

July 29, 2016

(through NEAPS)

**The Manager,
Listing Department,
National Stock Exchange of India Ltd.
Exchange Plaza, Bandra Kurla Complex
Bandra (East), Mumbai -400051**

Dear Sir,

Sub: Notice of the Postal Ballot (including e-voting)
Ref: SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations).

Please find enclosed Notice of Postal Ballot dated 23rd July, 2016 as sent to shareholders of the Company with Explanatory Statement and Postal Ballot Form for your reference and records as required under Regulation 30 read with Schedule III, Part-A, Pare-A (12) of the Listing Regulations.

Vide above Notice, the approval of the members of Company is being sought by way of special resolution through Postal Ballot (which includes voting by electronic means) to consider and approve the issue of equity shares through Qualified Institutions Placement.

We also wish to inform that today, the dispatch of Postal Ballot Notice (by e-mail and other permitted modes) has been completed.

Thanking you.

Yours faithfully,

For Fiem Industries Limited



**Arvind K. Chauhan
Company Secretary**

Encl: A/a

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**") of the Act, read with Rule 22 of the Companies (Management and Administration) Rules, 2014, ("**Rules**"), other applicable provisions of the Act and Rules made thereunder, Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**LODR**") and the Listing Agreements with BSE Limited and National Stock Exchange of India Limited ("**Stock Exchanges**"), that the following Special Business is proposed to be transacted by passing the resolution through **Postal Ballot**.

Your approval is sought for the Resolution set out hereunder. The Statement setting out the material facts concerning the items of Special Business is also annexed to this Notice in terms of Section 102(1) of the Act. The Board of Directors of the Company ("the **Board**"), in compliance with Rule 20 and 22 of the Rules has appointed Mrs. Ranjana Gupta, Proprietor of M/s. Ranjana Gupta & Associates, Company Secretaries (C.P. No. 9920), as the Scrutinizer for conducting the said Postal Ballot process in a fair and transparent manner.

You are requested to send your assent or dissent for the Resolution **in either of the following modes:**

- (a) By filling in the necessary details in the **Postal Ballot Form** enclosed, signing the same at the marked place and returning the same in the enclosed postage pre-paid business reply envelope; or
- (b) By **E-Voting** through the platform provided by Central Depository Services (India) Limited ("CDSL"), the e-voting agency appointed by us for the purpose.

If you are voting through Postal Ballot Form (i.e. Physical Ballot), you are requested to carefully read the instructions printed on the Form enclosed herewith and return it, duly completed and signed with your assent (FOR) or dissent (AGAINST) in the attached self-addressed postage pre-paid BRE. **Postal Ballot Form** has to be returned so as **to reach the Scrutinizer on or before August 30, 2016 prior to the closing of working hours (1700 hours)**. Your assent / dissent received after 1700 hours on August 30, 2016 would be strictly treated as if a reply from you has not been received. The postage on the enclosed self-addressed postage pre-paid envelope shall be borne and paid by the Company.

E-Voting platform will be open for tendering your votes from **1000 hours on August 1, 2016 to 1700 hours on August 30, 2016**. Members opting for e-voting may follow the procedure, as recommended by CDSL, under "Voting through E-Voting Facility" of this notice.

The said resolution as set out below, is to be passed as special resolution and shall be declared as duly passed if votes cast in favour of the resolution are not less than three times the number of votes, if any cast against the resolution.

The Scrutinizer shall submit her report to the Chairman / Secretary of the Company. The result of the Postal Ballot shall be:

- Announced on or before the close of business hours on **September 1, 2016**.
- Displayed on the Company's website "www.fiemindustries.com" and
- Communicated to the Stock Exchanges on which the Company's shares are listed.

The resolution will become effective on and from the date of announcement of results of the Postal Ballot.

