



Hindustan Foods Ltd.

HINDUSTAN FOODS LIMITED

CIN: L15139MH1984PLC316003

Registered Office: Office No. 03, Level 2, Centrium, Phoenix Market City, 15, Lal Bahadur Shastri Road, Kurla, Mumbai - 400070

Tel No: 0832- 2441300/2224556; **Fax No:** 0832-2228588, 2225098

Website: www.hflgoa.com; **e-mail:** hfl@dempos.com

POSTAL BALLOT NOTICE

Notice to members pursuant to Section 110 of the Companies Act, 2013

Dear Members,

NOTICE is hereby given to the Members of **Hindustan Foods Limited** (the “**Company**”) that the resolution(s) set out in notice are proposed to be passed as special resolution(s) by way of Postal Ballot and/ or e-voting pursuant to Section 110, Section 108 and other applicable provisions of the Companies Act, 2013 (the “**Act**”) read with Companies (Management and Administration) Rules, 2014 as amended from time to time (the “**Rules**”) and SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 (the “**SEBI (ICDR) Regulations**”) (including any statutory modification(s) or amendment or re-enactment thereof for the time being in force).

Accordingly, the draft special resolution together with the Statement setting out the material facts in respect of the proposed resolution as required under Section 102 and 110 of the Act and Regulation 163 of SEBI (ICDR) Regulations is annexed to this Notice along with Postal Ballot Form for consideration of Members and to enable the Members for sending their assent or dissent in writing by means of Postal Ballot or through e-voting.

The Board of Directors of the Company has appointed Mr. Vivek Gaggar (Membership No. 162330), Practicing Chartered Accountant of M/s. NVR & Co. Chartered Accountants, (FRN No.145961W) having its registered office at B-302, Prarthna Apartment, Jawahar Nagar, SV Road, Goregaon West, Mumbai 400062, as Scrutinizer for conducting the postal ballot (Physical & E-voting) process in fair and transparent manner in accordance with the provisions of Companies Act, 2013 and Rule 22 of the Companies (Management and Administration) Rules, 2014

Members are requested to carefully read the instructions, while casting their votes electronically or physically through Postal Ballot Form and return the form duly completed in the enclosed self-addressed postage pre-paid Business Reply Envelope so as to reach the Scrutinizer on or before the close of the business hours (i.e. 5:00 PM) of Friday, April 5, 2019.

The Scrutinizer will submit the report to the Chairman of the Company, upon completion of the scrutiny of the Postal Ballot. The results of the Postal Ballot will be announced by any one of the Directors of the Company on Monday, April 8, 2019 at the Registered Office of the Company at 5.00 pm. The results of the Postal Ballot shall be posted on the Company’s website viz. www.hflgoa.com and on NSDL’s website viz. www.evoting.nsdl.com besides communicating to the BSE Limited, the only Stock Exchange where the shares of the Company are listed.

In accordance with the provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**Listing Regulations**”) and that of the Rules, the Company has provided e-voting facility to its Members and has engaged National Securities Depository Limited (“NSDL”), an agency authorized by the Ministry of Corporate Affairs (“MCA”) for providing e-voting platform. The procedure for e-voting is explained under the Notes provided with this Postal Ballot Notice.

The resolution shall be deemed to have been passed on the last date specified by the Company for receipt of duly completed Postal Ballot Forms and Electronic Votes, if approved by the Members with requisite majority.

- Encl:** (i) Resolutions and Explanatory Statements for Approval,
(ii) Postal Ballot Form and
(iii) Self-addressed postage pre-paid Business Reply Envelope.

By the Order of the Board
For **Hindustan Foods Limited**

Sd/-

Sameer Kothari
(Managing Director)

DIN No: 01361343

Place: Mumbai

Date : February 27, 2019



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SPECIAL BUSINESS

Item No 1 – Alteration/substitution of Memorandum of Association

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

“RESOLVED THAT pursuant to the provisions of Section 13 and all other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof) and subject to necessary approval(s) if any, from the competent authorities, consent of the Company be and is hereby accorded to substitute the existing Memorandum of Association of the Company by a new set of Memorandum of Association;

RESOLVED FURTHER THAT any one of the Directors of the Company and/or the Company Secretary be and are hereby jointly and severally authorised to do all such acts, deeds and things as may be necessary to give effect to this Resolution.”

Item No 2 – Alteration/substitution of Articles of Association

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

“RESOLVED THAT pursuant to the provisions of Section 14 and all other applicable provisions of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), consent of the Company be and is hereby accorded to substitute the existing Articles of Association of the Company by a new set of Articles of Association;

RESOLVED FURTHER THAT any one of the Directors of the Company and/or the Company Secretary be and are hereby jointly and severally authorised to do all such acts, deeds and things as may be necessary to give effect to this Resolution.”

