	Nil	0.00
Total for Promoter Group (A)	5169747	56.62	7894747	66.59
B. Public Shareholdings:				
i Institutional	7700	0.08	7700	0.06
ii Central Government/ State Government/President of India	0	0.00	0	0.00
iii Non Institutional				
- Individuals				
f. Individual members holding nominal share capital up to Rs. 2 Lac	1934021	21.19	1934021	16.31
g. Individual members holding nominal share capital in excess of Rs. 2 Lac	235617	2.58	235617	1.99
h. NBFCs registered with RBI	0	0.00	0	0.00
i. Overseas Depositories	0	0.00	0	0.00
j. Any Other				
- Bodies Corporate	1749129	19.16	1749129	14.75
- Clearing Member	10024	0.11	10024	0.08
- Non-resident Individual	23762	0.26	23762	0.20
iv Any Other				
- Custodian/ DR Holder	0	0.00	0	0.00
- Employee benefit Trust(under SEBI ESOP Scheme)	0	0.00	0	0.00
Total Public Shareholdings (B)	3960253	43.38	3960253	33.41
GRAND TOTAL (A) + (B)	9130000	100.00	11855000	100.00

*The post- issue conversion shareholding pattern has been arrived on the assumption that- (i) the entire Warrants will be converted into the equity shares of the Company by the Promoters/ Promoter Group as envisaged and (ii) there is no further increase in share capital of the Company till allotment of these shares.

- d) **Consequential Changes in the Voting Rights:**
Voting rights will change in tandem with the shareholding pattern.
- e) **Proposed time within which allotment shall be completed :**

The allotment of Equity Shares and Warrants are proposed to be made within 15 days of the date of passing of this resolution by the Shareholders in the Extra Ordinary General Meeting, provided that when the allotment on Preferential Basis is pending on account of pendency of any approval for such allotment by a regulatory authority or the Central Government, the allotment shall be completed within 15 days from the date of receipt of such approval. However, if so required the period of allotment may be extended subject to requisite approval / applicable provisions.

- (i) **The identity of the natural persons who are the ultimate beneficial owners of the equity shares proposed to be allotted and/ or who ultimately control the proposed allottee and the percentage of Post Preferential Issue Capital that may be held by them:**

A. Pursuant to allotment of 940000 equity shares of the Company:

Name of the Proposed Allottee	Category	Identity of the Natural Person who is the ultimate Beneficial Owner	Pre- Preferential Issue Equity and Voting Share Capital of the Company		Equity Shares to be issued and allotted		Post- Preferential Issue Equity and Voting Share Capital of the Company	
			No.	%	No.	%	No.	%
M/s. Supriya Finance Ltd.	Promoter	- Mr. S. K. Jalan, - Mrs. Alaka Jalan &	879423	10.74	940000	10.30	1819423	19.93

B. Pursuant to allotment of 2725000 Convertible Warrants into equity shares of the Company:

Name of the Proposed Allottee	Category	Identity of the Natural Person who is the ultimate Beneficial Owner	Pre- Preferential Issue Equity and Voting Share Capital of the Company		Warrants to be issued and allotted**		Post- Preferential Issue Equity and Voting Share Capital of the Company	
			No.	%	No.	%	No.	%
M/s. Shree Durga Agencies Limited	Promoter	- Mr. S. K. Jalan & - Mrs. Alaka Jalan	13,08,170	14.33	900000	8.73	22,08,170	21.41
M/s. Sandeep Investments Ltd.	Promoter	- Mr. S. K. Jalan	1,29,677	1.42	285000	2.76	4,14,677	4.02
M/s. Nirvan Commercial Company Ltd.	Promoter	- Mrs. Divya Jalan & - Mrs. Pragya Jalan	6,54,465	6.34	500000	4.22	11,54,465	9.74
M/s. Anna Vincom Pvt. Ltd.	Promoter	- Mr. S. K. Jalan & - Mrs. Alaka Jalan	Nil	0.00	800000	6.75	8,00,000	6.70
M/s. Arham Vyapaar Pvt. Ltd.	Promoter	- Mr. S. K. Jalan	Nil	0.00	240000	2.02	2,40,000	2.02

***On an assumption of full conversion of the Warrants into Equity Shares by each of the allottees of the Company.*

- f) **Lock-in :**

The aforesaid allotment of equity shares, warrants and equity shares arising on the conversion of Warrants into equity shares shall be locked-in as per the provisions of Chapter VII of the SEBI (ICDR) Regulations, 2009. Further, the entire Pre-Preferential allotment shareholding of all the proposed allottees, if any, shall also be under lock-in from the relevant date up to a period of six months from the date of receipt of the trading approval from BSE Limited i.e., the only Stock Exchange where the equity shares of the Company are listed.

- g) **Change in the control or composition of the Board:**

Subsequent to the proposed issue of Equity Shares and Convertible Warrants on preferential basis, there will neither be a change in control nor a change in the management of the Company. However there will be a corresponding change in the shareholding pattern as well as voting rights consequent to the captioned preferential allotment of Equity Shares and Convertible Warrants.

