

Kartik Investments Trust Limited

Registered Office: Parry House, 2nd Floor, No.43, Moore Street, Parrys, Chennai - 600 001

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NOTICE OF POSTAL BALLOT

Pursuant to section 110 of the Companies Act, 2013, read with the Companies (Management and Administration) Rules, 2014

To

The members of Kartik Investments Trust Limited

NOTICE is hereby given pursuant to section 110 of the Companies Act, 2013, (“Act”) read with rule 22 of the Companies (Management and Administration) Rules, 2014, that the enclosed resolution is proposed to be passed by way of postal ballot for the following purpose:

A special resolution for seeking the approval of the members of the company under Chapter VII and in compliance with regulation 8(1)(b) of the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (“Delisting Regulations”), for voluntary delisting of equity shares of the company.

The draft resolution and the explanatory statement setting out all the material facts and reasons for the proposal appended hereto are being sent to you along with the postal ballot form for casting your votes. Members may please note that the voting on the resolution as contained in this notice may be made through postal ballot.

The board of directors have appointed Mr. R. Sridharan failing him Mr. G. Subramaniam of M/s. R. Sridharan & Associates, Practising Company Secretaries, Chennai, as Scrutiniser for conducting the postal ballot voting process in a fair and transparent manner.

For members opting for e-voting:

The company is pleased to provide e-voting facility as an alternate, to all its members, to enable them to cast their vote electronically, instead of physical postal ballot form on the resolution set forth in the postal ballot notice. The company has engaged the services of M/s. Karvy Computershare Private Limited (Karvy) to provide the e-voting facility.

You are requested to read the instructions printed on the postal ballot form carefully and return the form duly completed and signed in the attached self-addressed, business reply envelope, so as to reach the scrutiniser on or before the close of working hours of Tuesday, 28 March, 2017. Please note that any postal ballot form(s) received after the closing hours of the said date will be treated as not having been received. No other form or photocopy thereof is permitted. The scrutiniser will submit his report to the chairman of the company after completion of the scrutiny of the postal ballots. The results of the postal ballot will be announced by the chairman or any other director of the company at 11 a.m. on Thursday, 30 March, 2017 at the registered office of the company at Parry House, 2nd Floor, No.43, Moore Street, Parrys, Chennai - 600 001. The results of the postal ballot will also be displayed at the registered office of the company and posted on the company’s

website, www.kartikinvestments.com and on the Karvy's website, www.evoting.karvy.com within 2 days of passing of the resolution besides communication to BSE Limited where the company's shares are listed.

The special resolution shall be deemed to have been passed on 28 March, 2017, being the last date for receipt of duly completed Postal Ballot Form/e-voting. The special resolution will be declared as passed if the votes cast in favour of the resolution are not less than three times the number of votes, if any, cast against the resolution and the votes cast by public shareholders in favour of the resolution are at least two times the number of votes cast against it by the public shareholders so entitled and voting.

In compliance with provisions of section 108 of the Act read with rule 20 of Companies (Management and Administration) Rules, 2014 and regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, members may cast their votes either through postal ballot form or through electronic form (e-voting). Those members opting for e-voting may follow the procedure, as recommended by Karvy as stated in this notice.

By Order of the Board

Chennai
20 February, 2017

S Sangeetha
Company Secretary

RESOLUTION FOR POSTAL BALLOT

(Pursuant to section 110 of the Companies Act, 2013)

To consider and if deemed fit, to pass the following resolution as a **SPECIAL RESOLUTION**:

RESOLVED THAT pursuant to all applicable provisions of the Companies Act, 2013 and rules framed there under, including any statutory modification(s) or re-enactment thereof for the time being in force and as may be enacted hereinafter, applicable provisions of the memorandum and articles of association of the company, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 ("Delisting Regulations") and such other applicable laws, rules, regulations and guidelines, and subject to such approvals including the in-principle approval and final approval of The BSE Limited (BSE), permissions and sanctions, as may be necessary for the Chola Business Services Limited ("Acquirer") on behalf of the promoter and promoter group of the company (hereinafter referred to as "Promoters"), the approval of the company be and is hereby accorded to the board of directors of the company ("Board") (which shall include any committee which the Board may have constituted or may hereinafter constitute) to seek and proceed with the voluntary delisting of all of the equity shares of the company from the BSE in accordance with the Delisting Regulations and other applicable provisions of law.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds and things as it may in its absolute discretion, deem necessary, expedient, usual or proper, to be in the best interest of shareholders, and any matter incidental to the implementation of voluntary delisting of equity shares of the company and also to prefer all applications to the appropriate authorities, parties and the institutions for their requisite approvals, to settle all such questions, difficulties or doubts that may arise in relating to the implementation of the voluntary delisting without being

required to seek any further consent or approval of the members or otherwise to the end and intent that the members shall be deemed to have given their approval thereto expressly by the authority of the above resolution.

