



Epiroc Mining India Limited

Registered Office:

14th Floor, Tower 1, Fountainhead, Phoenix Market City,
Viman Nagar, Nagar Road, Pune – 411 014
CIN: U29309PN2017PLC171542
Website: www.epiroc.com
Email: ashish.jain@epiroc.com

Notice of Postal Ballot / Electronic Voting (E-voting)

[Pursuant to Section 110 of the Companies Act, 2013, the Companies (Management and Administration) Rules, 2014 and Circulars issued by the Ministry of Corporate Affairs, Government of India]

Dear Member(s),

Pursuant to Section 110 of the Companies Act, 2013 ("**Act**") including any statutory modification(s) or re-enactment thereof for the time being in force and other applicable provisions, if any, of the Act and the Companies (Management and Administration) Rules, 2014 ("**Rules**"), as amended from time to time, read with Circular No. 14/2020 dated 8 April 2020, Circular No. 17/2020 dated 13 April 2020, Circular No. 33/2020 dated 28 September 2020 and Circular No. 39/2020 dated 31 December 2020 issued by the Ministry of Corporate Affairs ("**MCA**") (hereinafter collectively referred to as "**MCA Circulars**"), Epiroc Mining India Limited (the "**Company**") hereby seeks your approval by way of special resolution in respect of the following special business by means of postal ballot through voting by electronic means only ("**e-voting**").

In compliance with the MCA Circulars, this Notice of Postal Ballot / Electronic Voting (E-voting) (the "**Notice**") is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company, Registrar and Share Transfer Agent or Depositories. If your e-mail address is not registered with the Company, Registrar and Share Transfer Agent or Depositories, then please follow the process provided in the Notes to receive this Notice and login ID and password for e-voting. Members are requested to read the instructions in the Notes under the section "Voting through Electronic Means" as communication of the assent or dissent of the Members would only take place through the e-voting system.

In compliance with the MCA Circulars, a hard copy of this Notice along with postal ballot forms and pre-paid business envelope will not be sent to the Members for this postal ballot.

An explanatory statement pursuant to Section 102 of the Act and other applicable provisions of the Act, pertaining to the resolution setting out the material facts and reasons thereof, is appended to this Notice. You are requested to peruse the following resolution along with the explanatory statement and thereafter record your assent or dissent only through the e-voting system provided by the Company.

Special Business:

Reduction of Share Capital of the Company

To consider and if thought fit, to pass the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to Article 37 of the Articles of Association of the Company, Section 66 of the Companies Act, 2013 and the rules and regulations framed thereunder and subject to the approval of the members of the Company by way of a special resolution and the requisite sanction and approval from the National Company Law Tribunal, Mumbai Bench (the "**NCLT**") and such other appropriate authorities and third parties, as may be required, and on such terms, conditions or modifications, if any, as may be prescribed by

any one or more or all of them while granting such approvals, sanctions, consents or permissions and agreed by the Board of Directors of the Company (the "**Board**"), the consent of the members of the Company be and is hereby accorded to reduce the Company's issued, subscribed and paid-up equity share capital from INR 22,56,15,640 (Indian Rupees Twenty Two Crore Fifty Six Lakhs Fifteen Thousand Six Hundred and Forty Only) comprising 2,25,61,564 (Two Crore Twenty Five Lakhs Sixty One Thousand Five Hundred and Sixty Four) fully paid up equity shares of INR 10 (Indian Rupees Ten Only) each to INR 21,73,19,470 (Indian Rupees Twenty One Crores Seventy Three Lakhs Nineteen Thousand Four Hundred and Seventy Only), comprising of 2,17,31,947 (Two Crore Seventeen Lakhs Thirty One Thousand Nine Hundred and Forty Seven) fully paid up equity shares of INR 10 (Indian Rupees Ten Only) each by cancelling and extinguishing 3.68% of the total issued, subscribed and paid up equity share capital of the Company (the "**Capital Reduction**") comprising 8,29,617 issued, subscribed and fully paid up equity shares of INR 10 (Indian Rupees Ten Only) each (the "Identified Shares") held by the non-promoter shareholders of the Company i.e., all equity shareholders of the Company other than Epiroc Rock Drills AB and its nominees (the "**Identified Shareholders**").