Item No 3 – Alteration of Articles of Association

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

“RESOLVED THAT in addition to the above resolutions and pursuant to the provisions of Section 14 and other applicable provisions of the Companies Act, 2013 and Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), consent of the Company be and is hereby accorded to alterations to the Articles of Association as under to include the following paragraph after Clause No. 68, more clearly set out under the Explanatory Statement annexed to the notice convening this meeting:

SHARE WARRANTS

69. *Rights to issue share warrants*

- a) *The Company may issue share warrants on such terms and conditions as may be determined by the Board and applicable rules, regulations and subject to, and in accordance with provisions of the Act.*
- b) *The Board may, in its discretion, with respect to any share which is fully paid up on application in writing signed by the person registered as holder of the share, and authenticated by such evidence (if any) as the Board may from time to time require as to the identity of the person signing the application, and the amount of the stamp duty on the warrant and such fee as the Board may from time to time require having been paid, issue a warrant.*

70. *Rights of warrant holders*

- a) *The bearer of the share warrant may at any time deposit the warrant at the office of the Company, and so long as the warrant remains so deposited, the depositor shall have the same right to signing a requisition, for calling a meeting of the Company, and of attending, and voting and exercising other privileges of a member at any meeting held after the expiry of two clear days from time of the deposit, as if his name were inserted in the Register of Members as the holder of the shares included in the deposited warrant.*
- b) *Not more than one person shall be recognized as the depositor of the share warrant.*
- c) *The Company shall, on two days written notice, return the deposited share warrant to the depositor.*

71. *Board to make rules*

The Board may, from time to time, make rules as to the terms on which it shall think fit, a new share warrant or coupon may be issued by way of renewal in case of defacement, loss or destruction.



“RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to perform and execute all such acts, deeds, matters and things, as may be necessary, proper or expedient to give effect to this resolution including but not limited to filing of necessary statutory documents with the concerned Registrar of Companies and for the matters connected herewith or incidental thereto.”

Item No 4 - Increase in Authorized Share Capital

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

“RESOLVED THAT pursuant to the provisions of Section 61 read with Section 64 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modifications or re-enactment thereof for the time being in force) and subject to such other rules framed there under, the consent of the members of the Company be and is hereby accorded to increase the Authorized Share Capital of the Company from Rs. 21,50,00,000/- (Rupees Twenty One Crore Fifty Lacs Only) divided into 1,95,00,000 (One Crore Ninety Five Lacs) Equity Shares of Rs. 10/- each and 2,00,000 (Two Lakh) 9% Redeemable Preference shares of Rs. 100/- each to Rs. 24,00,00,000/- (Rupees Twenty Four Crore Only) divided into 2,20,00,000 (Two Crore Twenty Lacs) Equity Shares of Rs. 10/- each and 2,00,000 (Two Lakh) 9% Redeemable Preference shares of Rs. 100/- each, by creation of additional 25,00,000 (Twenty Five Lacs) equity shares of Rs. 10/- each ranking pari passu in all respect with the existing equity shares of the Company.”

“RESOLVED FURTHER THAT pursuant to the provisions of Section 13 read with Section 61, Section 64 and other applicable provisions of the Companies Act, 2013, Clause V of the Memorandum of Association of the Company be and is hereby substituted and read as under :-

V. The Authorised Share Capital of the Company is Rs.24,00,00,000/- (Rupees Twenty Four Crore Only) divided into 2,20,00,000 (Two Crore Twenty Lacs) Equity Shares of Rs.10/- each and 2,00,000 (Two Lakh) 9% Redeemable Preference shares of Rs.100/- each”

“RESOLVED FURTHER THAT pursuant to the provisions of Section 14 and all other applicable provisions, if any, of the Companies Act, 2013, the existing Article 3 of the Articles of Association of the Company be and is hereby substituted and read as under :-

3. The Authorised Share Capital of the Company is Rs.24,00,00,000/- (Rupees Twenty Four Crore Only) divided into 2,20,00,000 (Two Crore Twenty Lacs) Equity Shares of Rs.10/- each and 2,00,000 (Two Lakh) 9% Redeemable Preference shares of Rs.100/- each”

“RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors of the Company (hereinafter referred to as “Board” which term shall include a Committee thereof authorized for the purpose) be and is hereby authorized to take all such steps and actions and give such directions as may be in its absolute discretion deemed necessary and to settle any question that may arise in this regard, without being required to seek any further consent or approval of the shareholders or otherwise and that the shareholders shall be deemed to have given their approval thereto expressly by the authority of this resolution.”

Item No 5 – Issue of Warrants convertible into Equity Shares on Preferential Basis

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

“RESOLVED FURTHER pursuant to the provisions of Section 62(1)(c) read with Section 42 and all other applicable provisions, if any, of the Companies Act, 2013 and Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) (hereinafter referred to as **“the Act”**) and in accordance with the relevant provisions of the Memorandum and Articles of Association of the Company, and in accordance with the provisions on preferential issue as contained in the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, [hereinafter referred to as **“SEBI (ICDR) Regulations”**], SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof from time to time), and in accordance with all other applicable rules, regulations, guidelines and clarifications issued thereon from time to time by The Securities and Exchange Board of India (“SEBI”), Government of India (“GOI”) or any other statutory/regulatory authorities and subject to all such approvals, permissions, consents and sanctions of any authorities, as may be necessary and subject to such conditions and modifications as may be prescribed or imposed by any of them while granting such approvals, permissions, consents or sanctions, the consent of the Company be and is hereby accorded to the Board (which term shall deem to include any committee which the Board may have constituted or hereinafter constitute to exercise one or more its power, including the powers conferred hereunder) to create, offer, issue and allot, on preferential basis of 27,77,779 (Twenty Seven Lakh Seventy Seven Thousand Seven Hundred and Seventy Nine) convertible Warrants to the non-promoters entities



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(hereinafter referred to as the “Proposed Allottees/Warrant holder”) as more particularly mentioned in the explanatory statement setting out material facts, entitling the warrant holders to exercise option to convert and get allotted one equity share of face value of Rs.10/- (Rupees Ten only) each fully paid-up against each warrant within 18 (Eighteen) months from the date of allotment of warrants, in such manner and in such manner and price not being lower than the price determined in accordance with Chapter V of the SEBI (ICDR) Regulations and on such other terms and conditions, as the Board may, in its absolute discretion, think fit.

