COROMANDEL ENGINEERING COMPANY LIMITED
[ISO 9001:2008 & BS OHSAS 18001:2007 Certified Company]
Regd. Off.: "Parry House", III Floor, 43, Moore Street, Chennai 600 001
CIN NO:L74910TN1947PLC000343

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NOTICE OF POSTAL BALLOT

[Pursuant to Section 110 of the Companies Act, 2013]

Dear Member(s)

Notice is hereby given pursuant to Section 110 of the Companies Act, 2013, ("the Act") and any other applicable provisions, of the Act, read with Rule 22 of the Companies (Management and Administration) Rules, 2014 that the following Special Resolutions are proposed to be passed by way of Postal Ballot:

(a) Approval pursuant to Section 180(1)(c) of the Companies Act, 2013, for increase in the borrowing powers of the Company;

(b) Approval pursuant to Section 180(1)(a) of the Companies Act, 2013, for creating charge on/mortgaging the properties of the Company in favour of the lenders for securing the borrowings made/to be made, from time to time.

The Company is, therefore, seeking your consent, as provided under Section 110 of the Companies Act, 2013, by means of Special Resolutions by way of postal ballot for the aforesaid purposes. The Special Resolutions and Explanatory Statement pursuant to applicable provisions of the Act setting out the material facts and reasons for the proposals appended hereto are being sent to you herewith along with Postal Ballot for casting your votes.

In accordance with Clause 35B of the Equity Listing Agreement entered into by the Company with the Stock Exchanges on which its Equity Shares are listed and provisions of Section 110 of the Companies Act, 2013, the company has appointed National Securities Depository Ltd. (NSDL) as the agency for electronic voting in this regard and such of the shareholders who wish to vote electronically may follow the detailed instructions given for e-voting as appended to this notice.

The Board of Directors, at its meeting held on 29th April, 2014, appointed CS R Sridharan of M/s R Sridharan & Associates, Company Secretaries, Chennai, as Scrutiniser for conducting the Postal Ballot voting process in a fair and transparent manner.

You are requested to peruse the proposed Resolutions along with their Explanatory Statement and thereafter mark your assent or dissent by filling the necessary details and putting your signature at the marked place in the Postal Ballot Form and return the same in the enclosed postage pre-paid reply envelope, so as to reach the Scrutiniser on or before the closing of working hours (17:30 hrs) on Friday, 13th June, 2014. Your assent/dissent received after 13th June, 2014 would be strictly treated as if a reply from you has not been received. Upon completion of scrutiny of the Postal Ballots, the Scrutiniser shall submit his report to the Chairman/any Director of the Company. The result of the Postal Ballot shall be announced on Wednesday, 18th June, 2014, at 11.00 a.m. at the registered office of the Company and shall also be displayed on the Company's website www.coromandelengg.com besides being communicated to the stock exchanges on which the shares of the Company are listed.

The date of declaration of the results will be treated as the date of passing of the said resolutions. The resolutions being Special Resolutions, will be declared as passed if votes cast in favour of each of the resolution is three times more in number than the votes, if any, cast against it.

In compliance with the provisions of Section 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014 and Clause 35B of the Listing Agreement, members may cast their votes either through Postal Ballot form or through electronic form (e-voting). Those members opting for e-voting may follow the procedure, as recommended by NSDL, the e-voting agency appointed by us, under "E-Voting instructions" of this notice.

Special Business

Item No. 1

To consider and give assent/dissent to following resolution as a SPECIAL RESOLUTION:

RESOLVED THAT in supersession of the Ordinary resolution passed at the Annual General meeting of the Company held on 31st July, 2009 in this regard and pursuant to Section 180(1)(c) and all other applicable provisions, if any, of the Companies Act, 2013 ("Act") (corresponding to Section 293 (1) (d) of the Companies Act, 1956), (including any statutory modification (s) or re-enactment (s) thereof, for the time being in force), the consent of the Company be and is hereby accorded to the Board of Directors of the Company (herein after called" the Board"), which term shall be deemed to include any other Committee of the Board, which the Board may have constituted or herein after constitute for the time being, to exercise its powers including the powers conferred on the Board of Directors by this resolution, or any person(s) authorised by the Board or its Committee for such purposes to borrow, from time to time as it may think fit, for the purpose of business of the Company, notwithstanding the fact that the moneys to be borrowed together with moneys already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company's Bankers in the ordinary course of business) may exceed the aggregate of the Paid-up Capital and Free Reserves of the Company, that is to say, Reserves not set apart for any specific purpose, on such terms and conditions as may be considered

suitable by the Board of Directors, provided that the total amount so borrowed from time to time and remaining outstanding shall not exceed at any time, Rs. 325 Crores (Rupees Three Hundred and Twenty Five Crores only)