- h) **Price of the Issue:**

The preferential allotment of 940000 equity shares of the face value of Rs. 10/- each shall be issued at a price of Rs. 39/- (Rupees Thirty Nine Only) per equity share, including a premium of Rs. 29/- (Rupees Twenty Nine Only) per equity share, or at such higher prices as may be determined as per Chapter VII of the SEBI (ICDR) Regulations, 2009.

The Company will issue and allot 2725000 Warrants at an Issue Price of Rs. 39/- (Rupees Thirty Nine Only) each and the equity shares upon conversion of said Warrants are proposed to be issued allotted on Preferential Basis at an issue price of Rs. 39/- (Rupees Thirty Nine Only) per equity share, including a premium of Rs. 29/- (Rupees Twenty Nine Only) per equity share, or at such higher prices as may be determined as per Chapter VII of the SEBI (ICDR) Regulations, 2009, and the Relevant Date for this purpose is 28th January, 2016.

i) Undertakings :

- (i) The Issuer Company undertakes that they shall re-compute the price of the Equity Shares and Warrants in terms of the provision of SEBI (ICDR) Regulations, 2009, where it is required to do so.
- (ii) The Issuer Company undertakes that if the amount payable on account of the re-computation of price is not paid within the time stipulated in terms of the provision of SEBI (ICDR) Regulations, 2009, the Equity Shares and Warrants shall continue to be locked-in till the time such amount is paid by the allottees.

j) Other Terms of Issue of Warrants:

- i.) The proposed allottees of the Warrant shall on or before the date of allotment of Warrants, pay an amount equivalent to at least 25% of the total consideration per warrant.
- ii.) At the time of exercise, the Equity Warrant holder(s) shall pay the balance 75% of the consideration payable in respect of the Equity Warrants so being exercised.
- iii.) The holder(s) of each Warrant will be entitled to apply for and obtain allotment of one equity share against such Warrant at any time after the date of allotment but on or before the expiry of eighteen (18) months from the date of allotment, in one or more tranches. At the time of exercise of entitlement, the Warrant holder shall pay the balance of the consideration towards the subscription to each equity share.
- iv.) If the entitlement against the Warrants to apply for the equity shares is not exercised within the aforesaid period, the entitlement of the Warrant holders to apply for equity shares of the Company along with the rights attached thereto shall expire and any amount paid on such Warrants shall stand forfeited.
- v.) Upon receipt of the requisite payment as above, the Board (or a Committee) shall allot one equity share against Warrant by appropriating Rs.10/- per equity share towards equity share capital and the balance amount paid against each Warrant towards the securities premium amount.
- vi.) The Warrant by itself till converted into equity shares, does not give to the holder(s) thereof any rights of the shareholders of the Company.
- vii.) The equity shares issued as above shall be subject to the provisions of the Memorandum and Articles of Association of the Company and shall rank pari- passu in all respects with the existing fully paid up equity shares of the Company.

k) Auditor`s Certificate :

A copy of the certificates from the Statutory Auditor of the Company, i.e., M/s. V. Singhi & Associates, Chartered Accountants, certifying that the issue of the Equity Shares is being made in accordance with the requirement of the SEBI (ICDR) Regulations, 2009 for Preferential Issue, will be available for inspection at the Registered Office of the Company during 11.00 a.m. to 1.00 p.m. on any working day up to the date of EGM and at the EGM.

Any of the Warrants and/ or equity shares issued as above, that may remain unsubscribed for any reason whatsoever, may be offered and allotted by the Board in its absolute discretion to any person/entity/investor, on the same terms and conditions.

Pursuant to the above preferential allotment of the equity shares and Warrants (the resultant issue of equity shares pursuant to Warrants conversion), no change in management control is contemplated. The aforesaid allottees shall be required to comply with the relevant provisions of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulation, 2011 and subsequent amendments thereto, if applicable, consequent to the allotment of shares on conversion of Warrants as proposed above.

None of the Directors of the Company, Key Managerial Personnel and their relatives is, in any way, concerned or interested in the said resolutions no. 1 & 2 except to the extent of their respective shareholding in the Company and also to the extent of fresh equity shares being allotted either to them or to the Companies in which they are interested as Director or Shareholder. The Board of Directors believes that this Preferential Issue will be in the best interest of the Company and its Shareholders.

Regulation 72(1)(a) of the SEBI (ICDR) Regulations, 2009 provides that the Preferential Issue of specified securities by a Listed Company would require approval of its shareholders by way of Special Resolution. The

Board, therefore, recommends the above mentioned Special Resolutions 1 & 2 as set out in the notice for your approval.

Place: Kolkata
Date: 08.01.2016

**By Order of the Board
For Kilburn Chemicals Limited
Sd/-
S. K. Jalan
(Managing Director)
DIN: 00015836**