RESOLVED FURTHER THAT the offer, issue and allotment of the aforesaid Warrants to the Proposed Allottees and the Equity Shares resulting from the exercise of the entitlement of the said Warrants, shall be subject to applicable guidelines, notifications, rules and regulations and on the terms and conditions given herein below:

- a) Pursuant to Regulation 161 of the SEBI (ICDR) Regulations, the ‘Relevant Date’ for determination of the Issue Price of Warrants, shall be Wednesday, March 06, 2019 i.e. the date falling thirty (30) days prior to the date of passing special resolution through postal ballot to approve the proposed offer or in the case where the Relevant Date falls on weekend / Holiday, the day preceding the Weekend / Holiday will be reckoned to be the Relevant Date;
- b) The price of each equity share to be issued in lieu of the warrants shall be such not being lower than the price determined in accordance with the provisions of Regulation 164(1) of Chapter V of the SEBI (ICDR) Regulations.
- c) An amount equivalent to minimum 25% of the price determined in accordance with the provisions of Regulation 164(1) of Chapter V of the SEBI (ICDR) Regulations payable against each warrant on the date of allotment of warrants and the balance 75% shall be paid at the time of allotment of the equity shares pursuant to exercise of options against each such warrant by the Proposed Allottees.
- d) The tenure of warrants shall not exceed 18(eighteen) months from the date of allotment of the warrants.
- e) The Proposed Allottees of Warrants shall be entitled to exercise option to convert warrants, in one or more tranches for allotment of one equity share of face value of Rs. 10/- (Rupees Ten only) each at a premium (to be determined subject to the determination of the issue price in accordance with the provisions of Regulation 164(1) of Chapter V of the SEBI (ICDR) Regulations) against each Warrant within a period of 18 (eighteen) months from the date of allotment of such warrants.
- f) In case the Warrant holders do not apply for the conversion of the outstanding Warrants into equity shares of the Company within 18 (eighteen) months from the date of allotment of the said Warrants, then the amount paid on each of the said outstanding Warrants shall be forfeited and all the rights attached to the said Warrants shall lapse automatically.
- g) The Equity shares issued and allotted on conversion thereof shall be subject to lock-in for such period as prescribed under Regulation 167 of the SEBI (ICDR) Regulations.
- h) The said Warrants by itself until exercise of conversion option and equity shares being allotted, do not give to the Warrant holder any rights with respect to that of the Shareholders of the Company.

RESOLVED FURTHER THAT the Board be and is hereby authorised to issue and allot such equity shares as may be required to be issued and allotted upon conversion of the said Warrants and that equity shares shall be subject to the provisions of the Memorandum and Articles of Association of the Company and shall rank pari passu in all respects, including entitlement for dividend, with the existing equity shares of the Company.

RESOLVED FURTHER THAT the Board be and is hereby authorised to decide and approve other terms and conditions of the issue of the Warrants and/or equity shares and shall also be entitled to vary, modify or alter any of the terms and conditions, as it may deem fit, subject however to the compliance with the applicable guidelines, notifications, rules and regulations.

RESOLVED FURTHER THAT the Board be and is hereby authorised to accept the terms, conditions, modifications and stipulations as the GOI, SEBI, Reserve Bank of India or Stock Exchanges or any other regulatory authority may stipulate while granting approval to the Company for issue of the Warrants and/or equity shares as aforesaid.

RESOLVED FURTHER THAT the Board is hereby authorised to take necessary steps for listing of the equity shares allotted upon conversion of Warrants on Stock Exchanges, where the Company’s shares are listed, as per the terms and conditions of the Listing Agreement, and in accordance with such other guidelines, rules and regulations as may be applicable with regard to such listing.



RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorised to issue proposed Preferential offer letter to the proposed allottees and take such steps and to do all such acts, deeds, matters and things as the Board may, in its absolute discretion, deem necessary, expedient, usual, proper, incidental or desirable and to settle any question, difficulties or doubts that may arise in this regard and in regard to the issue, allotment of the Warrants and/or equity shares and utilisation of the issue proceeds, to prescribe the forms of applications, enter and execute all such deeds, documents, agreements or other instruments, and to take such actions/directions as they may consider as being necessary or desirable and to obtain any approval, permissions, sanctions which may be necessary or desirable as they may deem fit, without being required to seek any further consent or approval of the shareholders.

RESOLVED FURTHER THAT for the purpose of giving effect to the resolution, the Board be and is hereby authorized to engage / appoint Merchant Banker, Scrutinizer, registrars, bankers, and other consultants and advisors to the issue and to remunerate them by way of commission, brokerage, fees and/or other charges and also to enter into and execute all such arrangements, agreements, memoranda, documents, etc. with such agencies, as may be required, and as permitted by law.

RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of the powers herein conferred by this resolution to any Director(s) or to any Committee of Directors or employee or officer of the Company, as it may consider appropriate, to give effect to the aforesaid resolution.”

By the Order of the Board
For **Hindustan Foods Limited**

Sd/-

Sameer Kothari
(Managing Director)
DIN No: 01361343

Place: Mumbai

Date : February 27, 2019

Notes:

1. An explanatory statement pursuant to Section 102 of the Companies Act, 2013 setting out all the material facts and reasons for the proposed resolutions are enclosed herewith.
2. In terms of Section 110 of the Companies Act, 2013 read with Rule 22 of Companies (Management and Administration) Rules, 2014, the business set out in the notice above is sought to be passed by postal ballot. Accordingly, your approval is sought for the resolution contained in this Notice through postal ballot, with an additional option of remote e-voting.
3. Only a member who is entitled to vote is entitled to exercise his/her/its vote through postal ballot. Voting rights of every member shall be reckoned on the paid-up value of equity shares whose names shall appear in the Register of Members as on **Friday, February 22, 2019**, and any recipient of this notice who has no voting rights as on the aforesaid date should treat the same as intimation only.
4. The Board of Directors of the Company has appointed Mr. Vivek Gaggar (Membership No. 162330), Practicing Chartered Accountant of M/s. NVR & Co. Chartered Accountants, (FRN No.145961W) having its registered office at B-302, Prarthna Apartment, Jawahar Nagar, SV Road, Goregaon West, Mumbai 400062, as Scrutinizer for conducting the postal ballot (Physical & E-voting) process in fair and transparent manner in accordance with the provisions of Companies Act, 2013 and Rule 22 of the Companies (Management and Administration) Rules, 2014.
5. In accordance with the provisions of Section 110 of the Act and the postal ballot rules, notice of the postal ballot may be served on the members through electronic means. Members who have registered their email ids with the Depositories or with the Company are being sent this Notice of Postal Ballot by email and the members who have not registered their email ids will be sent the Notice of Postal Ballot along with the Postal Ballot Form by registered post or courier. Shareholders who have received the Postal ballot Notice by email and who wish to vote through Physical Ballot Form can download the Postal Ballot Form from the Company's website **www.hflgoa.com** or seek duplicate Postal Ballot Form from the registered office of the Company, fill in the relevant details and send it to the Scrutinizer.
6. The notice of Postal Ballot is being sent to all the members of the Company, whose names appear on the Register of Members as at close of business hours on Friday, February 22, 2019.
7. Resolution passed by the Members through postal ballot is deemed to have been passed as if the same has been passed at a General Meeting of the Members.



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8. A Postal Ballot Form and a postage prepaid self-addressed business reply envelope are attached to this Notice. The self-addressed envelope bears the address to which duly completed Postal Ballot Form is to be sent by the shareholder.
9. The vote on postal ballot cannot be exercised through proxy
10. The date of dispatch of the notice of postal ballot will be announced through advertisements in newspapers.
11. The Shareholders are requested to carefully read the instructions and the notes and either:
 - a) return the form duly completed in the attached self-addressed pre-paid postage envelope (the "Envelope"); or
 - b) vote by electronic means in the manner set out herein, in each case, or to ensure that the duly completed and signed ballot forms reach the scrutinizer not later than 5.00 pm on or before Friday, April 5, 2019.
12. Shareholders are requested to exercise their voting rights by either using the attached postal ballot form or through remote e-voting. No other form or photocopy of the postal ballot form is permitted.

The Scrutinizer will submit his report to the Chairman of the Board or in his absence to any other Designated Director after completion of scrutiny of postal ballot forms received and the result of the Postal Ballot shall be declared by the Chairman or any other person authorized by him not later than the closing of working hours on Monday, April 8, 2019 at the registered office of the company. The results along with the Report will be posted on the website of the Company: www.hflgoa.com and on NSDL's website besides communicating to the Stock Exchanges where the shares of the Company are listed. The date specified by the Company for receipt of duly completed Postal Ballot Forms and Electronic Votes shall be considered to be the date of passing the Resolutions, for the purpose of compliance, in terms of the provisions of the Companies Act, 2013.

13. The decision of the Scrutinizer on the validity of the votes cast through the postal ballot and remote e-voting and any other matter in this regard shall be final and binding.
14. All relevant documents referred in the Explanatory Statement shall be open for inspection at the registered office of the company on all working days between 11.00 AM to 1.00 PM up to the date of declaration of the result of Postal Ballot i.e. Monday, April 8, 2019.
15. Members are requested to notify change in address, if any, in case of shares held in Electronic form to the concerned Depository Participant quoting their Client ID and in case of physical shares to the Registrar and Transfer Agent of the Company quoting their folio numbers.
16. **Instructions for casting votes using the Postal Ballot form are furnished on the reverse of the postal ballot form.**

Voting through Electronic Means

E-Voting Facility

The Members are informed that the Company is providing Remote e-voting facility (e-voting from a place other than venue of Meeting) as an alternative mode of voting which will enable the members to cast their votes electronically on the resolution as mentioned in the notice. Necessary arrangements have been made by the Company with National Securities Depository Limited (NSDL) to facilitate remote e-voting to the members. The Company has appointed Mr. Vivek Gagar (Membership No. 162330), Practicing Chartered Accountant of M/s. NVR & Co. Chartered Accountants, (FRN No.145961W) having its registered office at B-302, Prarthna Apartment, Jawahar Nagar, SV Road, Goregaon West, Mumbai 400062, as the Scrutinizers for scrutinizing the remote e-voting process as well as voting at the meeting in a fair and transparent manner.

