



# GAIL (INDIA) LIMITED

(A Government of India Undertaking)

Registered Office : 16, Bhikaji Cama Place, R.K. Puram, New Delhi-110066

CIN : L40200DL1984GOI018976 Website : www.gailonline.com E-mail : shareholders@gail.co.in

Phone : 011-26182955, Fax : 011-26185941

## NOTICE TO THE MEMBERS OF THE COMPANY

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

GAIL (India) Limited (the "Company") proposes to issue bonus shares as approved by the Board in its 402<sup>nd</sup> Meeting held on 27.05.2019 by way of capitalisation of its reserves. The proposed Resolutions and explanatory statement stating material facts, as required under Section 102 of the Companies Act 2013, are annexed herewith for consideration of shareholders along with the Postal Ballot Form.

The Shareholders are requested to carefully read the instructions printed in the Postal Ballot Form and return the duly completed form in all respect in the attached self-addressed postage pre-paid envelope so as to reach the Scrutinizer not later than on **Monday, 1<sup>st</sup> July, 2019 by 5.00 PM (IST)**. The Company is also providing remote e-voting facility for voting on the Resolutions.

Shareholders desiring to opt for remote e-voting facility are requested to read the notes to the Postal Ballot Notice and instructions given thereunder for e-voting purpose.

### Issue of Bonus Shares by way of Capitalisation of Reserves

To consider and, if thought fit, to pass the following resolution proposed as an Ordinary Resolution(s):

**"RESOLVED THAT –**

- i. *pursuant to Section 63 of the Companies Act, 2013 read with Rule 14 of Companies (Share Capital and Debenture) Rules, 2014 and other applicable provisions, if any, including rules notified thereunder, as may be amended from time to time, Article 98 of the Articles of Association of the Company and provisions of SEBI (Issue of Capital and Disclosure Requirements) Regulations 2018 and other applicable laws, rules, regulations, etc., if any and subject to such consents and approvals as may be required from the appropriate authorities, the consent of the shareholders be and is hereby accorded to capitalize a sum of Rs. 22,55,07,09,330/- out of the Free Reserves Account or such other account for distribution among the holders of existing fully paid equity shares of Rs. 10/- each of the Company, whose names will appear in the Register of Members / Beneficial Owners' Position of the Company (including Global Depository Receipt "GDR" holder) on Record Date to be decided by the Board of Directors for this purpose (which expression shall also include a Committee thereof/ CMD), as an increase of the nominal amount of the equity share capital of the Company held by each such shareholder (including GDR holder), and not as income or in lieu of dividend, credited as 22,55,07,09,33 new fully paid equity shares of Rs. 10/- each as bonus shares in the proportion of 1(one) new equity bonus share of Rs. 10/- each for every 1(one) existing fully paid equity share of Rs. 10/- each held.*
- ii. *the new equity bonus shares of Rs. 10/- each to be allotted and issued as bonus shares shall be subject to the terms of Memorandum & Articles of Association of the Company and shall rank pari passu in all respects/ and carry the same rights as the existing fully paid equity shares of the Company and shall be entitled to participate in full in any dividend(s) to be declared after the bonus shares are allotted.*
- iii. *no letter of allotment shall be issued to the allottees of the new equity bonus shares and the share certificate(s) in respect of the new equity bonus shares shall be issued to shareholders holding shares in physical mode and dispatched to the allottees thereof within the period prescribed or that may be prescribed in this behalf, from time to time, except that the new equity bonus shares will be credited to the demat account of the allottees, who hold the existing equity shares in electronic form.*
- iv. *the allotment of the new equity bonus shares and payment in respect of fractional entitlement, if any, to the extent that they relate to non-resident members of the Company (including GDR holders), shall be subject to the approval, if any, of the Reserve Bank of India under the Foreign Exchange Management Act, 1999 or / and other applicable laws, rules, regulations, etc., if any as may be deemed necessary or any other statutory authorities.*
- v. *the Board shall not issue any certificate or coupon in respect of fractional shares, but the total number of such new equity shares representing such fractions shall be allotted by the Board (which expression shall also include a Committee thereof) to a nominee(s) to be selected/appointed by the Board, who would hold them as trustee(s) for the equity shareholders who would have entitlement to such fractions. Such nominee(s) will as soon as possible sell such equity shares at the prevailing market rate and the net sale proceeds of such shares, after adjusting/ deducting the cost and expenses in respect thereof, be distributed among such members who are entitled to such fractions in proportion of their respective holding and allotment of fractions thereof.*
- vi. *the Board or such other authority as approved by the Board be and is hereby authorized to take necessary steps for Listing of such Bonus Shares (including GDRs) on the Stock Exchanges where the equity shares of the Company are listed, in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable Guidelines, Rules and Regulations and amendments made thereto.*
- vii. *for the purpose of giving effect to the aforesaid resolutions, the Board / Committee of the Board be and is hereby authorized to do all such acts, deeds, matters and things whatsoever, including settling any question, doubt or difficulties that may arise with regard to or in relation to the issue or allotment of the bonus shares and to accept on behalf of the Company, any conditions, modifications, alterations, changes, variations in this regard as prescribed by the statutory authority(ies) and which the Board / Committee of the Board in its discretion thinks fit and proper."*