SPECIAL BUSINESS

Item No. 1

To consider and approve the issue of equity shares through Qualified Institutions Placement

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

“RESOLVED THAT pursuant to the provisions of Sections 23, 42 and 62(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 and the applicable rules framed thereunder (**“Act”**) (including any amendment thereto or re-enactment thereof), and in accordance with the provisions of the Memorandum and Articles of Association of the Company and subject to and in accordance with any other applicable laws or regulation, in India or outside India, including without limitation, the Listing Agreement entered into with the stock exchanges where the equity shares of the Company are listed (**“Stock Exchanges”**), the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (**“SEBI ICDR Regulations”**) (including any amendment thereto or re-enactment thereof, for the time being in force), the Foreign Exchange Management Act, 1999, as amended, (**“FEMA”**), Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000, as amended, (**“FEMA Regulations”**) and in accordance with the rules, regulations, guidelines, notifications, circulars and clarifications issued thereon, from time to time, by the Securities and Exchange Board of India, Reserve Bank of India, the Stock Exchanges, the Government of India, the Registrar of Companies or any other relevant authority from time to time (**“Governmental Authorities”**), to the extent applicable, and subject to such approvals, consents, permissions and sanctions as may be required from such Governmental Authorities, and subject to such conditions and modifications as may be prescribed, stipulated or imposed by such Governmental Authorities while granting such approvals, consents, permissions and sanctions, the Board (hereinafter referred to as the **“Board”** which term shall be deemed to include any committee(s) thereof constituted/ to be constituted by the Board to exercise its powers including the powers conferred by this Resolution) be and is hereby authorized, on behalf of the Company, to create, issue, offer and allot, (including the provisions for reservation on firm and/ or competitive basis, of such part of issue and for such categories of persons, as may be permitted), in the course of Qualified Institutions Placement (**“QIP”**) under SEBI ICDR Regulations), either in India or in the course of international offering(s) in one or more foreign markets, such number of equity shares of the Company with a face value of Rs.10 (Rupees Ten) each (**“equity shares”**) to eligible investors under applicable laws, regulations and guidelines as decided by the Board to qualified institutional buyers in accordance with Chapter VIII (**“Qualified Institutions Placement”** or **“QIP”**) of the SEBI ICDR Regulations, (whether residents and/or non-residents and/or institutions/banks and/or incorporated bodies, mutual funds, venture capital funds and Indian and/or multi-lateral financial institutions, other eligible investors, and whether or not such investors are members of the Company), through issue of placement document and/or other permissible/ requisite offer document, and such issue and allotment to be made at such time, in one or more tranches, for cash, at such price or prices, including at discount / premium to the market price in such manner and on such terms and conditions, considering the then prevailing market conditions and other relevant factors wherever necessary, in consultation with the merchant bankers and/or other advisors or otherwise, on such terms and conditions as the Board, may, in its absolute discretion, decide at the time of issue of equity shares, provided that the total amount raised through the issuance of such equity shares shall not exceed Rs. 1200 Million (Rupees One Thousand Two Hundred Million) or its equivalent in one or more currencies, if any, inclusive of such premium as may be fixed on such equity shares, as may be deemed appropriate by the Board at its absolute discretion at the time of issue and allotment of the equity shares, to investors as mentioned above. However, the pricing of the equity shares to be issued to qualified institutional buyers pursuant to a QIP shall be freely determined subject to such price not being less than the price calculated in accordance with Chapter VIII of the SEBI ICDR Regulations. The Board may, in accordance with applicable law, offer a discount of not more than 5% or such percentage as permitted under applicable law on the price determined pursuant to the SEBI ICDR Regulations. The relevant date (Relevant Date) for the purpose of arrival of the Floor Price of the QIP shall be in accordance with chapter VIII of the SEBI ICDR Regulations.

RESOLVED FURTHER THAT for the issue of equity shares by way of QIP in terms of Chapter VIII of the SEBI ICDR Regulations, the allotment of the equity shares shall be completed within 12 months from the date of this Resolution or such other time as may be allowed under the SEBI ICDR Regulations from time to time and the equity shares shall not be eligible to be transferred / sold for a period of twelve months from the date of allotment, except on a recognized stock exchange, or except as may be permitted from time to time under the SEBI ICDR Regulations.