For the purpose of dispatch of this Notice, shareholders of the Company holding shares either in physical form or in dematerialized form as on Friday, February 22, 2019 has been considered. Any person, who acquire shares of the Company and becomes member of the Company after Friday, February 22, 2019 may obtain the login ID and password by sending a request to NSDL at evoting@nsdl.co.in or to the Company at business@thevanitycase.com or to the Registrar and share transfer agents of the company.

The Members whose name appears in the Register of Members/list of Beneficial Owners as received from Depositories as on Friday, February 22, 2019 ("cut-off date") are entitled to vote on the resolutions set forth in this notice. Person who is not a member as on the said date should treat this notice for information purpose only.



For any queries/grievances or guidance for e-voting, members may refer to the 'Frequently Asked Questions' (FAQs) for shareholders and e-voting user manual for shareholders available at the Downloads section of NSDL's E-Voting website: www.evoting.nsdl.com or write an email to evoting@nsdl.co.in or Ms. Pallavi Mhatre at pallavid@nsdl.co.in.

The remote e-voting period commences on Thursday, March 7, 2019 at 9:00 a.m. and ends on Friday, April 5, 2019 at 5:00 p.m. During the said period, Shareholders of the Company, holding shares either in physical form or in dematerialized form, may cast their vote electronically. The e-voting module shall be disabled for voting thereafter.

On submission of the report by the scrutinizer, the result of voting at the meeting and e-voting shall be declared. The Results along with the Scrutinizer's Report shall be placed on the Company's website www.hlfgoa.com and on the website of NSDL www.evoting.nsdl.com Result will be declared forthwith on receipt of the Report of the Scrutinizer.

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>

Step 2: Cast your vote electronically on NSDL e-Voting system.

Details on Step 1 is mentioned below:

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Your password details are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.



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- c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, your 'initial password' is communicated to you on your postal address.
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
 - a) Click on "[Forgot User Details/Password?](#)" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) [Physical User Reset Password?](#)" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Details on Step 2 is given below:

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
3. Select "EVEN" of company for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. 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. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to vivek.gaggar@nvrandco.com with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "[Forgot User Details/Password?](#)" or "[Physical User Reset Password?](#)" option available on www.evoting.nsdl.com to reset the password.



3. 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 www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in

Contact Details :

1. Company

Name: Hindustan Foods Limited

Address: Office No. 03, Level 2, Centrium, Phoenix Market City,
15, Lal Bahadur Shastri Road, Kurla, Mumbai- 400070

CIN: L15139MH1984PLC316003; **Email:** hfl@dempos.com

2. Registrar and Transfer Agent

Name: Link Intime India Private Limited

Address: C-101, 247 Park, L.B S Marg, Vikhroli (West), Mumbai 400083

Tel: (022) 49186000; **Email:** mumbai@linkintime.co.in

3. E-voting Agency

Name: National Securities Depository Limited (NSDL)

Tel: (022) 24994200; **Email:** evoting@nsdl.co.in

4. Scrutinizer

Name: Mr. Vivek Gaggar

Practicing C.A: Membership No. 162330,

Email: vivek.gaggar@nvrando.com

EXPLANATORY STATEMENT TO SPECIAL BUSINESS

(Pursuant to Section 102 of the Companies Act, 2013, ("ACT"))

ITEM NO. 1

The existing Memorandum of Association ("MoA") of the Company, based on Companies Act, 1956 ("1956 Act") are no longer in conformity with the Companies Act, 2013 ("2013 Act"). With the enactment of 2013 Act, several clauses of MoA require alteration/deletion. Given this position, it is considered expedient to adopt the new set of Memorandum of Association (primarily based on Table A set out under Schedule I to the Act) in place of existing MoA, instead of amending it by alteration/incorporation of provisions of 2013 Act.

In terms of Section 13 of 2013 Act, consent of Members by way of a Special Resolution is required for adoption of a new set of Memorandum of Association. The entire set of proposed new Memorandum of Association is available in the website of the Company. Members can also obtain a copy of the same from the Company's Registered Office.

None of the Directors, Key Managerial Personnel and their relatives are in any way concerned or interested in the said Resolution.

The Directors recommend the aforesaid Resolution for the approval by the Members as Special Resolution.

ITEM NO. 2

The existing Articles of Association ("AoA") of the Company, based on the Companies Act, 1956 are no longer in conformity with the 2013 Act. With the coming into force of 2013 Act, several regulations of AoA require alteration/deletion. Given this position, it is considered expedient to adopt a new set of Articles of Association (primarily based on Table F set out under Schedule I to the Companies Act, 2013) in place of existing AoA, instead of amending it by alteration/incorporation of provisions of 2013 Act.

In terms of Section 14 of 2013 Act, consent of Members by way of a Special Resolution is required for adoption of a new set of Articles of Association. The entire set of proposed new Articles of Association is available in the website of the Company. The Members of the Company can also obtain a copy of the same from the Company's Registered Office.

None of the Directors, Key Managerial Personnel and their relatives are in any way concerned or interested in the said Resolution.