RESOLVED FURTHER THAT subject to the confirmation of the Capital Reduction by the NCLT and such Capital Reduction becoming effective and operative and/or the receipt of such other approvals or confirmations as may be required, the Identified Shareholders of the Company, as on the Record Date (defined below), shall be paid, for the equity shares held by them and which are cancelled and extinguished, a sum of INR 1,635 (Indian Rupees One Thousand Six Hundred and Thirty Five Only) per equity share being the fair value of the equity shares of the Company as determined by an independent valuer i.e., KPMG Valuation Services LLP.

RESOLVED FURTHER THAT after the Capital Reduction is confirmed by the NCLT, the Board shall fix a record date for the purpose of determining the names of the registered and beneficial holders of the Identified Shares (the "**Record Date**").

RESOLVED FURTHER THAT subject to the confirmation of the Capital Reduction by the NCLT and such Capital Reduction becoming effective and operative, without any further act or deed by the Identified Shareholders or their nominees (including but not limited to surrendering of share certificates with transfer forms and / or sending appropriate instructions to the depository participants), the Identified Shares shall stand cancelled, extinguished and rendered invalid and as a result thereof the issued, subscribed and paid-up share capital of the Company shall also stand reduced to the extent of the face value of the equity shares so extinguished.

RESOLVED FURTHER THAT the payment of consideration to the Identified Shareholders referred to above shall be made within such number of days of the Record Date as shall be decided by the Board and subject to such approvals, if any, as may be required under the applicable law or as may be directed by the NCLT, on the Capital Reduction becoming effective. All such payments will be made by cheque, demand draft, pay order, warrant, NEFT, RTGS or IMPS (as the case may be) after deduction/withholding of appropriate taxes (if any) by the Company based on the declarations (if any) provided by the Identified Shareholders to the Company.

RESOLVED FURTHER THAT all Directors, the Chief Financial Officer and the Company Secretary & Manager Finance of the Company be and are hereby severally authorised to take all necessary steps and do all such acts, deeds, matters and things, as they may, in their absolute discretion, deem necessary, expedient, usual or proper in the best interest of the Company and its members in connection with and relating to the Capital Reduction, including any directions for settling any question or doubt or difficulty whatsoever that may arise for the purpose of giving effect to the Capital Reduction, or to any modification thereof, and as the Board may in its absolute discretion deem fit and proper in the best interest of the Company without being required to seek any further consent or approval of the members or otherwise, including but not limited to:

1. engage advocates/lawyers in order to file and represent the Company before the NCLT and/or such other courts/tribunals/authorities and to file the necessary applications, petitions, affidavits, pleadings for and

on behalf of the Company and to apply and obtain certified copies of the orders, decrees, directions etc., that may be passed by the NCLT and/or such other courts/tribunals/authorities and all other documents that may be required by the Company in this regard;