RESOLVED FURTHER THAT the “Relevant Date” for the purpose of pricing of the equity shares shall be the date of the meeting in which the Board (including a committee of the Board) decides to open the proposed issue.

RESOLVED FURTHER THAT the Board be and is hereby authorized to finalize and approve the offer letter / placement document for the proposed issue of the equity shares and to authorize any director or directors of the Company or any

other officer or officers of the Company to sign the above documents for and on behalf of the Company together with the authority to amend, vary or modify the same as such authorized persons may consider necessary, desirable or expedient and for the purpose aforesaid to give such declarations, affidavits, certificates, consents and/or authorities as may, in the opinion of such authorized person, be required from time to time, and to arrange for the submission of the offer letter / placement document, and any amendments and supplements thereto with stock exchanges, government and regulatory authorities, institutions or bodies, as may be required.

RESOLVED FURTHER THAT the Board be and is hereby authorized to issue and allot such number of equity shares as may be required to be issued and allotted in accordance with the terms of the offer. Subject to the provisions of the Memorandum and Articles of Association of the Company, all such equity shares shall rank *paripassu* inter-se and with the then existing equity shares of the Company in all respects, including dividend, which shall be subject to relevant provisions on that behalf contained in the Articles of Association of the Company.

RESOLVED FURTHER THAT for the purpose of giving effect to any offer, issue and allotment of equity shares, the Board, wherever required in consultation with the merchant bankers and/or other advisors, be and is hereby authorised on behalf of the Company, to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary or desirable for such purpose, including but not limited to finalization and approval of the preliminary as well as final offer letter / placement document, determining the form and manner of the issue, including the selection of qualified institutional buyers to whom the equity shares are to be offered, issued and allotted, number of equity shares to be allotted, issue price, discounts permitted under applicable law (now or hereafter), premium amount on issue of the equity shares, and matters related thereto, and with power on behalf of the Company to settle all questions, difficulties or doubts that may arise in regard to such issue(s) or allotment(s) as it may, in its absolute discretion, deem fit.

RESOLVED FURTHER THAT the Board be and is hereby authorized to appoint lead managers, underwriters, depositories, registrars, bankers, lawyers, advisors and all such professionals / agencies as may be involved or concerned in such offerings of equity shares and to remunerate them by way of commission, brokerage, fees or the like and also to enter into and execute all such arrangements, agreements, memorandum, documents, etc., with such agencies and also to seek the listing of such equity shares on the Stock Exchange(s), authorising any director(s) or any officer(s) of the Company to sign for and on behalf of the Company any agreement(s), arrangement(s), application(s), authority letter(s), or any other related paper(s) / document(s) and give any undertaking(s), affidavit(s), certificate(s), declaration(s) as the Board may in its absolute discretion deem fit including the authority to amend or modify the aforesaid document(s).

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of its power to any committee of directors (including any officer(s) of the company) to give effect to the aforesaid resolution and is authorized to take such steps and to do all such acts, deeds, matters and things and accept any alterations or modification(s) as they may deem fit and proper and give such directions as may be necessary to settle any question or difficulty that may arise in regard to issue and allotment of equity shares.”

**By Order of the Board
For Fiem Industries Limited**

**Sd/-
Arvind K. Chauhan
Company Secretary**

**Date : July 23, 2016
Place : Rai, Haryana**

Notes:

1. A statement setting out the material facts about the special business (explanatory statement) pursuant to Section 102 and other applicable provisions of the Companies Act, 2013 is annexed herewith.
2. Voting period commences from **August 1, 2016 (1000 hours) and ends on August 30, 2016 (1700 hours)** for the members exercising their voting either by Postal Ballot or through E-Voting.
3. The Postal Ballot Notice is being sent to the Members whose names appear on the Register of Members / List of Beneficial Owners as received from the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited as on July 22, 2016. The Postal Ballot Notice is being sent to Members in electronic form to the email addresses registered with their Depository Participants (in case of electronic shareholding) / the Company's Registrar and Share Transfer Agents (in case of physical shareholding). For Members whose email IDs are not registered, physical copies of the Postal Ballot Notice are being sent by permitted mode along with a self address postage prepaid Business Reply Envelope. Postal ballot notice is also being sent to all Directors and Auditors of the Company.
4. The members whose names appear in the Register of Members / Record of Depositories as on July 22, 2016 will only be considered for voting.