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to negotiate and finalise all the terms and conditions of all such moneys to be borrowed from time to time as to interest, repayment, securities, etc. as it may consider fit in the interest of the Company and to execute all agreements, deeds, undertakings, etc. and to do all such acts, deeds and things and to sign all such agreements, documents, papers and writings as may be deemed necessary, expedient or desirable for giving effect to the aforesaid resolution.

Item No. 2

To consider and give assent/dissent to following resolution as a SPECIAL RESOLUTION:

"**RESOLVED THAT** pursuant to the provisions of Section 180(1)(a) of the Companies Act, 2013 ("Act") and other applicable provisions, if any, of the Act (corresponding to Section 293 (1) (a) of the Companies Act, 1956) (including any statutory modification or re-enactment thereof, for the time being in force), the consent of the Company be and is hereby accorded to the Board of Directors (hereinafter referred as the 'Board' which term shall include a Committee thereof authorized for the purpose) of the Company, to mortgage, hypothecate, pledge and / or create charge, in addition to the mortgages, hypothecations, pledges and / or charges already created, in such form, manner and ranking and on such terms as the Board deems fit in the interest of the Company, on all or any of the movable and / or immovable properties of the Company (both present and future) and /or any other assets or properties, including stock in trade, either tangible or intangible, of the Company and / or the whole or part of any of the undertaking of the Company together with or without the power to take over the management of the business or any undertaking of the Company in case of certain events of defaults, in favour of the Lender(s), Agent(s) and Trustee(s), for securing the borrowing availed or to be availed by the Company, by way of loans, any other securities or otherwise, in foreign currency as may be permissible in law or in Indian rupees, from time to time, up to the limits approved or as may be approved by the shareholders under Section 180(1)(c) of the Act (including any statutory modification or re-enactment thereof) along with interest, additional interest, accumulated interest, liquidated charges, commitment charges or costs, expenses and all other moneys payable by the Company including any increase as a result of devaluation / revaluation / fluctuation in the rate of exchange and the Board be and is hereby authorized to decide all terms and conditions in relation to such creation of charge, at their absolute discretion and to do all such acts, deeds and things and to execute all such documents, instruments and writings as may be required."

RESOLVED FURTHER THAT the security(ies) to be created by the Company aforesaid may rank prior/pari passu/subservient with /to the charges /mortgages/ hypothecations already created or to be created by the Company and as may be agreed to by and between the Company and the lender(s) and as decided by the Board of Directors of the Company.

On behalf of the Board
For Coromandel Engineering Company Limited

Chennai
Date : 29th April,2014

M M Venkatachalam
Chairman

Notes :

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 read with Section 110 of the Companies Act, 2013 setting out all material facts is annexed hereto.
2. The Notice is being sent to all the Shareholders, whose names appear on the Register of Members / List of Beneficial Owners as received from the National Securities Depository Limited (NSDL) / Central Depository Services (India) Limited (CDSL) as on 2nd May, 2014.
3. The Company has appointed Mr. R Sridharan, R Sridharan & Associates, Company Secretaries, as a Scrutiniser for conducting the Postal Ballot process in a fair and transparent manner.

ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT

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

Item Nos. 1 and 2

In terms of the provisions of Section 180(1)(c) of the Companies Act, 2013, the Board of Directors of the Company cannot, except with the consent of the Company in General Meeting by way of Special Resolution, borrow moneys, apart from temporary loans obtained from the Company's bankers in the ordinary course of business, in excess of aggregate of the paid up capital and its free reserves (reserves not set apart for any specific purpose). At the Annual General Meeting of the Company held on 31st July, 2009, the shareholders under the erstwhile Section 293 (1) (d) of the Companies Act, 1956, had accorded consent to the Board of Directors, for borrowing any sum or sums of money outstanding at any point of time, not exceeding the sum of Rs. 75 Crores (Rupees Seventy Five Crores only).