2. obtain approval/consent from such other regulatory / statutory authorities and parties (including creditors) as may be considered necessary, for the Capital Reduction;
3. obtain necessary certificates from the statutory auditors for the completion of the Capital Reduction process;
4. make, prepare, file and submit any applications, petitions, affidavits, declarations, appeals, summons and any other documents as may be required or necessary, in connection with and relating to the Capital Reduction, before the NCLT and any other court, tribunal or relevant authorities including the Registrar of Companies and Regional Director;
5. verify, sign, swear, affirm, declare, deliver, execute, make, enter into, acknowledge, record and prepare all deeds, declarations, instruments, affidavits, applications, petitions, observations, consents, notices and writings, as may be usual, necessary or proper for undertaking and giving effect to the Capital Reduction;
6. make such alterations, modifications or amendments in all applications, petitions and other documents as may be required or necessary for complying with the requirements or conditions imposed by the NCLT, courts, tribunals and/or any other appropriate authorities and to do such matters connected therewith;
7. withdraw the application/petition filed before the NCLT for the Capital reduction at any stage, in case any changes and/or modifications suggested or required to be made in the application/petition or any condition imposed, whether by the NCLT and/or any other regulatory authority are, in their view, not in the interest of the Company and/or if the application/petition cannot be implemented otherwise, and to do all such deeds, acts and things as any of them may deem necessary and desirable in connection therewith and incidental thereto;
8. open a bank account in the name of the Company and deposit the amount to be paid to the Identified Shareholders in lieu of the cancellation and extinguishment of the Identified Shares pursuant to the Capital Reduction in such account;
9. call for the bank account details of the Identified Shareholders of the Company for paying the consideration amount;
10. discharge payment due to the Identified Shareholders of the Company in lieu of the cancellation and extinguishment of the Identified Shares in accordance with applicable law by cheque, demand draft, pay order, warrant, NEFT, RTGS or IMPS after deduction/withholding of appropriate taxes (if any) by the Company based on the declarations (if any) provided by the Identified Shareholders;
11. comply with the prescribed withholding tax related requirements including but not limited to filing of withholding tax returns, issue of Form 16A etc.;
12. engage consultants, valuers, accountants, financial and other advisers as may be required for the purpose of the Capital Reduction;
13. pass such accounting entries and/or making such other adjustments in the books of accounts of the Company, as are considered necessary to give effect to the above resolution, in accordance with applicable accounting standards;

14. comply with all necessary formalities, compliances and disclosures in this regard and file necessary forms or documents with the relevant authorities (including but not limited to the Registrar of Companies);
15. authenticate all necessary documents as 'certified copies' or in any other manner as may be required, including affixing the common seal of the Company on any documents in connection with the above resolution;
16. do all such other acts, matters, deeds and things as may be considered necessary and expedient in connection with or incidental to giving effect to the above resolution or to settle any question or difficulty that may arise; and
17. delegate any or all of the powers conferred upon them by this resolution to any other person as they may deem fit."

By order of the Board of Directors
For **Epiroc Mining India Limited**

sd/-

Ashish Jain

Company Secretary & Manager Finance

Membership No.: A21478

Registered Office:

14th Floor, Tower 1,
Fountainhead, Phoenix Market City,
Viman Nagar, Nagar Road,
Pune – 411 014
CIN: U29309PN2017PLC171542
Place: Pune
Date: 15 March 2021

Notes:

1. The explanatory statement pursuant to Section 102 of the Companies Act, 2013 setting out material facts and the reasons for the proposal is annexed below.
2. A copy of the Notice is also available on the Company's website <https://www.epiroc.com> and on the Company's Registrar and Share Transfer Agent ("RTA") viz. KFin Technologies Private Limited ("KFIN") e-voting website <https://evoting.karvy.com>.
3. Members who have not registered their e-mail addresses with either the Company's RTA or their Depository Participant (DP) are requested to register the same with the RTA in accordance with the process specified at point no. 12B below, for procuring user id and password and registration of e-mail ids for e-voting for the resolutions set out in this Postal Ballot Notice.
4. The portal for e-voting will remain open for the Members for exercising their voting from Thursday, 18 March 2021 at 9:00 a.m. India Standard Time ('IST') till Friday, 16 April 2021 at 5:00 p.m. (IST) both days inclusive. The e-voting needs to be exercised by 5:00 p.m. (IST) on Friday, 16 April 2021. Please note that e-voting module will be disabled for voting by the RTA (KFIN) after the said date and time. During this period, the Members of the Company holding shares either in physical form or dematerialised form, as on

Friday, 12 March 2021 ("**Cut-off Date**"), may cast their vote electronically. Once vote on a resolution is cast by the Member, such Member shall not be allowed to change it subsequently or cast the vote again.