5. 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 email and who wish to vote through Postal Ballot Form can obtain duplicate Postal Ballot Form by writing / e-mail to RTA or to Company.
6. You are requested to carefully read the instructions printed in the Postal Ballot Form and return the Form duly completed with the Assent (For) or Dissent (Against) in the attached Business Reply envelope so **as to reach the Scrutinizer on or before 1700 hours on August 30, 2016** to be eligible for being considered, failing which, it will be strictly treated as if no reply has been received from the member. Hence the members are requested to send the duly completed Postal Ballot Form well before August 30, 2016, providing sufficient time for postal transit.
7. The Company has appointed Mrs. Ranjana Gupta, Proprietor of M/s. Ranjana Gupta & Associates, Company Secretaries, as a Scrutinizer for conducting the Postal Ballot process in a fair and transparent manner.
8. The date of declaration of the results will be treated as the date of passing of the said resolution. The resolution in Item No.1, being Special Resolution, will be declared as passed if votes cast in favour of the resolution is three times more in number than the votes, if any, cast against it. Resolution passed by the members through postal ballot is deemed to have been passed as if that has been passed at a General Meeting of the Members.
9. The result of the Postal Ballot shall be announced before 1730 hours on September 1, 2016 and shall be displayed on the Company's website www.fieminindustries.com besides being communicated to the stock exchanges on which the shares of the Company are listed.
10. Members may, if they so desire, send any query in relation to the aforesaid Resolution at the Registered Office of the Company or may e-mail at investor@fieminindustries.com.

INSTRUCTIONS FOR VOTING:

A) VOTING THROUGH PHYSICAL POSTAL BALLOT FORM

1. A member desiring to exercise vote by Postal Ballot shall complete this Postal Ballot Form and send it to the Scrutinizer in the self-addressed Business Reply Envelope sent herewith. However, envelopes containing Postal Ballot Form, if sent by courier or by registered post/speed post at the expense of the member will also be accepted. Members are requested to convey their assent or dissent in this postal Ballot form only. Assent or dissent received in any other form or manner shall be considered as invalid.

Duly completed Postal Ballot form should reach the scrutinizer not later than 1700 hours on August 30, 2016. All Postal Ballot forms received after this date will be strictly treated as if reply from such member(s) has not been received.

2. This form should be completed and signed by the sole / first named member. 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 joint holder). The signature of the member on this Postal Ballot Form should be as per the specimen signature registered with the Company or furnished by NSDL / CDSL to the Company, in respect of shares held in the physical form or dematerialized form, respectively.
3. 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 / Authorisation together with attached specimen signature(s) of the duly authorised signatories.
4. Members holding shares in dematerialised form are advised, in their own interest, to get their signatures verified by their Banker / Depository Participant ("DP"). Signatures should be verified by the Manager of the concerned Bank / DP by affixing a rubber stamp / seal mentioning name and address of the Bank / DP and name, stamp and signature of the Manager.
5. Members are requested not to send any other paper along with the Postal Ballot Form in the enclosed self-addressed envelope as all such envelopes will be sent to the Scrutinizer and any other paper found in such envelope, the same would not be considered and would be destroyed by the Scrutinizer.
6. The votes should be cast in favour of or against the Resolution by putting the tick mark (P) in the column provided for assent or dissent. Postal Ballot Form bearing (P) in both the column will render the form invalid. Incomplete, unsigned, incorrectly filed or bearing more than one Postal Ballot Forms will be subject to rejection by the Scrutinizer.
7. There will be one Postal Ballot Form for every Folio / Client ID irrespective of the number of joint holder.
8. The Postal Ballot shall not be exercised by a Proxy.

