

NOTICE OF POSTAL BALLOT



PNB Gilts Limited

Regd. Office : 5, Sansad Marg, New Delhi - 110 001

Tel : 011-23325759, 23325779, **Fax** : 011-23325751, 23325763

Website - www.pnbgilts.com, **E-mail ID** - pnbgilts@pnbgilts.com

CIN : L74899DL1996PLC077120

Dear Member(s)

Notice is hereby given pursuant to Section 110 and other applicable provisions, if any, of the Companies Act, 2013, (the "Act"), read together with the Companies (Management and Administration) Rules, 2014 ("Rules"), including any statutory modification or re-enactment thereof for the time being in force, and other applicable laws and regulations, if any, that the resolution appended below is proposed to be passed through postal ballot by way of remote e-voting ("e-voting / remote e-voting").

The Ministry of Corporate Affairs, Government of India ("MCA") in terms of the General Circular No.14/2020 dated 8th April, 2020 and General Circular No. 17/2020 dated 13th April, 2020 ("MCA Circulars"), in view of the current extraordinary circumstances due to COVID-19 pandemic requiring social distancing, have advised the companies to take all decisions of urgent nature requiring members' approval, other than items of ordinary business or business where any person has a right to be heard, through the mechanism of postal ballot / e-voting in accordance with the provisions of the Act and rules made thereunder, without holding a general meeting that requires physical presence of members at a common venue.

As per the MCA Circulars, the Company will send Postal Ballot Notice only by email to all its members who have registered their email addresses with the Company or depository / depository participants and the communication of assent / dissent of the members on the resolution proposed in this notice will only take place through the remote e-voting system. This Postal Ballot is accordingly being initiated in compliance with the MCA Circulars.

Hence, in compliance with the requirements of the MCA Circulars, hard copy of Postal Ballot Notice along with Postal Ballot Forms and pre-paid business reply envelope will not be sent to the members for this Postal Ballot and they are required to communicate their assent or dissent through the remote e-voting system only.

The Board of Directors of the Company (the "Board") has appointed Mr. Ankit Singhi, Partner of PI & Associates & Practising Company Secretary, bearing CP No. 16274 or in his absence/non-availability Mr. Nitesh Latwal, Practising Company Secretary, bearing CP No. 16276, as the Scrutinizer for conducting the postal ballot process by way of remote e-voting in a fair and transparent manner.

In compliance with Section 108 and other applicable provisions of the Act read with related Rules, the Company is pleased to provide e-voting facility to all its members to enable them to cast their votes electronically, instead of dispatching the physical form by post. The Company has engaged the services of NSDL for the purpose of providing e-voting facility to all its members. **Members are requested to read the notes to the Notice of the Postal Ballot for necessary details.**

The Scrutinizer shall submit his report to the Company after completion of scrutiny of e-voting. The results of Postal Ballot process (by way of remote e-voting) will be declared on or before June 12, 2020 at 5:00 p.m. (IST) at the Registered Office. The results along with the Scrutinizer's Report will be displayed at the registered office of the

Company. The results shall be communicated to the Stock Exchanges and the same along with the Scrutinizer's Report will be displayed on the Company's website www.pnbgilts.com as well as on NSDL website www.evoting.nsdl.com.

SPECIAL BUSINESS:

Item No. 1 :

To increase the borrowing power of the Company and in this regard to consider and, if thought fit, to pass the following resolution as a Special Resolution:

"RESOLVED THAT in supersession of Special Resolution passed at the 23rd Annual General Meeting held on August 28, 2019 and pursuant to Section 180(1)(c) and any other applicable provisions of the Companies Act, 2013 ('the Act') and the Companies (Meetings of Board and its Powers) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the consent of members be and is hereby accorded to the Board of Directors (hereinafter referred to as the "Board" which term shall be deemed to include any Committee or delegation thereof) to borrow and raise such sum or sums of money from time to time as may be required for the purpose of the business of the Company, in excess of the paid up share capital, securities premium and free reserves of the Company, provided that total amount borrowed at any point of time, apart from temporary loans obtained/to be obtained by the Company from its bankers in the ordinary course of business, shall not be in excess of Rs. 20000 crores over and above the aggregate of the paid up share capital, securities premium and free reserves of the Company.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorized to do all such acts, deeds, matters and things as it may in its absolute discretion consider necessary, proper, desirable and to settle any question, difficulty or doubt that may arise in this regard."