Considering the Company's future growth plans, including new projects being explored, it is proposed to increase the above borrowing limits from the existing Rs. 75 crores (Rupees Seventy Five Crores) to an amount not exceeding at any time, a limit of Rs. 325 Crores (Rupees Three Hundred and Twenty Five Crores only).

The proposed borrowings by the Company, if required, is to be secured by mortgage or charge on all or any of the movable or immovable or any other tangible and intangible assets / properties of the Company (both present & future), in favour of any lender including the financial institutions / banks / Bodies Corporate etc. in such form, manner and ranking as may be determined by the Board of Directors of the Company from time to time, in consultation with the lender(s).

The mortgage and / or charge on any of the movable and / or immovable or any other tangible and intangible assets / properties and / or the whole or any part of the undertaking(s) of the Company, to secure borrowings of the Company with a power to the charge holders to take over the management of the business of the Company, in certain events of default, may be regarded as disposal of the Company's undertaking(s) within the meaning of Section 180(1)(a) of the Companies Act, 2013.

The resolutions contained in item nos. 1 & 2 of the accompanying Notice, accordingly, seek members' approval for (a) increasing the borrowing limits and (b) for creation of mortgage / charge etc. in favour of the lenders for securing the borrowing(s).

The Board recommends to the Shareholders, the passing of the Special Resolutions under the accompanying Notice, by casting their vote through the Postal Ballot Form or E-Voting as explained in the enclosed Postal Ballot Form.

Memorandum of Interest

None of the Directors or Key managerial personnel of the Company or their relatives are concerned or interested, either financially or otherwise, in the Resolutions.

On behalf of the Board
For Coromandel Engineering Company Limited

Chennai
Date : 29th April,2014

M M Venkatachalam
Chairman

Encl: 1) Postal ballot Form
2) Postage pre-paid self addressed envelope.

E-VOTING INSTRUCTIONS

The instructions for those Members who wish to cast their votes by e-voting are as under:

1) **In case of Members receiving e-mail from NSDL**:

   (a) Open e-mail and open PDF file viz., "Coromandel Engineering e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your User ID and password for e-voting. Please note that the password is an initial password.

   (b) Launch internet browser by typing the following URL: https://www.evoting.nsdl.com/

   (c) Click on "Shareholder" – "Login".

   (d) Key in User ID and password as initial password noted in step (a) above. Click "Login".

   (e) Password change menu appears. Change the password with new password of your choice with minimum 8 digits or characters or a combination thereof. Please take note of the new password. It is strongly recommended that you do not share your password with any other person and take utmost care to keep your password confidential.

   (f) Home page of 'e-Voting' opens. Click on "e-Voting: Active Voting Cycles".

   (g) Select 'EVEN' of Coromandel Engineering Company Limited.

   (h) Now, you are ready for "e-Voting" as "Cast Vote" page opens.

   (i) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.

   (j) Institutional shareholders (i.e. other than individuals, HUFs, NRIs, etc.) are required to send scanned copy (PDF/JPG format) of the relevant Board resolution/authority letter etc., together with attested specimen signature of the duly authorized signatory(ies), who are authorized to vote, to the Scrutiniser at his e-mail id., rsaevoting@gmail.com , with a copy marked to evoting@nsdl.co.in

2) **In case of Members receiving Postal Ballot Form by Post**:

   (a) Initial password is provided at the bottom of the Postal Ballot Form.

   (b) Please follow all steps from Sl. No. 1(b) to (j) above, to cast your vote.

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 "downloads" section of www.evoting.nsdl.com

4) If you are already registered with NSDL for e-voting then you can use your existing User ID and password for casting your vote and there is no need to register once again.

5) You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).

6) To the Members who have registered their e-mail ids for receipt of documents in electronic mode under the Green Initiative of the Ministry of Corporate Affairs, the Notice of Postal Ballot is being sent by e-mail and to others, the same is sent by post along with the Postal Ballot Form.