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The Directors recommend the aforesaid Resolution for the approval by the Members as Special Resolution.

ITEM NO. 3

The proposed preferential issue of warrants referred to in Resolution at Item No. 5 requires an amendment in the Articles of Association by insertion of clause authorizing the Company to issue Warrants to the Proposed Allottees. Pursuant to Section 14 of the Act, the consent of the Members by way of Special Resolution is required for alteration of Articles of Association of the Company.

Accordingly, the Articles of Association are amended suitably to comply with the requirements of the Companies Act, 2013 by addition clause nos. 69-71 as set out in the Resolution.

The Board of Directors had at their meeting held on February 27, 2019 had approved (subject to the approval of members) the amendment in the Articles of Association of the Company as aforesaid.

The Board recommends for approval by the members the resolution as set out at Item No. 3 of the Notice as a Special Resolution.

None of the Directors or Key Managerial Person (KMP) of the Company or their relatives, are in any way, concerned or interested, financial or otherwise, in the resolution set out in No.3 except to the extent of their shareholding in the company, if any

ITEM NO. 4

The Issue of Equity Shares pursuant to conversion of warrants referred to in Resolution at Item No. 5, will result in the increase in Paid-up Share Capital of the Company. The current Authorised Share Capital of the Company is not sufficient to accommodate the enhanced capital on issuance of shares. The Company therefore, proposes to increase its Authorised Share Capital from Rs.21,50,00,000/- (Rupees Twenty One Crore Fifty Lacs Only) divided into 1,95,00,000 (One Crore Ninety Five Lacs) Equity Shares of Rs.10/- each and 2,00,000 (Two Lakh) 9% Redeemable Preference shares of Rs.100/- each to Rs.24,00,00,000/- (Rupees Twenty Four Crore Only) divided into 2,20,00,000 (Two Crore Twenty Lacs) Equity Shares of Rs.10/- each and 2,00,000 (Two Lakh) 9% Redeemable Preference shares of Rs.100/- each, by creation of additional 25,00,000 (Twenty Five Lacs) equity shares of Rs.10/- each ranking pari passu in all respect with the existing equity shares of the Company.

As per section 61(1) and other applicable provisions of the Companies Act, 2013, the consent of shareholders is required for increasing the Authorized Share Capital of the Company. Consequent to increase in the Authorised Share Capital, it is necessary to change the existing capital clause of the Memorandum of Association and Articles of Association of the Company.

Therefore, the Board recommends the proposed resolution for your approval.

None of the Directors or Key Managerial Person (KMP) of the Company or their relatives, are in any way, concerned or interested, financial or otherwise, in the resolution set out in No.4 except to the extent of their shareholding in the company, if any.

ITEM NO. 5

The Board of Directors in their meeting held on February 27, 2019 subject to necessary approval(s), has approved the proposal for raising funds and for that to issue and allot 27,77,779 (Twenty Seven Lakh Seventy Seven Thousand Seven Hundred and Seventy Nine) convertible warrants on preferential basis, entitling the Proposed Allottees to exercise the option to convert (in one or more tranches) and get allotted one equity share of face value of Rs.10/- (Rupees Ten only) each fully paid-up against each warrant to Non-Promoter entities.

The proposed issue of capital is subject to the applicable regulations issued by SEBI and any other government/ regulatory approvals as may be required in this regard. The details of the issue and other particulars as required in terms of the Act and SEBI (ICDR) Regulations in relation to the aforesaid Special Resolution are given as under:

1. **OBJECTS OF THE PREFERENTIAL ISSUE:** The Company proposes to raise additional funds through issue to equity shares on preferential basis. The proceeds of the issue are proposed inter alia, to be utilized towards meeting the Capital expenditure for expansion of current business operations by acquiring or constructing operational units, repayment of unsecured loans, to meet long term working capital requirements and other general corporate purposes.



2. **TOTAL NUMBER OF SECURITIES TO BE ISSUED:** The Board intends to offer, issue and allot 27,77,779 (Twenty Seven Lakh Seventy Seven Thousand Seven Hundred and Seventy Nine) Warrants on preferential basis, with an option to convert into equity share of face value of Rs.10/- (Rupees Ten only) each fully paid-up against each warrant in accordance with SEBI (ICDR) Regulations and other applicable laws.
3. **PRICING OF PREFERENTIAL ISSUE:** The price of each equity share to be issued in lieu of Warrants is fixed at Rs.10/- (Rupees Ten Only) per share including premium per share as determined in terms of Regulation 164(1) of Chapter V of the SEBI (ICDR) Regulations on the basis of the Relevant Date. Further, the Company undertakes to re-compute the price of the equity shares, if at all required, in terms of the provisions of these regulations where it is required to do so.
4. **BASIS ON WHICH PRICE HAS BEEN ARRIVED AT ALONG WITH REPORT OF THE REGISTERED VALUER:** The Company is listed only on the Bombay Stock Exchange Limited (BSE) and the equity shares of the Company are traded in accordance with Regulation 164(1) of the ICDR Regulations. The price has been determined on the basis of the quotes available on the Bombay Stock Exchange Limited during the preceding twenty six weeks or preceding two weeks prior to the relevant date.
5. **THE PROPOSAL / INTENTION OF THE PROMOTERS, DIRECTORS OR KEY MANAGERIAL PERSONNEL TO SUBSCRIBE TO THE OFFER:** The Promoter/ Directors or Key managerial Personnel do not intend to subscribe to this preferential issue offer. The preferential issue of warrants is being made to non-promoters as more particularly set out at point No. 09 below.
6. **RELEVANT DATE:** The “Relevant Date” in terms of Regulation 161 of the SEBI (ICDR) Regulations for determination of minimum price is Wednesday, March 6, 2019, being a date which is 30 (Thirty) days prior to the date of proposed Extra Ordinary General Meeting which is Friday, April 5, 2019 to approve the proposed preferential issue or in the case where the Relevant Date falls on Weekend/Holiday, the day preceding the Weekend/Holiday will be reckoned to be the Relevant Date
7. **CLASS OR CLASSES OF PERSONS TO WHOM THE ALLOTMENT IS PROPOSED TO BE MADE:** The allotment is proposed to be made to the Proposed Non-promoter Allottees as mentioned at point no. 09 below.
8. **SHAREHOLDING PATTERN BEFORE AND AFTER THE PREFERENTIAL ISSUE:**