By Order of the Board of Directors


(Monika Kochar)
Company Secretary
FCS 6514

May 7, 2020

Regd. Off.: 5, Sansad Marg, New Delhi -110001
CIN:L74899DL1996PLC077120
E-mail:m.kochar@pnbgilts.com
Website:www.pnbgilts.com

NOTES:

1. The Explanatory Statement pursuant to the provisions of Section 102 of the Companies Act, 2013 ("Act") stating material facts and reasons for the proposed resolution(s) is annexed hereto.
2. Resolution passed by the Members through Postal Ballot is deemed to have been passed on the last date of e-voting as if it has been passed at a general meeting by the Members.
3. The Postal Ballot Notice is being sent to /published/displayed for all the Members, whose names appear in the Register of Members/ List of Beneficial Owners as received from Depositories i.e. National Securities Depository Limited ("NSDL") / Central Depository Services (India) Limited ("CDSL") as on May 1, 2020 (Cut-off date) in accordance with the provisions of the Companies Act, 2013, read with Rules made thereunder and the MCA Circulars.
4. Due to non-availability of postal and courier services, on account of threat posed by COVID-19 pandemic

situation, the Company is sending Postal Ballot Notice in electronic form only and express its inability to dispatch hard copy of Postal Ballot Notice along with Postal Ballot Form and pre-paid business reply envelope to the members for this Postal Ballot. To facilitate such members to receive this notice electronically and cast their vote electronically, the Company has made special arrangement for registration of email addresses in terms of the MCA Circulars. The process for registration of email address is as under:

- a) For voting in the resolution proposed in the Postal Ballot through remote e-voting, members who have not registered their email address may get their email address registered by sending an email to the Company's Share Transfer Agent at admin@mcsregistrars.com. Member(s) may also intimate the same to the Company by writing at m.kochar@pnbgilts.com. The members shall provide the following information in the email –

Full Name

No of shares held:

Folio Number (if shares held in physical)

Share certificate number (if shares held in physical)

DP ID & Client ID (if shares are held in demat)

Email id to be registered :

- b) Post successful registration of the email, the member would get soft copy of the notice and the procedure for e-voting along with the User ID and Password to enable e-voting for this Postal Ballot. In case of any queries, member may write to admin@mcsregistrars.com or m.kochar@pnbgilts.com.
- c) It is clarified that for permanent registration of email address, members are required to register their email addresses, in respect of electronic holdings with their concerned Depository Participants and in respect of physical holdings, with the Company's Share Transfer Agent i.e. MCS Share Transfer Agent Ltd., F-65, 1st Floor, Okhla Industrial Area, Phase - I, New Delhi, India. PIN-110 020 Tel.: 011- 41406149-52 Fax No.: 011- 41709881 E-mail: helpdeskdelhi@mcsregistrars.com by following due procedure.
5. Voting rights will be reckoned on the paid-up value of shares registered in the name of the Members on May 1, 2020 (Cut-off date). Only those Members whose names are recorded in the Register of Members of the Company or in the Register of Beneficial Owners maintained by the Depositories as on the Cut-off date will be entitled to cast their votes by e-voting.
6. A member who is not holding shares of the Company as on Cut-off date shall treat this notice for information purpose only.
7. The Resolution, if passed by requisite majority, will be deemed to be passed on the last date specified for e-voting i.e. June 10, 2020.
8. Members desiring to exercise their vote by using e-voting facility are requested to carefully read and follow the instructions in the Notes under the Section 'Voting through electronic means' in this Notice. References to Postal Ballot(s) in this notice include votes received electronically.
9. Upon completion of the e-voting process, the Scrutinizer will submit his report. The results of the postal ballot would be announced by the Managing Director/ Executive Director of the Company on or before June 12, 2020 at 5.00 p.m.at the registered office of the Company.
10. The aforesaid result of the postal ballot along with the scrutinizer's report 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.pnbgilts.com.
11. This notice of postal ballot will also be placed on the website of the Company i.e. www.pnbgilts.com and also on the website of the Agency i.e. www.evoting.nsdl.com.