5. The resolutions, if passed by the requisite majority, shall be deemed to have been passed on the last date specified by the Company for e-voting i.e., Friday, 16 April 2021. Further, resolutions passed by the Members through e-voting are deemed to have been passed effectively at a general meeting.
6. The Notice is being sent by e-mail to all the Members, whose name appears on the Register of Members/ List of Beneficial Owners maintained by the Depositories as on Cut-off Date and who have registered their e-mail addresses in respect of electronic holdings with the Depositories through the concerned Depository Participants and in respect of physical holdings with the Company's RTA. Each Member's voting rights shall be in proportion to his/ her share of the paid-up equity share capital of the Company as on Cut-off Date, which will only be considered for voting.
7. A person who is not a Member as on the Cut-off Date should treat this Notice for information purposes only.
8. The Board of Directors has appointed M/s. Shailesh Indapurkar & Associates, Practicing Company Secretaries, Pune, as Scrutinizer for scrutinizing the e-voting process and conducting the postal ballot process in a fair and transparent manner. The results of the postal ballot will be announced on or before Sunday, 18 April 2021.
9. As required by the Rules read with the MCA Circulars, the details pertaining to this postal ballot will be published in one English national daily newspaper circulating throughout India (in English language) and one vernacular daily newspaper circulating in Pune (in Marathi language).
10. To support the "Green Initiative" Members who have not registered their e-mail addresses so far are requested to register their e-mail address with the Company's RTA or the Depository Participants, in respect of shares held in physical/electronic mode respectively.
11. In compliance with the provisions of the Act, Rules and MCA Circulars, the Company is providing facility for voting by e-voting to all Members to enable them to cast their votes electronically on the items mentioned in the Notice. For this purpose, the Company has engaged the services of its RTA (i.e., KFin Technologies Private Limited) and have made necessary arrangements with RTA to facilitate e-voting. In terms of the MCA Circulars, voting can be done only by e-voting in such case. As e-voting does not require a person to attend to a meeting physically, the Members are strongly advised to use the e-voting procedure by themselves and not through any other person/ proxies. The detailed procedure with respect to e-voting is as follows.

12. **Voting through Electronic Means**

The instructions and other information relating to e-voting are as under:

A. In case a Member receiving an e-mail from KFIN [for Members whose e-mail IDs are registered with the Company/ Depository Participant(s)]:

- (i) Open your web browser during the voting period and navigate to 'https://evoting.karvy.com'.
- (ii) Enter the login credentials, i.e., user-id & password, mentioned in the email forwarded through the electronic notice:

User ID -

For shareholder(s) / beneficial owner(s) holding shares in demat form:

- For NSDL: 8 characters DP ID followed by 8 digits Client ID
- For CDSL: 16 digits Beneficiary ID

For shareholder(s) holding shares in physical form: Electronic Voting Event Number (EVEN) followed by your Folio Number registered with the Company.

Password - Your unique password is sent via email forwarded through the electronic notice.

Captcha - Enter the verification code for security reasons, i.e., please enter the alphabets and numbers in the exact way as they are displayed.