9. Postal Ballot Form – Votes will be considered invalid on the following grounds.
 - a) If the member's signature does not tally.
 - b) If the member has marked all his shares both in favour and also against the resolution.
 - c) If the Ballot paper is incomplete, unsigned or incorrect.
 - d) If the Ballot paper is filed in pencil or signed in pencil.
 - 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 one or more of the above grounds.
10. The Scrutinizer's decision on the validity of the Postal Ballot will be final.
11. A member may request for a duplicate Postal Ballot Form, if so required. However, the duly completed duplicate Postal Ballot Form should reach the Scrutinizer not later than the date specified hereinbefore.
12. The postal ballot and all other papers relating to postal ballot including voting by electronic means, shall be under the safe custody of the scrutinizer till the chairman considers, approves and signs the minutes and thereafter, the scrutinizer shall return the ballot papers and other related papers or register to the company who shall preserve such ballot papers and other related papers or register safely.

B) VOTING THROUGH E-VOTING FACILITY

1. In compliance with the provisions of Section 110 of Companies Act, 2013 read with the Rules thereunder, Regulation 44 of the LODR and the Listing Agreement signed with Stock Exchanges, the Company is pleased to offer e-voting facility for the members to enable them to cast their votes electronically instead of dispatching Postal Ballot Form. Please note that e-voting is entirely optional for the shareholder(s) and that the shareholder(s) can opt only for one mode of voting. If a shareholder has opted for e-voting, then he/she/it should not vote by postal ballot and vice-versa. However, **in case members cast their vote both via physical ballot and e-voting, then voting through e-voting shall prevail and voting through Postal Ballot Form shall be treated as invalid.** Notwithstanding whichever option is exercised first. The Company has engaged Central Depository Services (India) Limited ("CDSL") to provide e-voting facility to the shareholders of the Company as an alternate to dispatch the Postal Ballot Form.
2. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date (record date) of July 22, 2016.
3. Mrs. Ranjana Gupta, Proprietor of M/s. Ranjana Gupta & Associates, Company Secretaries, has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
4. **Members are requested to read the instructions given below:**
 - (i) The e-voting period commences on **August 1, 2016 (1000 hours) and ends on August 30, 2016 (1700 hours)**. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of July 22, 2016, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
 - (ii) Open your web browser and log on to the e-voting website www.evotingindia.com.
 - (iii) Click on "Shareholders" tab.
 - (iv) 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.
 - (v) Next enter the Image Verification as displayed and Click on Login.
 - (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

- (vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Postal Ballot / Attendance Slip indicated in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> 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 (iv).

- (viii) After entering these details appropriately, click on “SUBMIT” tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also 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. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the Electronic Voting Sequence Number (EVSN) for Fiem Industries Limited.
- (xii) 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.
- (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution 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.
- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xvii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) 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. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xix) Note for Non – Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to 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.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

ANNEXURE TO THE NOTICE

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

Item No. 1

As the members are aware, the Company is growing with a decent pace and to address the future growth requirements, expanding capacities in the existing plants as well as setting-up new facilities. In last financial year Company set-up new Plant in Gujarat and expanding capacities for LED Products manufacturing in Rai and Tapukara Plants. The management is seeing huge growth opportunities in LED segment for which new investment would be required from time to time. Further, Company has also signed MoUs for new products lines in automotive segment, which may fructify into collaborations. Apart from these, investment in existing business and long-term working capital also needed from time to time. While it is expected that the internal generation of funds would partially finance the need for capital, it is thought prudent to have enabling approvals from shareholders to raise funds for the said purposes as well as for such other corporate purposes as may be permitted under applicable laws. Considering all these potential fund requirements, Board thought it prudent to raise the funds at some appropriate time, by way of issuing equity shares through Qualified Institutions Placement under Chapter VIII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 read with applicable provisions of Companies Act, 2013.