Place : New Delhi  
Date : 30.05.2019

By order of the Board  
Sd/-  
(A.K.Jha)  
(Company Secretary)

### NOTES

1. The following is annexed with the Notice:
  - i) Explanatory Statement pursuant to section 102 of the Companies Act, 2013 read with Secretarial Standards issued by the Institute of Company Secretaries of India in respect of the Special Business.
  - ii) The business set out in the Notice also be transacted through electronic voting system and the Company is providing facility for voting by electronic means (instructions for remote e-voting are annexed).
2. Documents referred in the accompanying Notice and Explanatory Statement thereto, are open for inspection by members, at the Registered Office of the Company during office hours i.e. between 11:00 a.m. and 1:00 p.m., on all working days, except Saturday(s)/Sunday(s)/Holiday(s).
3. Pursuant to the regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 [SEBI (LODR) Regulations, 2015] and Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 and amendments made thereto, the Company is providing to its members facility to exercise their right to vote on all resolutions set forth in the Notice by electronic means. The members may cast their votes using an electronic voting system ('remote e-voting'). The Company has engaged the services of Central Depository Services (India) Limited (CDSL) to provide the remote e-voting facility.
4. The Postal Ballot Notice is being sent to all the members, whose names appear as Beneficial Owner(s) holding shares in **electronic mode**, details as furnished by the Depositories viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and as member(s) holding shares in **physical mode**, in the Register of Members of the Company as on the close of the business hours on **Friday, 24<sup>th</sup> May, 2019**.
5. The voting shall be reckoned in proportion to a member's share of the paid-up Equity share capital of the Company as on the cut-off date i.e. **Friday, 24<sup>th</sup> May, 2019** for remote e-voting and postal ballot.
6. The remote e-voting period commences on **Sunday, 02<sup>nd</sup> June, 2019 at 9:00 A.M. (IST) and ends on Monday, 1<sup>st</sup> July, 2019 at 5:00 P.M. (IST)**. The remote e-voting module shall be disabled by CDSL for voting thereafter.
7. Shareholders who opt to vote by Postal ballot form shall ensure that the duly completed form should reach the Scrutinizer on or before **Monday, 1<sup>st</sup> July, 2019 at 5:00 P.M. (IST)**
8. Any shareholder who has not received the postal ballot form may write to the Company or its Registrar & Share Transfer Agent (RTA)- MCS Share Transfer Agent Ltd. for obtaining a duplicate / additional form.
9. Members can opt only one mode for voting i.e. either by remote e-voting or postal ballot. However, in case member(s) cast their vote both via remote e-voting and through postal ballot, then voting done through remote e-voting shall prevail and the votes cast through Postal Ballot shall be considered invalid. Once the vote on a resolution is cast by the member electronically, the member shall not be allowed to change it subsequently.
10. Based on the consent received from Shri Sachin Agarwal, Practicing Company Secretary (Membership No. 5774), Board has appointed him as the Scrutinizer to scrutinize the voting process in a fair and transparent manner. The Board of Directors has appointed the Company Secretary as the person responsible for remote e-voting and postal ballot process.

11. The Scrutinizer shall not later than two days from the last date of receipt of postal ballot forms, will prepare a consolidated scrutinizer's report of the total votes cast in favour or against, if any. The said report will be countersigned by the Chairman or people authorized by him in writing and declare the result of the voting forthwith. The Resolution, if passed by requisite majority, shall be deemed to have been passed on the last date for receipt of duly completed postal ballot forms or e-voting i.e. **Monday, 1st July, 2019 at 5:00 P.M. (IST)**.
12. Resolution(s) passed by the members through Postal Ballot and remote e-voting are deemed to have been passed effectively at a general meeting.
13. The results declared along with the Scrutinizer's Report will be hosted on the Company's website [www.gailonline.com](http://www.gailonline.com) and on the website of CDSL. The results shall simultaneously be communicated to the Stock Exchanges. The results will also be displayed on the Notice Board of the company at its Registered Office.