RESOLVED FURTHER THAT the board of directors of the company be and is hereby authorised to delegate all or any of the authorities conferred as above to any Director(s)/ Company Secretary of the company to give effect to the aforesaid resolution or to accept any change(s) or modification(s) as may be suggested by the appropriate authorities or advisors.

By Order of the Board

Chennai
20 February, 2017

S Sangeetha
Company Secretary

ANNEXURE TO NOTICE

Explanatory Statement pursuant to section 102 of the Companies Act, 2013 (“Act”)

Delisting of Equity Shares of the company from the BSE Limited (BSE):

The company’s equity shares are currently listed with BSE. There has been no trading of the equity shares of the company in the BSE during the last two years. Further, the Promoters/Promoter Group of the company presently holds 74.82 % of the total paid-up capital of the company. In this respect, M/s. Chola Business Services Limited, the Acquirer, being one of the members of Promoter and Promoter Group of the company had expressed its intention vide letter dated February 3, 2017 to the board of directors to acquire up to 61,450 equity shares held by the public shareholders representing 25.18% of the total equity share capital of the company by providing an exit opportunity through a voluntary delisting offer in accordance with Chapter VII of Delisting Regulations in order to delist the equity shares from the BSE.

Under the Delisting Regulations, a company is permitted to delist its securities from all the stock exchanges where its securities are listed subject to the prior approval of the shareholders and provided an exit opportunity has been given to the shareholders.

The board of directors at their meeting held on 9 February, 2017, had considered the proposal of the acquirer and appointed M/s. Karvy Investor Services Limited as the Merchant Banker for carrying out due diligence in compliance with regulation 8(1A)(ii) of the Delisting Regulations. Subsequently, the board of directors at their meeting held on 20 February, 2017 had, subject to the approval of the members of the company and such other approvals/ sanctions as may be required in this connection, approved the proposal for voluntary delisting of equity shares of the company from BSE after taking into consideration of the due diligence report dated 20 February, 2017 received from the Merchant Banker

The company is therefore, seeking your approval as required under the regulation 8(1)(b) of SEBI (Delisting of Equity Shares) Regulations, 2009 by way of a special resolution passed through postal ballot.

The passing of the special resolution would be enabling in nature and it will allow the promoters (if they so choose) to proceed with the delisting proposal within one year of passing of the resolution as allowed under SEBI Delisting Regulations. If the promoters decide to proceed with their delisting proposal, they will make an offer to acquire shares from the public shareholders of the company in accordance with SEBI Delisting Regulations.

The acquirer, in consultation with the Merchant Banker to the Offer, have considered the exit price as ₹ 72/- (Rupees Seventy Two Only) per equity share of face value of ₹10/- (Rupees Ten only) as per regulation 27(3) of the Delisting Regulations. Accordingly, the acquirer, vide their letter dated 16 February, 2017, have communicated to the company that the exit price for delisting proposal is ₹ 72/- (Rupees Seventy Two only) ("Exit Price") per equity share.

In terms of the Delisting Regulations, the delisting of equity shares of the company from stock exchange is subject to the following:

- a. The company having obtained necessary regulatory and statutory approvals required under the applicable laws, including the Delisting Regulations;
- b. At least ninety percent of the public shareholders give their positive consent in writing to the proposal for delisting, and have consented either to sell their equity shares at the price offered by the promoter or to remain holders of the equity shares even if they are delisted;
- c. There being no amendments to the Delisting Regulations or any other law or regulations relevant in connection with the delisting proposal which, in the opinion of the Acquirer, have an adverse effect on the delisting proposal or affects the rights of the Acquirers; and
- d. Such other terms and conditions as may be set out in the exit offer letter to be sent to the public shareholders.

Accordingly, the approval of the shareholders is sought for the aforesaid special resolution, after which, the acquirer will proceed, at its discretion, to make an offer to the shareholders of the company and purchase the shares at the exit price in accordance with the provisions of the Delisting Regulations.

None of the directors, key managerial personnel of the company and their relatives is concerned or interested in the resolution except Mr. R Chandrasekar being a Director in the acquirer company.

The board of directors is of the opinion that the aforesaid resolution is in the best interest of the shareholders and hence recommends the above resolution for your approval.

You are requested to communicate your assent or dissent for the aforesaid proposal, in accordance with the instructions set out here.

By Order of the Board

Chennai
20 February, 2017

S Sangeetha
Company Secretary

Voting through electronic means – Instructions

Pursuant to the provisions of section 108 of the Act read with rule 20 of the Companies (Management and Administration) Rules, 2014 and the Listing Regulations as amended from time to time, the Company is pleased to offer e-voting facility to members to exercise their votes electronically on the resolution set forth in the postal ballot.

The Company has engaged the services of M/s. Karvy Computershare Private Limited (Karvy) to provide remote e-voting facility to enable members to provide their votes in a secure manner.