12. **Procedure for electronic voting:**

- I. In compliance with the provisions of Sections 108 and 110 of the Act and Rules 20 and 22 of the Rules, Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') and Secretarial Standard–II on General Meeting (SS-2) issued by the Institute of Company Secretaries of India (ICSI), the Company is pleased to provide voting by electronic means ("e-voting") facility to the Members, to enable them to cast their votes electronically. The Company has engaged the services of National Securities Depository Limited (NSDL) for the purpose of providing e-voting facility to all its members.
- II. The e-voting period commences on May 12, 2020 at 9:00 a.m. (IST) and ends on June 10, 2020 at 5:00 p.m. (IST). During this period, members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is casted by the member, the member shall not be allowed to change it subsequently.

III. Process and manner of e-voting is as under –

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***
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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.
 - 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. .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. 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 mentioned 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 the Company.
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 ankit@indiacp.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 Members and e-voting user manual for Members 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 or contact Ms. Pallavi Mhatre, Assistant Manager, National Securities Depository Ltd., Trade World, ‘A’ Wing, 4th Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai – 400 013, at the designated email address: pallavid@nsdl.co.in/evoting@nsdl.co.in or at telephone no. +91 22 2499 4545 who will also address the grievances connected with the voting by electronic means.

EXPLANATORY STATEMENT IN RESPECT OF SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 (“THE ACT”)

Item No. 1

The Company is a Primary Dealer (PD) in Government Securities (G-Sec) and its main objective is to support the Government Borrowing programme. In fulfillment of its commitment as PD, it has to participate in the T-Bills and G-sec auctions conducted by Reserve bank of India. The Company is a regular borrower under call money market, repo market, CBLO and all other money markets etc.

The members of the Company at their 23rd Annual General Meeting held on August 28, 2019 by way of a Special Resolution under the Section 180(1)(c) of the Companies Act, 2013 authorized the Board to borrow over and above the aggregate of paid-up share capital, securities premium and free reserves of the Company, provided the total amount of such borrowings together with the amounts already borrowed and outstanding at any point of time, apart from temporary loans obtained in ordinary course of business, shall not be in excess of Rs. 12000 crore in excess of the aggregate of paid-up share capital and free reserves of the Company, apart from temporary loans in ordinary course of business.

Considering the future business plans of the Company and to meet the funding requirements for the business of the Company, the Board of Directors may need to resort to further borrowings from time to time. It is therefore proposed that the borrowing powers of the Board be raised to Rs. 20000 crore in excess of the aggregate of paid-up share capital, share premium and free reserves of the Company, apart from temporary loans obtained in ordinary course of business. As per the provisions of Section 180(1)(c) of the Companies Act, 2013 and Article 64 of the Articles of Association of the Company, the Board of Directors of the Company cannot borrow moneys together with the moneys already borrowed by the company in excess of the paid-up capital and free reserves of the Company unless the consent to borrow in excess is accorded to by the members in the general meeting by way

of special resolution. Hence the approval of members is sought to increase the borrowing powers up to Rs. 20000 crore over and above the aggregate of the paid up share capital, securities premium and free reserves of the Company, apart from temporary loans from bankers obtained in ordinary course of its business.

None of the Directors / Key Managerial Personnel of the Company / their relatives are in any way, concerned or interested, financially or otherwise in the special resolution set out at Item No. 1 of the Notice.

The Board commends the resolution set forth in Item No. 1 for the approval of members.

By Order of the Board of Directors



(Menika Kochar)
Company Secretary
FCS 6514

May 7, 2020

Regd. Off.: 5, Sansad Marg, New Delhi -110001
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