#### **EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

The present Authorized Share Capital of the Company is Rs. 5,000 crores out of which share capital of Rs. 2,255.07 crores is paid-up. As on 31<sup>st</sup> March, 2019, the free reserves were Rs. 36,807 crore. To capitalize a portion of reserves, your Board in its 402<sup>nd</sup> meeting held on 27.05.2019, recommended issue of Bonus Shares in proportion of 1(one) equity share for every 1(one) existing equity shares held by the members on Record Date/Book Closure to be fixed later on in this behalf by capitalizing a sum of Rs. 22,55,07,09,330/- from Free Reserves as per audited financial statements of the Company for the financial year ended 31<sup>st</sup> March, 2019 and the same is proposed to be applied in full at par by issuing at par 22,55,07,09,33 (rounded off to nearest one) equity shares of Rs. 10/- each.

The proposed issue of bonus shares will be made in line with the provisions of Section 63 of the Companies Act 2013 read with Rule 14 of the Companies (Share Capital and Debenture) Rules, 2014, SEBI Rules and Regulations and subject to such approvals, if required, from the statutory authorities. As per Articles of Association of the Company, it is necessary to obtain the approval of the shareholders for issue of bonus shares by capitalization of reserves.

Further, it is necessary to authorize the Board of Directors/ Committee of the Board of the Company to complete all the regulatory formalities prescribed by the SEBI, RBI, the Stock Exchanges on which the Company's securities are listed and any other regulatory authority in connection with issue and allotment of the Bonus Shares.

The Board of Directors of the Company recommends the Ordinary Resolution as set out in the accompanied Notice for approval of the shareholders through postal ballot / remote e-voting.

No Directors, Key Managerial Personnel and/or their relatives, is/are interested or concerned, financially or otherwise in the resolution except may be deemed to be concerned or interested in the proposed resolution to the extent of their shareholding in the Company, if any.

#### **INSTRUCTIONS FOR REMOTE E-VOTING**

The remote e-voting period commences on **Sunday, 02<sup>nd</sup> June, 2019 at 9:00 A.M. (IST) and ends on Monday, 1<sup>st</sup> July, 2019 at 5:00 P.M. (IST)**. The remote e-voting module shall be disabled by CDSL for voting thereafter. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. **Friday, 24<sup>th</sup> May**, may cast their vote electronically.

**The instructions for shareholders voting electronically are as under:**

- (i) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
- (ii) Click on Shareholders/Members
- (iii) 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.
- (iv) Enter the Image Verification as displayed and Click on Login.
- (v) If you are holding shares in demat form and have voted earlier on [www.evotingindia.com](http://www.evotingindia.com) for any Company, then your existing login ID and password to be used.
- (vi) If you are a first time user follow the steps given below:

<b>For Members holding shares in Demat Form &amp; Physical Form</b>	
<b>PAN*</b>	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (applicable for both demat members as well as physical members). <ul style="list-style-type: none"> <li>· 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.</li> <li>· 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.</li> </ul>
<b>Dividend Bank Details OR Date of Birth</b>	Enter the Dividend Bank Details or Date of Birth (dd/mm/yyyy format) as recorded in your demat account or in the company records for the said demat account or folio. If both 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 (iii) above.

- After entering these details appropriately, click on "SUBMIT" tab.
  - Members holding shares **in physical form** will then reach directly to the Company selection screen. For members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
  - However, members holding shares **in electronic form** will reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password can also be 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. Please take utmost care to keep your password confidential.
- (vii) Members holding multiple demat accounts / folios shall choose the voting process separately for each demat account / folio.
  - (viii) Click on the relevant Electronic Voting Sequence Number (EVSN) on which you choose to vote.
  - (ix) 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.
  - (x) Click on the "Resolutions File Link" if you wish to view the entire Resolution(s).
  - (xi) After selecting the resolution which 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.
  - (xii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
  - (xiii) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
  - (xiv) If demat account holder has forgotten password then enter the user ID and image verification code click on Forgot Password & enter the details as prompted by the system.
  - (xv) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store for android users. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
  - (xvi) Note for non-individual shareholders (i.e. other than individuals, HUF, NRI etc.) and custodians:
    - log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
    - scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto: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.
    - list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
    - scanned copy of the Board resolution and Power of Attorney (POA) which have been issued in favour of the custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same
  - (xvii) In case of any queries or issues regarding remote e-voting, members may also refer '**Frequently Asked Questions (FAQs)**' and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact CDSL at 1800225533.