Sr. No.	Description	Pre-scheme and Pre preferential issue		Pre-scheme and post preferential issue		Post-scheme and post preferential issue	
		No of Shares	%	No of Shares	%	No of Shares	%
A	Promoter’s Shareholding						
1	Indian						
	Individual	4,00,000	2.96%	4,00,000	2.46%	41,93,500	19.71%
	Bodies Corporate	79,47,294	58.90%	79,47,294	48.85%	90,81,593	42.69%
	Sub-total	83,47,294	61.87%	83,47,294	51.30%	1,32,75,093	62.40%
2	Foreign Promoters	-	0.00%	-	0.00%	-	0.00%
	Sub-total (A)	83,47,294	61.87%	83,47,294	51.30%	1,32,75,093	62.40%
B	Non- Promoter’s Shareholding						
1	Institutional Investors	23,499	0.17%	23,499	0.14%	23,499	0.11%
2	Non- institutional investors						
	Bodies Corporate	20,43,808	15.15%	32,52,103	19.99%	32,52,103	15.29%
	Directors and Relatives	50,000	0.37%	50,000	0.31%	50,000	0.24%
	Indian Public	28,09,488	20.82%	28,09,488	17.27%	28,09,488	13.21%
	Others (Including NRIs)	2,18,411	1.62%	17,87,895	10.99%	18,63,681	8.76%
	Sub-total (B)	51,45,206	38.13%	79,22,985	48.70%	79,98,771	37.60%
	GRAND TOTAL (A)+(B)	1,34,92,500	100.00%	1,62,70,279	100.00%	2,12,73,864	100.00%



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* The Board of Directors of the Company has approved a scheme of arrangement (the 'Scheme') under Sections 230-232 of the Companies Act 2013 for demerger of Contract Manufacturing (Hyderabad) Business of Avalon Cosmetics Private Limited (the 'Demerged Company'), having its registered office at Mumbai into Hindustan Foods Limited vide board resolution dated May 24, 2018. The Scheme has been approved by the Bombay Stock Exchange (BSE) vide their observation letter dated December 17, 2018 bearing Reference No. DCS/AMAL/SD/R37/1364/2018-19 under Regulation 37 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Pursuant to the Scheme, 50,03,585 equity shares are to be issued to the shareholders of the Demerged Company subject to necessary statutory and regulatory approvals.

** The above Paid up equity share capital of the Company post proposed preferential issue is on fully diluted basis, on the assumption that the entire 27,77,779 warrants shall be converted into equity shares and 50,03,585 equity shares shall be allotted to the shareholders of the Demerged Company pursuant to the Scheme.

9. IDENTITY OF THE NATURAL PERSONS WHO ARE THE ULTIMATE BENEFICIAL OWNERS OF THE SHARES PROPOSED TO BE ALLOTTED AND/ OR WHO ULTIMATELY CONTROL THE PROPOSED ALLOTTEES, THE PERCENTAGE OF POST PREFERENTIAL ISSUE CAPITAL THAT MAY BE HELD BY THEM (*):

Sr. No.	Name & Address of the proposed allottees	Category	PAN	Identity of ultimate beneficial owners	No. & % of Equity Shares held prior to the Preferential Allotment		No. & % of Warrants to be issued and allotted		No. & % of Post Issue Equity and Voting Share Capital (*)	
					No of shares	%	No. of warrants	%	No. of Shares	%
1	Infinity Holdings I Address: IFS Court, Bank Street, TwentyEight Cybercity, Ebene 72201, Republic of Mauritius	Non-promoter	AAFCl1891R	James Ferguson Paton	-	-	10,24,675	36.89	10,24,675	4.82
2	Convergent Finance LLP Address: 506, CeeJay House, Dr. Annie Besant Road, Worli, Mumbai- 400018, India	Non-promoter	AANFC5528J	Harsha Raghavan,	-	-	1,83,620	6.61	1,83,620	0.86
3	HR Holdings Address: 506, CeeJay House, Dr. Annie Besant Road, Worli, Mumbai - 400 018, India	Non-promoter	AALFH9544H	Amruta Anurag Adukia, Harsha Raghavan, Sarvjit Singh Bedi	-	-	4,72,225	17.00	4,72,225	2.22
4	SG Holdings Address: Jupiter Building Flat 23, Cuffe Parade, Mumbai 400 005	Non-promoter	ADWFS3240H	Sandeep Kamal Gupta	-	-	2,63,925	9.50	2,63,925	1.24