- (iii) After entering these details appropriately, click on "LOGIN".
- (iv) Shareholders holding shares in demat/physical form will now reach password change menu wherein they are required to mandatorily change their login password in the new password field. The new password has to be minimum eight characters consisting of at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (like *, #, @, etc.). Kindly note that this password can be used by the demat holders for voting for resolution of any other company on which they are eligible to vote, provided that such company opts for e-voting through KFIN's e-voting platform. System will prompt you to change your password and update any contact details like mobile, email ID., etc. on first login. You may also enter the secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Kindly ensure that you note down your password for future reference. In case you forget it, you will need to go through 'Forgot Password' option available on KFIN's e-voting website to reset the same.
- (v) You need to login again with the new credentials.
- (vi) On successful login, the system will prompt you to select the "EVEN". Please select EVEN of Epiroc Mining India Limited.
- (vii) If you are holding shares in demat form and had logged on to <https://evoting.karvy.com> and casted your vote earlier for any other company, then your existing login id and password are to be used. Members holding multiple folios/ demat accounts shall choose the voting process separately for each of the folio/demat account.
- (viii) On the voting page, you will see resolution description and against the same the option 'FOR / AGAINST / ABSTAIN' for voting. Enter the number of shares under 'FOR / AGAINST / ABSTAIN' or alternatively you may partially enter any number in 'FOR' and partially in 'AGAINST', but the total number in 'FOR / AGAINST' taken together should not exceed your total shareholding. If you do not want to cast a vote, you may select 'ABSTAIN'.
- (ix) After selecting the resolution if you have decided to cast vote on the same, click on "SUBMIT" and 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.
- (x) Once you 'CONFIRM' your vote on the resolution, you will not be allowed to modify your vote.
- (xi) Corporate / Institutional members (corporate / FIs / FIIs / trust / mutual funds / banks, etc.) are required to send scanned copy (pdf format) of the relevant board resolution to the Scrutinizer through e-mail to ashish.jain@epiroc.com with a copy to evoting@kfintech.com. The file scanned image / pdf file of the board resolution should be in the naming format "Corporate Name_Event No.".

B. In case of Members have not registered their e-mail address:

On account of threat posed by Covid-19 and in terms of the MCA Circulars, the Company will send this Notice in electronic form only and hard copy of this Notice along with Postal Ballot Forms and

pre-paid business envelope will not be sent to the shareholders for this Postal Ballot. Accordingly, the communication of the assent or dissent of the members would take place through the remote e-voting system only. Therefore, those shareholders who have not yet registered their email address are requested to get their email addresses registered by following the procedure given below:

- (i) In light of the MCA Circulars, shareholders who have not registered their email address and in consequence could not receive the e-voting notice may temporarily get their email registered with the Company through KFin, by clicking the link: <https://karisma.kfintech.com/emailreg> and following the registration process as guided thereafter. Post successful registration of the email, the shareholder would get soft copy of the notice and the procedure for e-voting along with the User ID and the Password to enable e-voting for this Postal Ballot. In case of any queries, shareholder may write to einward.ris@kfintech.com.
- (ii) It is clarified that for permanent registration of email address, the shareholders are however requested to register their email address, in respect of electronic holdings with the Depository through the concerned Depository Participants and in respect of physical holdings with the Company's Registrar and Share Transfer Agent, KFin Technologies Private Limited, Selenium, Tower B, Plot No. 31 & 32, Gachibowli, Financial District, Nanakramguda, Hyderabad – 500 032, India, by following due procedure.
- (iii) Those Members who have already registered their e-mail address are requested to keep their e-mail addresses validated with their Depository Participants/the Company's RTA (i.e., KFin Technologies Private Limited) to enable servicing of notices/ documents/ annual reports electronically to their e-mail address.
- (iv) 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 <https://evoting.karvy.com>. In case of any queries / concern / grievances, you may contact Mr. Ramachandra, General Manager, Kfintech, Selenium, Tower B, Plot No. 31 & 32, Gachibowli, Financial District, Nanakramguda, Hyderabad-500032, India, at [email: einward.ris@kfintech.com](mailto:einward.ris@kfintech.com); 1800-3454-001 (toll free).

ANNEXURE TO NOTICE

Explanatory Statement pursuant to section 102 of the Companies Act, 2013

I. Background for Capital Reduction

- (a) Epiroc Mining India Limited (the "**Company**") was incorporated under the provisions of Companies Act, 2013 on 20 July 2017. The present authorised share capital of the Company is INR 25,00,00,000 (Indian Rupees Twenty Five Crores Only) divided into 2,50,00,000 equity shares of INR 10 (Indian Rupees Ten Only) each.
- (b) The current issued, subscribed and paid-up equity share capital of the company is INR 22,56,15,640 (Indian Rupees Twenty Two Crores Fifty Six Lakhs Fifteen Thousand Six Hundred and Forty Only) comprising of 2,25,61,564 fully paid up equity shares of INR 10 (Indian Rupees Ten Only) each is set out below:

