

ECE Industries Limited

Regd. Office: ECE House, 28A, K.G. Marg, New Delhi - 110001

NOTICE

Dear Member(s),

Sub: Passing of Special Resolution by postal ballot.

NOTICE is hereby given, pursuant to Section 192A of the Companies Act, 1956 read with the Companies (Passing of Resolution by Postal Ballot) Rules, 2011 and in terms of Section 17 of the Companies Act, 1956, for the purpose of alterations / modifications in the Object Clause of the Memorandum of Association of the Company for which Members' approval is required by passing special resolution through Postal Ballot.

Accordingly, the proposed draft Special Resolutions along with the Explanatory Statement (pursuant to the provisions of section 173(2) read with Postal Ballot Rules, are appended and a Postal Ballot Form is enclosed for your consideration. The Company has appointed Mr. Dil Raj Kumar, Advocate, to act as scrutinizer for conducting the postal ballot process in a fair and transparent manner.

A Ballot Paper bearing unique serial number is attached to this Notice. Please read carefully the instructions printed on the postal ballot form. We request you to vote by placing a tick mark (✓) at the appropriate place denoting your assent or dissent to the special resolution and return the form duly completed and signed in the attached self-addressed, business reply envelope so as to reach the scrutinizer before the closing of working hours (5.00 PM) on 31.08.2012. Please note that any postal ballot form(s) received after the said date will be treated as not having been received. No other form or photocopy thereof is permitted.

The Scrutinizer will submit his report to the Chairman or any Director of the Company after the completion of the scrutiny of the postal ballots. The Chairman or any Director of the Company will announce the results on 03.09.2012 at 3.00 P.M. at the Registered Office of the Company at 28A, K.G. Marg, New Delhi-110001. The results of the Postal Ballot will also be displayed at the said office besides communicating to the Stock Exchanges where the Company's securities are listed.

The related resolutions being a Special Resolution shall be declared as passed if votes cast in favour of the resolution are at least three times more in number than the votes cast against the resolution.

DRAFT SPECIAL RESOLUTIONS:

ITEM NO.1:

To Consider and if thought fit to pass with or without modification(s) the following resolution as a Special Resolution through Postal Ballot:

"RESOLVED THAT pursuant to the provisions of Section 17 of the Companies Act, 1956, the other relevant provisions and subject to the necessary approvals, if any, from appropriate authorities, consent of the Members of the Company be and are hereby accorded for amending the

Point (1) of the existing Object Clause (Clause 3) of the Memorandum of Association of the Company in the following manner:

- a. Addition of words "and Electronic" between the words "electrical" and "goods" in the fifth line of the said Clause; and
- b. addition of words "including elevators, elevator components, escalators, pathways, switchgears" between the words "industrial equipments" and "and power plants" in the seventh line of the said Clause.

RESOLVED FURTHER THAT the existing Memorandum of Association of the Company, duly modified as aforesaid, or as suggested by any appropriate authority and accepted by the Board of Directors of the Company, be adopted as the Memorandum of Association of the Company.

ITEM NO.2:

To Consider and if thought fit to pass with or without modification(s) the following resolution as a Special Resolution through Postal Ballot:

"RESOLVED THAT pursuant to the provisions of Section 17 of the Companies Act, 1956, the other relevant provisions and subject to the necessary approvals, if any, from appropriate authorities, consent of the Members of the Company be and are hereby accorded for altering the Points (14), (21), (22), (33) of the existing Object Clause (Clause 3) of the Memorandum of Association of the Company in the following manner:

Altering the existing Point (14), (21), (22), (33) with the following:

- (14) To carry on the business of Real Estate and construction including construction and development of roads and for that purpose, buy, sell, purchase, lease, sub-lease or on rent or on tenancy or on license or other-wise maintain, develop, demolish, construct, build, erect, alter, repair, remodel and turn to account any land or buildings owned or acquired or leased by the Company in which the Company may be interested as owners, lessors, lessees, licensees, architects, builders, interior decorators, designers, vendors, contractors, property developers, and Real Estate owners and agents whether such land or building or water bodies or the development thereof be for or in respect of residential or commercial purposes such as multi-storied buildings, complexes, houses, flats, offices, shops, garages, cinemas, theatres, business and amusement parks, industrial growth centre, hotels, restaurants, motels, pubs, inns, taverns, resorts or other structures and purchasing, holding in stock or selling materials or trading in construction materials and building accessories, electrical, sanitary, plumbing and other fixtures, fittings, equipments, plant, machinery, tools & appliances including furniture, fixtures, household goods, land, decoration materials.
- (21) To advance, deposit or lend money, securities and properties to or with any company, body corporate, firm , person or association to commence or expand any industrial or commercial activity or for any other business purpose, with or without security and on such terms as may be determined from time to time and to discount, buy sell or deal in bills, notes, warrants, coupons and negotiable or transferable securities or documents and guarantee to performance of any contract by any such person. However, the company

shall not carry on the business at banking as defined under the Banking Regulation Act, 1949.

