



SONAL ADHESIVES LIMITED

Registered Office: 2N Laxmi Industrial Estate, New Link Road, Andheri (West), Mumbai – 400 053

CIN: L02004MH1991PLC064045 Tel. no.: 91 22 61316131 Fax no.: 91 22 61316131

Website: www.sonal.co.in Email: info@sonal.co.in

Postal Ballot Notice

[Notice Pursuant to Section 110 of the Companies Act, 2013, read with Rule 22 of the Companies (Management and Administration) Rules, 2014]

Dear Members

Notice is hereby given that, pursuant to Section 110 and all other applicable provisions, if any, of the Companies Act, 2013 (the “Act”), read together with Rule 22 of the Companies (Management and Administration) Rules, 2014, including any statutory modification or re-enactment thereof for the time being in force, that the resolutions appended are proposed to be passed as Special Resolutions by way of Postal Ballot / e-voting.

The proposed Special Resolutions and the Explanatory Statement pertaining to the resolutions setting out all material facts concerning each item and the reasons thereof is annexed hereto along with a Postal Ballot Form (the “Form”) for your consideration. The Board of Directors of the Company (the “Board”) has appointed Mr. Prashant Diwan, Practicing Company Secretary as the Scrutinizer for conducting the Postal Ballot process in a fair and transparent manner.

You are requested to carefully read the instructions printed on the Form, record your assent (for) or dissent (against) therein by filling necessary details and affixing your signature at the designated place in the Form and return the same in original duly completed in the enclosed self-addressed, postage pre-paid envelope (if posted in India) so as to reach the Scrutinizer not later than the close of working hours i.e. 5.00 p.m. on Thursday, 24th September, 2015. Please note that any Form received after the said date will be strictly treated as if no reply has been received from the Member. No other form or photocopy thereof is permitted.

Pursuant to the provisions of the Act and in compliance with Clause 35B of the Listing Agreement, the Company is pleased to provide Electronic Voting (“e-voting”) facility as an alternate, to all its Members, to enable them to cast their votes electronically instead of dispatching the physical Ballot Form by post. The Company has engaged the services of Central Depository Services (India) Limited (CDSL) to provide e-voting facility to its Members. It may be noted that e-voting is optional. In case a Member has voted through e-voting facility, he/she is not required to send the physical Form. In case a Member votes through e-voting facility as well as sends his/her vote through physical vote, the vote cast through e-voting shall only be considered and the voting through physical Postal Ballot shall not be considered by the Scrutinizer.

The e-voting facility is available at the link www.evotingindia.com. Please refer the instructions for e-voting given after the proposed resolutions for the process and manner in which e-voting is to be carried out.

Upon completion of the scrutiny of the Forms (including e-voting), the Scrutinizer will submit his report to the Chairman of the Company. The result of the postal ballot would be announced by Chairman of the Company on Monday, 28th September, 2015 at the registered office of the Company. The aforesaid result would be displayed at the registered office of the Company, intimated to the Stock Exchanges where the shares of the Company are listed, published in the newspapers and displayed along with the Scrutinizer's report on the Company's website viz. www.sonal.co.in.

Special Resolutions:

Item No: 1 – Shifting of Registered Office outside local limits of City:

“RESOLVED THAT pursuant to Section 12(5) and Section 110 and all other applicable provisions and rules of the Companies Act, 2013, the consent of the Members of the Company be and are hereby accorded for shifting of Registered Office of the Company from 2N, Laxmi Industrial Estate, Link Road, Andheri (West), Mumbai – 400 053 to Plot No 28/1A Takai-Adoshi Road, AT PO Khopoli Tal Khalapur Dist Raigad – 410203 (both the offices are within the same jurisdiction of the Registrar of Companies, Maharashtra, Mumbai) with immediate effect and that the Directors of the Company, be and are hereby authorised to do all such acts, deeds, matters and things as the case may be necessary for the aforesaid purpose.”

Item No. 2 – Creation of Mortgage, pledge, Charges etc on the movable and immovable properties of the Company, both present and future, in respect of borrowings:

“RESOLVED THAT pursuant to Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013 the consent of the Members of the Company be and are hereby accorded to the Board of Directors of the Company to create such mortgage, charges and hypothecations in addition to the existing mortgages, charges and hypothecations created by the Company, if any on such movable and immovable assets and properties of the Company, both present and future and in such manner as the Board may deem fit, together with power to take over substantial assets in certain events, in favour of all or any Banks, financial institutions, investment institutions and their subsidiaries, any other bodies corporate and any other lenders.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to do all such acts, deeds, matters and things and to execute such deeds, documents or writings as are necessary or expedient, on behalf of the Company for creating the aforesaid mortgages and / or charges as it may in its absolute discretion deem necessary or expedient for such purpose and for giving effect to the above resolution.”