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(A Government of India Undertaking)

Registered Office : 16, Bhikaji Cama Place, R.K. Puram, New Delhi-110066

CIN : L40200DL1984GOI018976 Website : www.gailonline.com E-mail : shareholders@gail.co.in

Phone : 011-26182955, Fax : 011-26185941

## POSTAL BALLOT FORM

(Please read the instructions printed overleaf carefully before completing this form)

- Name(s) of Member(s) :
- Address :
- Folio No./ DP & Client ID :
- No. of shares held :
- I/We hereby exercise my/our vote in respect of the following Ordinary Resolution(s) to be passed through Postal Ballot for the business stated in the Notice of the Company dated 30.05.2019 by conveying my/our assent or dissent to the said Resolution(s) by placing the tick (✓) mark in the appropriate box below :

S. No.	Description	No. of Shares	I / We Assent to the Resolution (FOR)	I / We Dissent to the Resolution (AGAINST)
1.	Ordinary Resolution for issuance of bonus shares			

Place :

Date :

Signature of the Member(s)

**NOTE : Last Date for receipt of Postal Ballot Form by the Scrutinizer: Monday, 1<sup>st</sup> July, 2019 at 5:00 pm (IST).**

## **GENERAL INSTRUCTIONS FOR VOTING BY POSTAL BALLOT FORM**

1. A member desirous to exercise vote by postal ballot may complete this postal ballot form in all respect and send it (perforated) to the Scrutinizer in the attached self addressed postage pre-paid envelope, which shall be properly sealed with adhesive or adhesive tape. However, envelopes containing postal ballot form deposited in person or sent by courier at the expense of the member will also be accepted. Members who have not received postal ballot form may approach R&TA/ Company at [admin@mcsregistrars.com](mailto:admin@mcsregistrars.com) and/or [shareholders@gail.co.in](mailto:shareholders@gail.co.in) to obtain a duplicate of the same.
2. Self-addressed postage pre-paid envelope bears the postal address of the Scrutinizer appointed by the Company.
3. The postal ballot form should be completed and signed by the member as per specimen signature registered with the R&T Agent/Depository Participant (DP), as the case may be.
4. The Company is also offering remote e-voting as an alternative for all shareholders to enable them to cast their vote electronically. The detailed procedure is forming part of postal ballot notice.
5. In case shares are jointly held, this form should be completed and signed by the first named member and in his/her absence, by the next named member. The exercise of vote by postal ballot is **not permitted through proxy**.
6. A tick (✓) mark should be placed in the relevant box signifying assent/dissent for the resolution(s), as the case may be, before mailing the postal ballot form. **Incomplete, unsigned, improperly or incorrectly tick (✓) marked postal ballot form will be rejected.** Postal ballot form bearing tick marks in both the columns will also render the Postal ballot form invalid.
7. Completed postal ballot form should reach the Scrutinizer not later than the close of working hours on the **Monday, 1<sup>st</sup> July, 2019 at 5:00 pm (IST)** . Postal ballot form received after the said date and time will be treated as if the reply from such member has not been received and shall not be counted for the purposes of passing of resolution(s).
8. Members are entitled to cast their votes differently i.e. all the votes either in favour or against or partly in favour or partly in against.
9. In case of shares held by companies, trusts, societies, etc., the duly completed postal ballot form should be accompanied by certified copy of the Board Resolution/ Authority together with attested specimen signature(s) of the duly authorized signatory(ies).
10. Members are requested not to send any extraneous paper along with the postal ballot form in the enclosed Pre-paid envelope as the same would not be considered and would be destroyed by the Scrutinizer.
11. There will be only one Postal ballot form for each folio/DP & Client ID irrespective of the number of joint member(s).
12. Scrutinizer's decision on the validity of the Postal Ballot form will be final.
13. The results of Postal Ballot will be declared at the Registered Office of the Company as specified in the notice. The results thereafter will be hosted on website of the Company, for information of the members.
14. Votes will be considered **invalid** on the following grounds:
  - a. if the postal ballot is unsigned;
  - b. if the member's signature does not tally;
  - c. if the member has marked all his shares both in favour and also against the resolution(s);
  - d. if voting is done through any other form;
  - e. if the ballot paper is received torn or defaced or mutilated to an extent that it is difficult for the scrutinizer to identify either the member or the number of votes or as to whether the votes are in favour or against or if the signature could not be checked or on one or more of the above grounds.