Shareholders	No. of Shares	%Holding
Epiroc Rock Drills AB	2,17,31,947	96.32
Identified Shareholders (Individuals, Corporate bodies etc.)	8,29,617	3.68
Total	2,25,61,564	100.00

As of 12 March 2021, the Company has around 7,962 non-promoter shareholders holding 8,29,617 equity shares representing approx. 3.68% stake in the Company (hereinafter referred as "**Identified Shareholders**"). Out of these, 6,059 Identified Shareholders currently hold less than or equal to 100 equity shares of the Company individually and 1,733 Identified Shareholders currently hold more than 100 but less than or equal to 500 equity shares of the Company individually as enumerated in the table below:

No. of shares held by Identified Shareholders	No. of Identified Shareholders	% of total number of Identified Shareholders*
1-5	958	12.03
6-10	550	6.91
11-20	829	10.41
21-30	516	6.48
31-50	786	9.87
51-100	2420	30.39
101-500	1733	21.77
501-10,000	169	2.12
10,001 and above	1	0.01
Total	7962	100

* representing 3.68% of the total paid up share capital of the Company.

- (c) The entire mining and rock excavation (including civil construction) equipment business of Atlas Copco (India) Limited ("**Atlas Copco**") was demerged and vested into the Company on a going concern basis pursuant to the order of the National Company Law Tribunal, Mumbai Bench dated 30 November 2017 (the "**Demerger**"). As consideration for the Demerger, every shareholder of Atlas Copco whose name was appearing in the Register of Members of Atlas Copco as on 1 December 2017 (the "**Demerger Record Date**") received equity shares of the Company in the agreed share exchange ratio i.e., 1 (one) equity share of the Company for every 1 (one) equity share held by such shareholder in Atlas Copco as on the Demerger Record Date.
- (d) The shares of Atlas Copco were listed and traded on BSE Limited and Pune Stock Exchange Limited until Atlas Copco delisted from these stock exchanges in May 2011. The Identified Shareholders (and in some cases their predecessors from whom they acquired shares through private/off-market dealings post the Demerger) did not participate in this delisting process and continued as shareholders of Atlas Copco thereafter. As a result, these Identified Shareholders also received shares of the Company in December 2017 as consideration for the Demerger and became shareholders of the Company.
- (e) The shares of the Company were never listed or proposed to be listed on any stock exchange. Accordingly, no market is (nor has been) available to the Identified Shareholders to buy and sell the shares held by them in the Company. The value of the shares by the Identified Shareholders in the Company is effectively locked as the Identified Shareholders do not have any avenue to monetize their shareholding or an opportunity to exit the Company. Some of the Identified Shareholders have also requested the Company, orally and in writing, to provide them an exit opportunity.
- (f) Given the abovementioned, the Board of Directors at their meeting held on 15 March 2021 resolved that the proposed Capital Reduction would be an efficient investor friendly route to provide an exit to the Identified Shareholders in a fair and transparent manner.

II. Method and effect of Capital Reduction

- (a) The Capital Reduction is proposed to be implemented in accordance with Section 66 of the Companies Act, 2013 (the "**Act**") and the rules prescribed thereunder by making necessary applications/petitions before and seeking the sanction of the National Company Law Tribunal, Mumbai Bench (the "**NCLT**"). The Capital Reduction of the Company will be subject to the approval of the NCLT and such other authorities, as the case may be.
- (b) As per the provisions of the Act, the Capital Reduction will be effective on the date of filing of the final order of the NCLT confirming the Capital Reduction with the Registrar of Companies, Pune.
- (c) As a result of the Capital Reduction, the issued, subscribed and paid-up equity share capital of the Company will be reduced by an amount of INR 82,96,170 (Indian Rupees Eighty Two Lakhs Ninety Six Thousand One Hundred and Seventy Only) and the Reserves and Surplus of the Company will be reduced by an amount of INR 135,64,23,795 (Indian Rupees One Hundred and Thirty Five Crore Sixty Four Lakhs Twenty Three Thousand Seven Hundred and Ninety Five Only).