Item No. 3 – Giving Loans/ Guarantees or providing securities and/or making investments:

“RESOLVED THAT pursuant to Section 186 and other applicable provisions, if any, of the Companies Act, 2013 read with applicable Rules made there under (including any statutory modifications or re-enactment thereof, for the time being in force), the consent of the members of the Company be and are hereby accorded to the Board of Directors of the Company to:-

- a) give any loan to any person or other body corporate;
- b) give any guarantee or provide security in connection with a loan to any other body corporate or person; and
- c) acquire by subscription, purchase or otherwise, the securities of any other body corporate

exceeding sixty per cent of the paid up share capital, free reserves and securities premium account or one hundred per cent of its free reserves and securities premium account, whichever is more, provided that the maximum amount of aggregate of such loan, guarantee, security and acquisition by the Company shall not at any time exceed Rs. 1,00,00,00,000/- (Rupees One Hundred Crores only).

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things as may be considered necessary in this regard for and on behalf of the Company, including but not limiting to, filing of necessary forms, returns, submissions under the Companies Act, 2013 and to settle any questions or disputes that may arise in relation thereto.”

For and on behalf of the Board

Sandeep Arora
Managing Director
DIN: 00176939

Dated: 12.08.2015

Registered Office

2N, Laxmi Industrial Estate,
Link Road, Andheri (West),
Mumbai – 400 053

Notes:

1. An explanatory statement pursuant to Section 102 of the Act, setting out the material facts and reasons for the proposed Special Resolutions at Item Nos.1, 2 and 3 above, is appended herein below along with Postal Ballot Form for your consideration.

2. The Notice is being sent to all the Members, whose names appear in the Register of Members/list of Beneficial Owners as received from National Securities Depository Limited (“NSDL”)/Central Depository Services (India) Limited (“CDSL”) as on 21st August, 2015.

3. In compliance with the provisions of Section 108 other applicable provisions of the Act, if any, read with the Rule 20 of Companies (Management and Administration) Rules, 2014 and Clause 35B of the Listing Agreement as amended from time to time, entered into with the Stock Exchanges, the Company is pleased to offer e-voting facility as an option to all the Members of the Company. The Company has entered into an agreement with CDSL for facilitating e-voting to enable the Members to cast their votes electronically instead of dispatching Ballot Form. E-voting is optional.

4. As per Section 110 of the Act, read with Rule 22 of the Companies (Management and Administration) Rules, 2014, assent or dissent of the Members in respect of the special resolutions contained in the Postal Ballot Notice is sought through Postal Ballot (including voting through electronic means).

5. The Board of Directors vide Board Resolutions passed on 12th August, 2015 had appointed Mr. Prashant Diwan, Practicing Company Secretaries at Mumbai, as Scrutinizer for conducting the Postal Ballot process and also to scrutinize the e-voting process in a fair and transparent manner.

6. Members desiring to exercise their vote by Physical Postal Ballot are requested to carefully read the instructions printed in the Postal Ballot Form and return the same duly completed in the enclosed postage pre-paid self-addressed business reply envelope. Postage will be borne and paid by the Company. However, Postal Ballot Form(s), if sent by courier or by registered post at the expense of the Member(s) will also be accepted. The Postal Ballot Form(s) may also be deposited personally at the Scrutinizer's address. Duly completed Postal Ballot Form(s) should reach the Scrutinizer not later than 5.00 p.m. on Thursday, 24th September, 2015 to be eligible for being considered, failing which, it will be strictly treated as if no reply has been received from the Member. Unsigned / blank / incomplete / defaced / mutilated / incorrectly ticked Postal Ballot Forms will be rejected. Members desiring to exercise their vote through e-voting are requested to refer the instructions mentioned at Sr. No. 13 below.

7. Members are requested not to send any other paper along with the Postal Ballot Form in the enclosed postage pre-paid self-addressed business reply envelope, as all such envelopes will be sent to the Scrutinizer and any extraneous paper found in such envelope would be destroyed by the Scrutinizer.

8. The voting rights shall be reckoned in proportion to the paid-up value of the equity shares registered in the name of the Members as on 21st August, 2015.

9. The Scrutinizer will submit his report to the Chairman of the Company after completion of the scrutiny of Postal Ballot received in Physical form and through e-voting process. The results of the Postal Ballot shall be then announced by Chairman of the Company on Monday, 28th September, 2015 at 4.00 p.m. at the Registered Office of the Company at 2N, Laxmi Industrial Estate, Link Road, Andheri (West), Mumbai - 400 053 In addition to the results being communicated to BSE Limited, the same along with the Scrutinizer Report shall also be displayed at the Company's Registered Office and on its website i.e. www.sonal.co.in. The results of the Postal Ballot shall also be published in the newspapers.

10. The Scrutinizer's decision on the validity of the Postal Ballot will be final and binding.

11. The resolutions will be taken as passed effectively on the date of announcement of the result, if the results of the Postal Ballot indicate that the requisite majority of the Members had assented to the resolutions.