7) Members have the option either to vote through the e-voting process or through the Postal Ballot Form. Members who have received the Postal Ballot Notice by e-mail and who wish to vote through Postal Ballot Form can download the Postal Ballot Form from www.evoting.nsdl.com or seek duplicate Postal Ballot Form from the Company's Registrar & Transfer Agent viz., **Karvy Computershare Private Limited, Unit: Coromandel Engineering Company Limited, Plot No.17-24 Vittal Rao Nagar, Madhapur, Hyderabad – 500 081 -** E-mail: einward.ris@karvy.com, fill in the details and send the same to the Scrutiniser.

8) Members are requested to cast their vote on the Postal Ballot only through one mode i.e., either through Postal Ballot Form or through e-voting. In case Members cast their votes through both the modes, votes cast through e-voting only will be considered and votes cast through Postal Ballot Form will be rejected.

COROMANDEL ENGINEERING COMPANY LIMITED

Regd. Office:'Parry House', No.43,Moore Street, Chennai – 600 001
Tel: 91.44.25301700 Fax: 91.44.25342822 Website: www.coromandelengg.com
CIN NO:L74910TN1947PLC000343

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POSTAL BALLOT FORM

Serial No. :

1. Name and Registered Address of the sole / first named Member :

2. Name(s) of the Joint Member(s) if any :

3. Registered Folio No.* / DP ID No.**/ Client ID No.** :
   (**Applicable to member(s) holding shares in dematerialized form)
   (*Applicable to member(s) holding shares in physical form)

4. Number of Shares held :

I/We hereby exercise my/our vote in respect of the Special Resolutions to be passed through Postal Ballot for the business stated in the Notice of the Company dated 29th April, 2014 by sending my/our assent or dissent to the said Resolutions by placing the tick (✓) mark at the appropriate box below:

Description	No. of Shares	I/We assent to the Resolution (FOR)	I/We dissent to the Resolution (AGAINST)
Item no.1 Special Resolution under Section 180(1)(c) of the Companies Act, 2013 for enhancement of borrowing limits from existing Rs.75 Crores to Rs.325 Crores			
Item no.2 Special Resolution under Section 180(1)(a) of the Companies Act, 2013 for mortgaging/charging the properties of the company for securing the borrowings within the above limits			

Place :
Date :

Signature of the Shareholder/ Beneficial Owner

Electronic Voting Particulars

EVEN (E- Voting Event Number)	USER ID	PASSWORD/PIN

INSTRUCTIONS

1. A Member desiring to exercise his/her vote by Postal Ballot may complete this Postal Ballot Form and send it to the Scrutiniser in the enclosed self-addressed reply envelope. Postage will be borne and paid by the Company. However, envelopes containing postal ballots, if deposited in person or sent by courier at the expense of the Member will also be accepted.

2. The self-addressed envelope bears the address of the Scrutiniser appointed by the Board of Directors of the Company.

3. This Postal Ballot Form should be completed and signed by the Member as per the specimen signature registered with the Company. In case of joint holding, this Form should be completed and signed by the first named member and in his absence, by the next named member. Unsigned / incorrect Postal Ballot Forms will be rejected. The right of voting by Postal Ballot shall not be exercised by a Proxy.

4. In case of companies, trusts, etc., the duly completed Postal Ballot Form should be accompanied by a certified true copy of the Board Resolution/Authority to the person voting on the Postal Ballot Form.

5. In case holders of Power of Attorney sign the Postal Ballot Form, reference of Power of Attorney registration by the Company should be mentioned in the Postal Ballot Form.

6. **Duly completed Postal Ballot Forms should reach the Scrutiniser not later than the close of working hours (17:30 hrs) on Friday, 13th June, 2014. Postal Ballot Forms received after this date will be strictly treated as if the reply from such Member has not been received.**

7. A Member may request for a duplicate Postal Ballot Form, if so required. However, the duly filled in duplicate Postal Ballot Form should reach the Scrutiniser not later than the date specified at Item no. 6 above.

8. For shares held in demat form, the voting rights shall be reckoned on the paid up value of shares registered in the name of the Member as on Friday, 2nd May, 2014 viz., the date of download of beneficial position from NSDL and CDSL. For shares held in physical form, the voting rights shall be reckoned with as on the same date as aforementioned viz., Friday, 2nd May, 2014.

9. Members are requested not to send any other paper along with the Postal Ballot Form in the enclosed self-addressed business reply envelope. Any extraneous paper found in such envelope will be destroyed by the Scrutiniser.

10. The Scrutiniser's decision on the validity of a Postal Ballot form will be final.