The board of directors of the Company has appointed Mr. R. Sridharan failing him Mr. G. Subramaniam of M/s. R. Sridharan & Associates, Practising Company Secretaries, Chennai, as scrutiniser for conducting the remote e-voting process in a fair and transparent manner. In terms of the requirements of the Act and the rules made there under, the Company has fixed 17 February, 2017 as the cut-off date. A person who is not a member as on the cut-off date should treat this notice for information purpose only.

The e-voting facility begins on **Monday, 27 February, 2017 (9:00 a.m. IST) and ends on Tuesday, 28 March, 2017 (5:00 p.m. IST)**. During this period, the members of the Company, holding shares either in physical form or in dematerialised form, as on the cut-off date, are entitled to avail the facility to cast their vote electronically. The e-voting will not be allowed beyond the aforesaid date and time and the e-voting module shall be disabled by Karvy upon expiry of the aforesaid period. Once the vote on a resolution is cast by the member, he / she shall not be allowed to change it subsequently.

The instructions for members voting electronically are as under:

A. For members receiving an e-mail from Karvy, e-voting service provider [for members whose e-mail addresses are registered with the Company / DP(s)]:

- (i) Open your web browser during the voting period and navigate to <https://evoting.karvy.com>
- (ii) Enter the login credentials (i.e. User ID and password). In case of physical folio, User ID will be E-Voting Event Number- 2942 (EVEN) followed by folio number. In case of demat account, User ID will be your DP ID and Client ID. However, if you are already registered with Karvy for e-voting, you can use your existing User ID and password for casting your vote.
- (iii) After entering these details appropriately, click on “LOGIN”.
- (iv) You will now reach 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 (@,#,\$, etc.). The system will prompt you to change your password and update your contact details like mobile number, e-mail ID, etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.
- (v) You need to login again with the new credentials.
- (vi) On successful login, the system will prompt you to select the E-voting event.
- (vii) Select the EVENT of Kartik Investments Trust Limited “SUBMIT”.
- (viii) Now you are ready for e-voting as “Cast Vote” page opens.
- (ix) On the voting page, enter the number of shares (which represents the number of votes) as on the cut-off date under “FOR / AGAINST” or alternatively, you may partially enter any number

in “FOR” and partially “AGAINST” but the total number in “FOR / AGAINST” taken together not exceeding your total shareholding as mentioned herein above. You may also choose the option ABSTAIN. If the shareholder does not indicate either “FOR” or “AGAINST” it will be treated as “ABSTAIN” and the shares held will not be counted under either head.

- (x) Members holding multiple folios / demat accounts shall choose the voting process separately for each folio / demat accounts.
- (xi) Voting has to be done for each item of the notice separately. In case you do not desire to cast your vote on any specific item it will be treated as abstained.
- (xii) You may then cast your vote by selecting an appropriate option and click on “SUBMIT”.
- (xiii) A confirmation box will be displayed. Click “OK” to confirm else “CANCEL” to modify. Once you have voted on the resolution, you will not be allowed to modify your vote. During the voting period, members can login any number of times till they have voted on the resolution.
- (xiv) Corporate / institutional members (i.e., other than Individuals, HUF, NRI etc.,) are also required to upload in the e-voting portal, the scanned certified true copy (PDF Format) of the board resolution / authority letter etc., together with attested specimen signature(s) of the duly authorised representative(s) or alternatively to e-mail, to the scrutiniser at e-mail, rsaevoting@gmail.com with a copy marked to evoting@karvy.com. The scanned image of the above mentioned documents should be in the naming format “KITL – Postal Ballot”.

B. Members holding shares in dematerialised form whose e-mail IDs are not registered with the Company / DPs[for members holding shares in physical form as well as those members who have received physical copy of the postal ballot notice]:

- (i) E-Voting Event Number- 2942 (EVEN), User ID and Password is provided in the Postal Ballot Form.
- (ii) Please follow all steps from sl. no.(i) to sl. no.(xiv) above to cast your vote by electronic means.

Other instructions:

- (i) In case of any queries, you may refer Help & FAQ section of <https://evoting.karvy.com> or call Karvy on 040-67162222 & Toll-free No. 1800 3454 001
- (ii) You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- (iii) The voting rights of members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date of 17 February, 2017.
- (iv) The scrutiniser shall within a period of two working days from the conclusion of the e-voting period unblock the votes in the presence of at least two witnesses not in the employment of the Company and make a consolidated scrutiniser’s report of the votes cast in favour or against, if any for with to the Director of the Company or person authorised by him in writing who shall countersign the same.
- (v) The results shall be declared at the registered office of the Company. The results declared along with the scrutiniser’s report shall be placed on the Company’s website, www.kartikinvestments.com and on the website of Karvy, <https://evoting.karvy.com> after the result is declared by the Director / authorised person and simultaneously communicated to BSE Limited. The last date for receipt of duly completed Postal Ballot Forms/e-voting will be treated as the date of passing of the above resolution.