12. All documents referred to in the accompanying Notice and the Statement pursuant to Section 102 of the Companies Act, 2013 are available for inspection by the Members at the Registered Office of the Company at 2N, Laxmi Industrial Estate, Link Road, Andheri (West), Mumbai - 400 053 during working hours on any working days from 25th August, 2015 to 24th September, 2015.

13. The procedure and instructions for Members for exercising their votes through e-voting are as under:

- I. Log on to the e-voting website www.evotingindia.com
- II. Click on "Shareholders" tab
- III. Now, select the "COMPANY NAME" from the drop down menu and click on "SUBMIT"
- IV. Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- V. Next enter the Image Verification as displayed and Click on Login.
- VI. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any other company, then your existing password is to be used.
- VII. If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If

	your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or Company please enter the member id/folio number in the Dividend Bank details field as mentioned in instruction IV

- VIII. After entering these details appropriately, click on “SUBMIT” tab.
- IX. 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 change 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 they 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.
- X. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- XI. Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- XII. 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.
- XIII. Click on the “Resolutions File Link” if you wish to view the entire Resolutions details.
- XIV. 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 on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- XV. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- XVI. You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- XVII. If Demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system
- XVIII. Note for Non – Individual Shareholders and Custodians**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- XIX. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.

EXPLANATORY STATEMENT

Explanatory Statement for the Resolutions mentioned under Item Nos. 1, 2 and 3 pursuant to Section 102 of the Companies Act, 2013 (hereinafter referred to as the "Act").

Item No. 1

At present the registered office of the Company is situated at 2N, Laxmi Industrial Estate, New Link Road, Andheri (West), Mumbai-400 053 and Administrative office is situated at the factory being Plot No. 28/1A Takai-Adoshi Road, AT PO Khopoli Tal Khalapur Dist Raigad - 410203. For administrative convenience, the registered office of the Company be shifted, with immediate effect from 2N, Laxmi Industrial Estate, New Link Road, Andheri (West), Mumbai-400 053 to at the factory being Plot No 28/1A Takai-Adoshi Road, AT PO Khopoli Tal Khalapur Dist Raigad - 410203 Both the offices are within the same jurisdiction of the Registrar of Companies, Maharashtra, Mumbai.

The provisions of the Companies Act, 2013 requires Company to seek the approval of the Members for shifting of Registered Office outside the local limits of city, town or village but within the same state and within the jurisdiction of same Registrar of Companies, by passing a Special Resolution through Postal Ballot. Your Board of Directors recommends the resolution for approval of the Members as Special Resolution.

None of the Promoters, Directors and Key Managerial Personnel of the Company and their relatives are in any way concerned or interested, in above referred Special Resolution, except to the extent of their shareholding in the Company.

Item No 2:

Section 180(1)(a) of the Companies Act, 2013 provides that the Board of Directors should not, except with the consent of the members of the Company, create such mortgage, charges and hypothecations in addition to the existing mortgages, charges and hypothecations created by the Company, if any on such movable and immovable assets and properties of the Company, both present and future and in such manner as the Board may deem fit, together with power to take over substantial assets in certain events, in favour of all or any Banks, financial institutions, investment institutions and their subsidiaries, any other bodies corporate and any other lenders.

The approval of Members of the Company is required by way of Special Resolution through Postal Ballot pursuant to the provisions of Section 180(1)(a) and 110 and all other applicable provisions of the Companies Act, 2013. Your Board of Directors recommends the resolution for approval of the Members as Special Resolution.

None of the Promoters, Directors and Key Managerial Personnel of the Company and their relatives are in any way concerned or interested, in above referred Special Resolution except to the extent of their shareholding in the Company.

Item No 3:

Section 186 of the Companies Act, 2013 provides that the Company should not, except with the consent of the members of the Company (a) give any loan to any person or other body corporate or (b) give any guarantee or provide security in connection with a loan to any other body corporate or person and (c) acquire by subscription, purchase or otherwise, the securities of any other body corporate, exceeding sixty per cent of the paid up share capital, free reserves and securities premium account or one hundred per cent of its free reserves and securities premium account, whichever is more.

The proposed limit Rs. 100,00,00,000/- (Rupees One Hundred Crores Only) would enable the Company to give loan, guarantee, security and making investment by the Company as and when required. Your Board of Director recommends the resolution for approval of the Members as Special Resolution.

None of the Promoters, Directors and Key Managerial Personnel of the Company and their relatives are in any way concerned or interested, in above referred Special Resolution except to the extent of their shareholding in the Company.

For and on behalf of the Board

Sandeep Arora
Managing Director
DIN: 00176939

Dated: 12.08.2015

Registered Office

2N, Laxmi Industrial Estate,
Link Road, Andheri (West),
Mumbai - 400 053