- (22) To carry on the business or businesses of a holding and investment company, and to buy, underwrite and to invest in and acquire and hold shares, stocks, debentures, debenture stock, bonds, obligation or securities of companies or partnership firms or body corporate or any other entities whether in India or elsewhere either singly or jointly with any other person(s), body corporate or partnership firm or any other entity carrying out or proposing to carry out any activity whether in India or elsewhere in any manner including but not limited to the following:
- a. To acquire any such shares, stocks, debenture, debenture stock, bonds, treasury bills, commercial papers, coupons, asset-backed bonds, obligation or securities by original subscription, exchange or otherwise and to subscribe for the same either conditionally or otherwise, to guarantee the subscription thereof issued or guaranteed by any central or state government, state, public body, statutory body or authority, firm, body corporate or any other entity or persons in India or elsewhere.
 - b. To purchase or acquire, hold, trade and further to dispose of any long term, short term, negotiable, non-negotiable, right, stake or controlling interest in the shares, stocks, debentures, debenture stock, bonds, obligation or securities of companies or partnership firms either singly or jointly with any other person(s), body corporate or partnership firm carrying out or proposing to carry out any activity in India or in any other part of the world.
 - c. To invest and deal with the moneys of the Company not immediately required in such manner as may from time to time be determined and to hold or otherwise deal with any investment made.
 - d. To facilitate and encourage the creation, issue or conversion of debentures, debenture stock, bonds, obligation, shares, stocks, and securities, and to act as trustees in connection with any such securities, and to take part in the conversion of business concerns and undertakings into companies.
- (33) To transact or carry on all kinds of agency business, and in particular in relation to the investment of money, the sale of property and the collection and receipt of money.

RESOLVED FURTHER THAT the existing Memorandum of Association of the Company, duly modified as aforesaid, or as suggested by any appropriate authority and accepted by the Board of Directors of the Company, be adopted as the Memorandum of Association of the Company.

ITEM NO.3:

To Consider and if thought fit to pass with or without modification(s) the following resolution as a Special Resolution through Postal Ballot:

"RESOLVED THAT pursuant to the provisions of Section 17 of the Companies Act, 1956, the other relevant provisions and subject to the necessary approvals, if any, from appropriate authorities, consent of the Members of the Company be and are hereby accorded for adding the Point (33A) in the existing Object Clause (Clause 3) of the Memorandum of Association of the Company in the following manner:

Addition of new Point (33A) as per the following:

- (33A) To carry on the business as share and stock brokers, underwriters, sub-underwriters, agents and brokers for taking hold, dealing in, converting stocks, shares and commodity, units of Unit Trust of India, units of Mutual Funds, Debentures, Bonds, Government Securities, National Saving, Small Saving Schemes.
- a. To acquire the membership including sub-brokership, dealership, of any Stock Exchanges including over the counter exchange, National Stock Exchange in India or abroad and for the purposes to buy, sell, trade, exchange, deal, barter, swap, borrow, lend, assure, underwrite, pledge, hypothecate, charge, guarantee mortgage, procure or mobilize funds for or arrange placement of or otherwise engage in India or abroad in trade and investment instruments of all kinds and types, whether securities or not, including shares, stocks, securities, debentures, bonds, cumulative, convertible, preference shares, certificates of deposits, commercial papers, participation certificates, treasury bills, bills of exchange.
 - b. To carry on business as brokers, sub-brokers, market makers, arbitrageurs, investors and/or hedgers in agricultural products, metals including precious metals, precious stones, diamonds, petroleum and energy products and all other commodities and securities, in spot markets and in futures and all kinds of derivatives of all the above commodities and securities permitted under the laws of India.
 - c. To become members and participate in trading, settlement and other activities of commodity exchange/s in India (including national multi-commodity exchange/s) facilitating, for itself or for clients, trades and clearing/settlement of trades in spots, in futures and in derivatives of all the above commodities permitted under the laws of India.