III. Consideration

- (a) To maintain fairness and transparency, the Company appointed 2 (two) independent valuers i.e., KPMG Valuation Services LLP and BDO Valuation Advisory LLP (the "**Independent Valuers**") to undertake an independent valuation of and determine the fair value of the equity shares of the Company for the purpose of the Capital Reduction and has also obtained valuation reports dated 2 March 2021 (the "**KPMG Valuation Report**") and 4 March 2021 (the "**BDO Valuation Report**") in this regard from both the Independent Valuers.
- (b) The fair value of the equity shares of the Company as at 31 December 2020 is INR 1,635 (Indian Rupees One Thousand Six Hundred and Thirty Five Only) per share as per the KPMG Valuation Report and INR 1,527 (Indian Rupees One Thousand Five Hundred and Twenty Seven Only) per share as per the BDO Valuation Report.
- (c) The Board considered both valuation reports and after detailed deliberations in relation to the valuation, including the valuation methodologies considered by the Independent Valuers set out in their respective valuation reports, resolved that the higher valuation of INR 1,635 (Indian Rupees One Thousand Six Hundred and Thirty Five Only) per share set out in the KPMG Valuation Report should be considered as the fair value of the equity shares of the Company for the purpose of the Capital Reduction to ensure that the Identified Shareholders are provided an exit on the most favourable terms.
- (d) The Board further noted that the fair value of INR 1,635 (Indian Rupees One Thousand Six Hundred and Thirty Five Only) per share has also been affirmed and recommended by the Audit Committee of the Company.

IV. Payment to Identified Shareholders

- (a) The Company will, upon the receipt of confirmation by the NCLT to the Capital Reduction and upon the Capital Reduction becoming effective and operative, deposit the consideration INR 135,64,23,795 (Indian Rupees One Hundred and Thirty Five Crore Sixty Four Lakhs Twenty Three Thousand Seven Hundred and Ninety Five Only) payable to the Identified Shareholders in relation to the Capital Reduction after deducting appropriate withholding taxes as per the Income-tax Act, 1961 ("**ITA**") in a special bank account. The Company shall request the Identified Shareholders to provide relevant information / declarations to determine the withholding tax liability (as applicable) prior to payment of the consideration. If the Identified Shareholders fail to provide the requested information/declarations in a timely manner then the Company shall deduct/withhold tax at the highest applicable rate.
- (b) Subject to the Capital Reduction becoming effective, the consideration to be paid to the Identified Shareholders in lieu of the Capital Reduction will be discharged by issue of cheque, demand drafts, pay order, warrant, NEFT, RTGS or IMPS (as the case maybe) to the Identified Shareholders whose name appears as a member of the Company as on the record date determined by the

Board (the "**Record Date**"), within such number of days and subject to such approvals, if any, as required under applicable law or as may be directed by the NCLT.

- (c) In this regard, all Identified Shareholders are requested to provide to the Company / Registrar & Transfer Agent, their bank account details (including IFSC code) along with their addresses and self-attested proofs thereof on or before 30 June 2021, failing which the monies will be paid by the Company to the last known address/bank details of the Identified Shareholders.
- (d) In case of transfer requests pending as on the Record Date, the Company shall immediately after the Record Date, dispatch to such shareholders (the "**Transferor**") and to such person (the "**Transferee**") from whom the Company has received any communication with respect to pending transfer of shares, a form to be duly filled in by the Transferor and Transferee. Upon receipt of the duly filled in form, the Company will pay the monies due to the Transferee or the Transferor as the case may be.
- (e) Where the monies to be paid to the Identified Shareholders have not been claimed by or paid to any of the Identified Shareholders, on account of cheques returned and/or undelivered, cheques not deposited, consideration in respect of shares pending transfer as on the Record Date, or for any other reason, the Company shall retain and deal with such monies in the special bank account as may be permissible under applicable law or as directed by the NCLT.
- (f) To the extent the consideration is payable to non-resident Identified Shareholders on the Capital Reduction, the Company shall be subject to, and any payments by the Company would be subject to, applicable law, including the provisions of Foreign Exchange Management Act, 1999 and the regulations thereunder. The Company may seek any information from such non-resident Identified Shareholders to comply with the said provisions.