The Board proposes to raise funds for an amount not exceeding Rs. 1200 Million (Rupees One Thousand Two Hundred Million) by way of placement of equity shares to Qualified Institutional Buyers through Qualified Institutions Placement ("QIP") in accordance with Chapter VIII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended (the "SEBI ICDR Regulations"). The QIP may be consummated in one or more tranches at such time or times at such price as the Board of Directors in its absolute discretion may decide, subject, however, to the SEBI ICDR Regulations, and other applicable guidelines, notifications, rules and regulations.

Shareholders may please note that the appended resolution proposed is an enabling resolution and the detailed terms and conditions for the issue will be determined in consultation with lead managers, advisors and such other authorities and agencies as may be required to be consulted by the Company in due consideration of prevailing market conditions and other relevant factors. As the price of the equity shares shall be determined at a later stage, exact number of equity shares to be issued shall also be crystallized later. Therefore, an enabling resolution is being proposed to give Board an adequate flexibility and absolute discretion to determine the terms of issue in consultation with the lead managers and others.

The special resolution seeks to empower the board of directors of the Company (hereinafter called the "Board" which term shall be deemed to include any committee which the Board may have constituted or hereinafter constitute to exercise its powers including the power conferred by this resolution) to undertake QIP as defined by SEBI ICDR Regulations. As the pricing of the offer cannot be decided except at a later stage, it is not possible to state the price of shares to be issued. However, the same would be in accordance with the provisions of the SEBI ICDR Regulations, 2009, the Companies Act, 2013, or any other guidelines /regulations /consents as may be applicable or required. The pricing of the equity shares to be issued to Qualified Institutional Buyers pursuant to Chapter VIII of the SEBI ICDR Regulations shall be freely determined subject to such price not being less than the price calculated in accordance with the SEBI ICDR Regulations. As per Chapter VIII of the SEBI ICDR Regulations, an issue of equity shares through QIP shall be made at a price not less than the average of the weekly high and low of the closing prices of the related shares quoted on the stock exchange during the two weeks preceding the "relevant date". The Board may, at its absolute discretion, issue equity shares at a discount of not more than five percent or such other discount as may be permitted under applicable regulations to the 'floor price' as determined in terms of the SEBI ICDR Regulations, 2009, subject to Section 53 of the Companies Act, 2013.

The equity shares allotted would be listed on National Stock Exchange of India Ltd. and BSE Ltd. The offer/ issue / allotment would be subject to obtaining necessary regulatory approvals, if applicable. As and when the Board of directors takes a decision on matters on which it has the discretion, necessary disclosures will be made to the stock exchanges as may be required under the provisions of the LODR.

Section 62(1)(a) of the Companies Act, 2013 provides, inter alia, that when it is proposed to increase the issued capital of a company by allotment of further equity shares, such further equity shares shall be offered to the existing members of such company in the manner laid down therein unless the members by way of a special resolution in a General Meeting decide otherwise. Since, the special resolution proposed in the business of the Notice may result in the issue of equity shares of the company to persons other than members of the company, consent of the members is being sought pursuant to the provisions of Section 62(1)(c) and other applicable provisions of the Companies Act, 2013 as well as applicable rules

notified by the Ministry of Corporate Affairs and the provisions of the Listing Agreements executed by the company with the stock exchanges where the equity shares of the company are listed. This special resolution, if passed, will have the effect of allowing the board of directors to offer, issue and allot equity shares to the investors who may or may not be the existing members of the Company.

This special resolution shall have a validity period of 12 months before which allotment(s) under the authority of said resolution should be completed.

The change in control of the company would not occur consequent to the issue and allotment of equity shares under the said resolution.

The Board believes that such an issue of equity shares of the Company is in the interest of the Company and therefore recommend this Resolution at Item No. 1 of the Notice for the approval of the Members of the Company.

Disclosure of nature of concern or interest, financial or otherwise under section 102 of Companies Act, 2013:

None of the Promoters, Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise, in the said resolution and they do not intend to subscribe to any equity shares to be issued under the said resolution.