RESOLVED FURTHER THAT the existing Memorandum of Association of the Company, duly modified as aforesaid, or as suggested by any appropriate authority and accepted by the Board of Directors of the Company, be adopted as the Memorandum of Association of the Company.

ITEM NO.4:

To Consider and if thought fit to pass with or without modification(s) the following resolution as a Special Resolution through Postal Ballot:

RESOLVED FURTHER THAT the approval of the Members of the Company be and is hereby accorded pursuant to the provisions of Section 149(2A) of the Companies Act, 1956 and other applicable provisions, if any, for commencing and carrying on all or any of the new business(es) and activities as included in the Object Clause of the Company as amended / altered / added above, at such time or times as the Board of Directors of the Company may in its absolute discretion deem fit.

By order of the Board
for **ECE Industries Limited**

Place: New Delhi

Date: 17.07.2012

Sd/-
(Piyush Agarwal)
COMPANY SECRETARY

NOTES:

- a. The Explanatory Statement under Section 173 of the Companies Act, 1956 and in respect of Special Business of the Company is appended and forms part of the Notice.
- b. A Postal Ballot form along with self-addressed business reply envelope (Postage will be borne and paid by the Company) is enclosed. The Members are requested to indicate their assent or dissent about the aforesaid business in the Postal Ballot and return the same to the Scrutinizer before the close of working hours (5.00 PM) on 31.08.2012. Postal Ballot forms received after this date will be strictly treated as if the reply from that member has not been received.

Explanatory Statement pursuant to Section 173 and 192A of the Companies Act, 1956.

ITEM NO.1:

In Point No.(1) and business category "Domestic and Industrial Equipments" of the Object Clause (Clause 3) of the Memorandum of Association (MOA), the Company's business of manufacturing and sale of equipments for "power and distribution transformers" and "elevators & elevator components" is already included. However, for elaborating the said businesses more precisely, the words such as Elevators, Elevator Components, Escalators, Pathways, Switchgears etc. should be added in the Object Clause (Clause 3).

Accordingly, as mentioned in the Special Resolution, the said words are proposed to be added in the existing Point (1) of the Object Clause (Clause 3) of the Memorandum of Association of the Company.

As per Section 17 of the Companies Act, 1956, any amendment in the Object Clause of the Memorandum of Association would require Members' approval by way of Special Resolution. Hence, the Board of Directors recommends the resolution for your approval.

All the Directors may be deemed to be concerned or interested in the resolution to the extent of shares held by them in the Company like any other Shareholder.

ITEM NO.2

In addition to its existing activities, the Company is considering to enter in the areas of infrastructural developments including construction of buildings, roads etc. and also to invest its surplus funds, not immediately required, into shares and securities market. All these activities are being explored from the point of view of adding more value to the organization.

Accordingly, as mentioned in the Special Resolution, the present Clause (14), (21), (22), (33) of the Memorandum of Association of the Company, is proposed to undertake the said activities.

As per Section 17 of the Companies Act, 1956, any amendment in the Object Clause of the Memorandum of Association would require Members' approval by way of Special Resolution. Hence, the Board of Directors recommends the resolution for your approval.

All the Directors may be deemed to be concerned or interested in the resolution to the extent of shares held by them in the Company like any other Shareholder.

ITEM NO.3:

In addition to its existing manufacturing & contracting activities, the Company is considering diversification to undertake new initiatives and to carry on the activities and providing services of stock broker.

Accordingly, as mentioned in the Special Resolution, the new Clause (33A) is proposed to be inserted in the Memorandum of Association of the Company to authorize the Company to undertake the said activities.

Diversification into stock broking service activities would be beneficial to the Company as the Company would be able to utilize its existing resources and to add more value to the organization.

As per Section 17 of the Companies Act, 1956, any amendment in the Object Clause of the Memorandum of Association would require Members' approval by way of Special Resolution. Hence, the Board of Directors recommends the resolution for your approval.

All the Directors may be deemed to be concerned or interested in the resolution to the extent of shares held by them in the Company like any other Shareholder.

ITEM NO.4:

Pursuant to Section 149 (2A) of the Companies Act, 1956, the Company is required to obtain approval from its shareholders by a Special Resolution before commencing any activity stated in the Memorandum of Association of the Company which was not its existing activity at the time of Companies (Amendment) Act, 1956 or is not germane to such existing activity. Accordingly, the Company is approaching its shareholders for its approval in terms of Section 149(2A) of the Companies Act, 1956.