V. General tax implications

- (a) The Identified Shareholders should consider their own tax position and pay appropriate tax (as may be applicable) on the consideration received from the Company pursuant to the Capital Reduction.
- (b) The Company shall withhold tax at the applicable tax rate in accordance with applicable provisions of ITA or the relevant provisions of the Double Tax Avoidance Agreement (DTAA) (if any, applicable to a non-resident Identified Shareholder) before making payment of the consideration to the Identified Shareholders.
- (c) The Company shall request the Identified Shareholders to provide necessary information / declarations to determine the withholding tax liability (as applicable) prior to payment of the consideration. If the Identified Shareholders fail to provide the requested information/ declarations in a timely manner then the Company shall deduct/withhold tax at the highest applicable rate.
- (d) The Company shall deposit the tax so withheld and also file necessary returns with the relevant authorities for this purpose within the timelines prescribed under applicable law.
- (e) The Company shall issue Form 16A to all the Identified Shareholders for claiming the withholding tax credit in their return of income.

VI. Miscellaneous

- (a) The Board at their meeting held on 15 March 2021 has approved the Capital Reduction as per the terms set out in the resolution.
- (b) The proposed Capital Reduction is pursuant to Section 66 and other applicable provisions of the Act, permitted under Article 37 of the Articles of Association of the Company, and is subject to the approval of the members of the Company through a special resolution and confirmation of the NCLT and such other regulatory authorities and third parties as may be required.
- (c) The Company has not accepted any deposits and is therefore not in arrears in the repayment of any deposits or interest payable thereon.

- (d) The Memorandum and Articles of Association of the Company, the KPMG Valuation Report, the BDO Valuation Report and list of creditors are available for inspection by the members of the Company at the registered office of the Company at 14th Floor, Tower 1, Fountainhead, Phoenix Market City, Nagar Road, Viman Nagar, Pune – 411 014 during business hours on any working day except Saturday up to closure of e-voting on 16 April 2021. Please reach out to Mr. Ashish Jain (ashish.jain@epiroc.com; +91 7410023416) if you require any further details or assistance for inspecting the documents in view of the on-going pandemic situation.
- (e) The Capital Reduction will not cause any prejudice to the creditors of the Company. The creditors of the Company will in no way be affected by the proposed Capital Reduction as there is no reduction in the amount payable to any of the creditors. No compromise or arrangement is contemplated in relation to the creditors and the Company will have assets in excess of all its liabilities post the Capital Reduction.
- (f) The proposed Capital Reduction will not, in any way, adversely affect the ordinary operations of the Company or the ability of the Company to honour its commitments or to pay its debts in the ordinary course of business.
- (g) No investigation / proceedings are pending under Section 210 to Section 229 or any other provisions of the Act against the Company.
- (h) Mr. Kunal Thakore, a Director of the Company, is a Partner at Talwar Thakore & Associates, the legal advisors to the Company for the proposed Capital Reduction. None of the Directors of the Company is or may be deemed to be concerned or interested in this resolution.
- (i) The Board considers that this resolution is in the best interests of the Company, its shareholders and therefore, recommends passing of the special resolution as set out in the accompanying Notice.

By order of the Board of Directors
For **Epiroc Mining India Limited**

sd/-

Ashish Jain

Company Secretary & Manager Finance
Membership No.: A21478

Registered Office:

14th Floor, Tower 1,
Fountainhead, Phoenix Market City,
Viman Nagar, Nagar Road,
Pune – 411 014
CIN: U29309PN2017PLC171542
Place: Pune
Date: 15 March 2021