**By Order of the Board
For Fiem Industries Limited**

**Date : July 23, 2016
Place : Rai, Haryana**

**Sd/-
Arvind K. Chauhan
Company Secretary**

Go Green initiative / change of e-mail address

Members are requested to register / update their e-mail address to their Depository Participant (in case of holding shares in demat form) or to the RTA (in case shares held in physical mode). This intimation is being given to the members to provide them an advance opportunity to register / update their e-mail address so that they can get timely delivery of any communication / notice / annual report from the Company.



Fiem Industries Limited

Regd. Office: D-34, DSIDC Packaging Complex, Kirti Nagar, New Delhi-110015 (INDIA)
Tel: +91-11-25927820,25927919 Fax: +91-11-25927740, Email: investor@fiemindustries.com
Website: www.fiemindustries.com CIN: L36999DL1989PLC034928

POSTAL BALLOT FORM

Serial No.

1.	Name of the First Named Shareholder and Registered Address
2.	Name(s) of the Joint Shareholder(s)
3.	Registered Folio No./ DPID & Client ID No.
4.	Number of Shares held

I/We hereby exercise my/our right to vote in respect of the following Special Resolution to be passed through postal ballot / e-voting for the business stated in the Postal Ballot Notice of the Company dated July 23, 2016 of the Company by conveying my/our assent (For) or Dissent (Against) to the said resolution by placing the tick (✓) mark in the appropriate box below:

Item No.	Description	No. of Equity Shares	I/We assent to the Resolution (For)	I/We dissent to the Resolution (Against)
1.	Consider and approve the issue of Equity Shares through Qualified Institutions Placement			

Place :

Date :

Signature of the Shareholder

NOTE: Kindly read the instructions printed overleaf before filing this form. For e-voting, please refer relevant instructions in the Notes under 'Voting through electronic means' in Postal Ballot Notice.

Electronic Voting Particulars

Users who wish to opt for e-voting may use the following login credentials.

EVSN (Electronic Voting Sequence Number)	User ID	Password

INSTRUCTIONS

1. A member desiring to exercise vote by Postal Ballot shall complete this Postal Ballot Form and send it to the Scrutinizer in the self-addressed Business Reply Envelope sent herewith. However, envelopes containing Postal Ballot Form, if sent by courier or by registered post/speed post at the expense of the member will also be accepted. Members are requested to convey their assent or dissent in this Postal Ballot form only. Assent or dissent received in any other form or manner shall be considered as invalid.
2. This Form should be completed and signed by the member (as per the specimen signature registered with the Company / Depository Participant(s)). 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.
3. Duly completed Postal Ballot form should reach the scrutinizer not later than 1700 hours on August 30, 2016. All Postal Ballot forms received after this date will be strictly treated as if reply from such member(s) has not been received.
4. There will be only one Postal Ballot Form for every Folio/ DP ID Client ID No. irrespective of the number of Joint Member(s).
5. In case of shares held by companies, trusts, societies, etc., the duly completed Postal Ballot Form should be accompanied by a certified copy of Board Resolution / Authority Letter preferably with attested specimen signatures of the duly authorised signatories.
6. Members are requested not to send any other paper along with the Postal Ballot Form in the enclosed self-addressed business reply 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.
7. In case of non-receipt of Postal Ballot Form, a Member may request to Company or RTA for a duplicate Form. However, the duly completed Form should reach the scrutinizer not later than the last date for voting mentioned above.
8. Incomplete, unsigned or incorrect Postal Ballot Forms will be rejected. The scrutinizer's decision on the validity of a Postal will be final and binding.
9. Additionally, please note that the Postal Ballot Forms shall be considered invalid if:
 - a) A form other than one issued by the Company has been used;
 - b) It is not possible to determine without any doubt the assent or dissent of the member;
 - c) Neither assent or dissent is mentioned;
 - d) Any competent authority has given directions in writing to the Company to freeze the voting rights of the Member;
 - e) It is defaced or mutilated in such a way that its identity as genuine form cannot be established;
10. Voting by Postal Ballot or through e-voting may be exercised by the Members or its duly constituted attorney. Exercise of vote by Postal Ballot through Proxy is not permitted.