The Board of Directors recommends the resolution for your approval.

All the Directors may be deemed to be concerned or interested in the resolution to the extent of shares held by them in the Company like any other Shareholder.

By order of the Board
For **ECE Industries Limited**

Sd / -
(PIYUSH AGARWAL)
Company Secretary

Place: New Delhi

Date: 17.07.2012

ECE Industries Limited

Regd. Office: ECE House, 28-A, Kasturba Gandhi Marg, New Delhi – 110001

Serial No.

POSTAL BALLOT FORM

1.	Name and Registered Address of Sole/ First named Shareholder (in block letters)	
2.	Name(s) of Joint Holder(s), if any (in block letters)	
3.	Registered Folio No. / DP ID No & Client ID No*: (*Applicable to Investors holding shares in Dematerialized Form)	
4.	Number of Shares held (Equity Shares of Rs.10/- each)	

5. I/We hereby exercise my/our vote in respect of the following Special Resolution(s) to be passed through Postal Ballot for the business(es) stated in the Notice of the Company by conveying my / our assent or dissent to the said Resolution(s), by placing the tick mark (✓) in the appropriate box below:

Item No.	Description	No. of Shares	I / We assent to the resolution (For)	I / We dissent to the resolution (Against)
1	Special Resolution authorizing the Amendment of Point (1) of the Object Clause (Clause 3) of the Memorandum of Association of the Company.			
2	Special Resolution authorizing the Alteration of Point (14), (21), (22), (33) of the Object Clause (Clause 3) of the Memorandum of Association of the Company.			
3	Special Resolution authorizing the Addition of Point (33A) in the Object Clause (Clause 3) of the Memorandum of Association of the Company.			
4	Special Resolution authorizing for commencing and carrying on all or any of the new business(es) and activities as included in the Object Clause in terms of Section 149(2A) of the Companies Act, 1956 which is not germane with the existing activities of the Company.			

Place:

(Signature of the Shareholder)

Date:

Please read carefully the instructions given overleaf

INSTRUCTIONS FORMING PART OF THE NOTICE

1. A Shareholder desirous of exercising vote by Postal Ballot should complete this Postal Ballot Form and send it to the Scrutinizer, Mr. Dil Raj Kumar, Advocate in the attached self-addressed envelope. Postage will be borne by the Company. However, envelope containing Postal Ballots deposited in person or sent by courier at the expense of the shareholder will also be accepted.
2. The self-addressed envelope bears the name and address of the Scrutinizer appointed by the Board of Directors of the Company.
3. This Form should be completed and signed by the Shareholder. In case of joint holding, this Form should be completed and signed (as per the specimen signatures registered with the Company) by the first named shareholder and in his absence, by the next named shareholder.
4. The consent must be accorded by recording the assent in the Column **"FOR"** and dissent in the column **"AGAINST"** by placing a tick mark (✓) in the appropriate column.
5. Unsigned or incomplete Postal Ballot Forms will be rejected.
6. The Scrutinizer's decision on the validity of the Postal Ballot will be final.
7. The Postal Ballot shall not be exercised by a proxy.
8. **Duly completed Postal Ballot Forms should reach the Scrutinizer on or before the closing of working hours (5.00 PM) on 31.08.2012. All Postal Ballot Forms received after this date will be treated as if reply from such shareholder has not been received.**
9. A Shareholder may request for a duplicate Postal Ballot Form, if so required. However, the duly filled in duplicate Postal Ballot Forms should reach the Scrutinizer not later than the date specified at item 8 above.
10. In case of shares held by Companies, Trusts, Societies, etc., the duly completed Postal Ballot Form should be accompanied by a Certified True Copy of the Board Resolution/Authority.
11. Shareholders are requested **NOT** to send any other paper along with the Postal Ballot Form in the enclosed self-addressed Postage pre-paid envelope as all such envelopes will be sent to the Scrutinizer and any extraneous paper found in such envelope would be destroyed by the Scrutinizer and the Company would not be able to act on the same.
12. A Shareholder need not use all his/her votes nor is he/she required to cast his/her votes in the same way.
13. Voting Rights shall be reckoned on the paid-up value of the shares registered in the name of the Shareholders on 27th July, 2012 which is the cut-off date fixed for the purpose of the Postal Ballot.