Sr. No.	Name & Address of the proposed allottees	Category	PAN	Identity of ultimate beneficial owners	No. & % of Equity Shares held prior to the Preferential Allotment		No. & % of Warrants to be issued and allotted		No. & % of Post Issue Equity and Voting Share Capital (*)	
					No of shares	%	No. of warrants	%	No. of Shares	%
5	Sixth Sense India Opportunities-II A- 909, The Capital, Bandra Kurla Complex, Bandra (East), Mumbai, Maharashtra 400051	Non-promoter	AAUTS4035P	The proposed allottee, viz; Sixth Sense India Opportunities-II is a SEBI Registered Alternative Investment Fund Category II with Registration No. IN/AIF2/13-14/0095. Vistra ITCL (India) Limited (formerly known as IL&FS Trust Company Limited) is a trustee of Sixth Sense India Opportunities-II Fund. There are no natural persons who are the ultimate beneficial owners who holds more than 15% beneficial interest (directly or indirectly) in the Proposed Allottee and Sixth Sense Ventures Advisors LLP is Fund Manager for the Fund which is ultimately controlled by Nikhil Vora	-	-	8,33,334	30.00	8,33,333	3.92
TOTAL							27,77,779	100.00	27,77,779	

* The post issue number and % of the equity share capital of the proposed allottees has been calculated on the assumption that all the 27,77,779 warrants proposed to be issued shall be converted into equity shares and 50,03,585 equity shares shall be allotted by the Company pursuant to the Scheme to the shareholders of the Demerged Company.



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10. **CHANGE IN CONTROL CONSEQUENT TO THE PREFERENTIAL ISSUE:** The existing Promoters of the Company will continue to be in control of the Company and there will not be any change in the management or control of the Company as a result of the proposed preferential allotment.

11. **UNDERTAKING:** The Company hereby undertakes that:

- i. It would re-compute the price of the securities specified above in terms of the provisions of SEBI (ICDR) Regulations, where it is so required.
- ii. If the amount payable, if any, on account of the re-computation of price is not paid within the time stipulated in SEBI (ICDR) Regulations the above warrants/shares shall continue to be locked-in till the time such amount is paid by the allottees.
- iii. Other than the Preferential Issue as proposed in the resolution as set in the accompanying Notice, the Company has already made a preferential issue of 5,00,000 equity shares during the financial year 2018-19, to Promoter/ Promoter group at a price of Rs.300/- per share as follows:

Sr. No.	Names of Allottees	Date of Allotment	No. of Shares allotted
1	Shrinivas V. Dempo	27.07.2018	4,00,000
2	Soiru Dempo Management Holding Private Limited as a Trustee for Soiru Dempo Family Private Trust	27.07.2018	1,00,000

12. **LOCK-IN PERIOD:** The securities shall be locked in for such period as prescribed under Regulation 167 and other applicable provisions of SEBI (ICDR) Regulations.

13. **TRANSFERABILITY PERIOD:** The transferability restrictions on the securities shall be as prescribed in Regulation 168(2) of SEBI (ICDR) Regulations.

14. **PROPOSED TIME WITHIN WHICH ALLOTMENT SHALL BE COMPLETED:** As required under the ICDR Regulations, the Company shall complete the allotment of securities as aforesaid on or before the expiry of 15 days from the date of passing of the special resolution by the shareholders or in the event allotment of securities would require any approval(s) from any regulatory authority or the Central Government, within 15 days from the date of such approval(s), as the case may be.

15. **OTHER DISCLOSURES :**

- a) The Promoter and members of the Promoter Group have not sold Equity Shares of the Company in the 6 months preceding the Relevant Date.
- b) None of the Companies, the Promoter or the Directors have been declared as wilful defaulters by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India.
- c) The Company is in compliance with the conditions of continuous listing of equity shares as specified in the listing agreement with the Stock Exchange(s) where the Equity Shares of the Company are listed.

DOCUMENTS FOR INSPECTION

Certificate from the Statutory Auditors confirming that the proposed issue of equity shares is being made in accordance with the SEBI (ICDR) Regulations will be made available for inspection at the Corporate Office of the Company between 11:00 a.m. and 01.00 p.m. on any working day except Saturdays from March 7, 2019 up to the last date for voting under Postal Ballot.

The Board of Directors believes that the proposed preferential issue is in the best interest of the Company and its members. The Board recommends the resolution as set out in the accompanying notice for the approval of members as a Special Resolution. The Board accordingly recommends the Special Resolution set out at Item No. 5 for approval of the Members.

None of the Directors/Key Managerial Personnel of the Company/ their relatives are in, anyway, concerned or interested, in the above resolution, except Mr. Nikhil Vora, being the Director of the Company to the extent the allotment is to be made under this resolution to Sixth Sense India Opportunities – II, since Mr. Nikhil Vora is a partner of Sixth Sense Advisors LLP, Manager of Sixth Sense India Opportunities – II.

By the Order of the Board
For **Hindustan Foods Limited**

Sd/-

Sameer Kothari
(Managing Director)

DIN No: 01361343

Place: Mumbai

Date : February 27, 2019

