**HINDUSTHAN NATIONAL GLASS & INDUSTRIES LIMITED**
Regd. Office : 2, Red Cross Place, Post Box : 2722, Kolkata – 700 001, India
Tel. : (91) (33) 2254-3100, Fax : (91) (33) 2254-3130
Email : cosec@hngil.com, Website : www.hngil.com

# POSTAL BALLOT NOTICE

[Pursuant to Section 192A of the Companies Act, 1956, read with
the Companies (Passing of the Resolution by Postal Ballot) Rules, 2011]

Dear Member(s),

Notice is hereby given that pursuant to Section 192A of the Companies Act, 1956, read with the Companies (Passing of the Resolution by Postal Ballot) Rules, 2011, that the Resolutions appended below are proposed to be passed as Special Resolution by way of Postal Ballot.

Members consent is requested for the proposed Resolutions appended below.

The Explanatory Statement pertaining to the said Resolutions setting out the material facts and the reasons thereof are annexed hereto along with a Postal Ballot form for your consideration.

**E-Voting option**: In compliance with Clause 35B of the Listing Agreement and Section 192A of the Companies Act, 1956, the Company is pleased to provide an option to the members holding shares in demat form and in physical form, to vote on the postal ballot by way of electronic voting / e-voting to enable members to cast their vote electronically. Voting by electronic mode may be a more convenient means for exercising the voting rights and may help to increase members' participation in the decision-making process.

The Company has appointed Central Depository Services Ltd., (CDSL) to provide e-voting facility to its members. Members having shares in demat form and in physical form may vote either by way of Postal Ballot Form or by way of e-voting. In case the member has exercised the vote in physical as well as electronic mode, the vote by electronic mode only will be considered.

You are requested to carefully read the e-Voting instructions attached alongwith the Postal Ballot Form, before casting your vote on e-Voting site : http://www.evotingindia.com

1. To consider and, if thought fit, to give assent or dissent to the following resolution as a **Special Resolution:**

   **"RESOLVED THAT** pursuant to the provisions of Section 309 (5A)& (5B) and other applicable provisions, if any, of the Companies Act, 1956 (hereinafter referred to as the "Act", including any statutory modifications or re-enactment thereof for the time being in force) and in accordance with the provisions of Articles of Association of the Company and subject to approval of the Central Government and such other approval(s), sanction(s) and permission(s), if required, consent of the members be and is hereby accorded for waiver of recovery of excess remuneration of ₹ 4,023,285 (Rupees Forty Lac Twenty Three Thousand Two Hundred Eighty Five only) paid to Mr. Sanjay Somany, Vice Chairman & Managing Director of the Company, for the period from October 1, 2012 to March 31, 2013, in the financial year 2012-13.

   **Resolved further that** Mr. Ajay Kumar Rai, Company Secretary of the Company, be authorized to take such actions as he may deem fit, proper and necessary for and on behalf of Company for the purpose of giving effect to the above resolution and that all such acts, deeds , things etc done by him pursuant to authority delegated hereunder shall be final and binding on the Company and he is authorized to certify the copies of this resolution as true copies and send the same to all concerned for their perusal, necessary action and record".

2. To consider and, if thought fit, to give assent or dissent to the following resolution as a **Special Resolution**:

   **"RESOLVED THAT** pursuant to the provisions of Section 309 (5A)& (5B) and other applicable provisions, if any, of the Companies Act, 1956 (hereinafter referred to as the "Act", including any statutory modifications or re-enactment thereof for the time being in force) and in accordance with the provisions of Articles of Association of the Company and subject to approval of the Central Government and such other approval(s), sanction(s) and permission(s), if required, consent of the members be and is hereby accorded for waiver of recovery of excess remuneration of ₹ 4,023,285 (Rupees Forty Lac Twenty Three Thousand Two Hundred Eighty Five only) paid to Mr. Mukul Somany, Vice Chairman & Managing Director of the Company, for the period from October 1, 2012 to March 31, 2013, in the financial year 2012-13.

   **Resolved further that** Mr. Ajay Kumar Rai, Company Secretary of the Company, be authorized to take such actions as he may deem fit, proper and necessary for and on behalf of Company for the purpose of giving effect to the above resolution and that all such acts, deeds , things etc done by him pursuant to authority delegated hereunder shall be final and binding on the Company and he is authorized to certify the copies of this resolution as true copies and send the same to all concerned for their perusal, necessary action and record".

By order of the Board
For **Hindusthan National Glass & Industries Limited**

**Place : Kolkata**
**Date : 10.02.2014**

**Ajay Kumar Rai**
**Company Secretary**

**Notes :**

1. Explanatory Statements setting out all the material facts concerning each item of the proposed business and reasons thereof pursuant to Section 102(1) of the Companies Act, 2013 read with Section 192A(2) of the Companies Act, 1956 are annexed to this Notice.
2. In terms of section 192A of the Companies Act, 1956 read with Companies (Passing of Resolution by Postal Ballot) Rules 2011, assent or dissent of the members in respect of the Special Resolutions contained in the Postal Ballot Notice are sought by postal ballot.
3. The Board of Directors of the Company at their meeting held on 10th February, 2014, have appointed Mr. Mukesh Rathi, Company Secretary in Practice, as the Scrutinizer for conducting the Postal Ballot voting process in a fair and transparent manner.
4. Mr Mukul Somany, Vice Chairman & Managing Director & Mr Ajay Kumar Rai, Company Secretary, is severally responsible for the entire postal ballot voting process.
5. Postal Ballot form and self-addressed Business Reply envelope are enclosed for use of the members. Postage will be borne and paid by the Company. Envelopes containing the Postal Ballot Forms, if sent by any other mode at the expense of the registered Member, will also be accepted. Members are requested to exercise their voting rights by using the attached Postal Ballot Form only. No other form or a photocopy of the Form is permitted.
6. The notice of Postal Ballot is being dispatched/emailed to the members whose names appear on the register of members as on 7th February, 2014 and voting rights shall be reckoned on the paid-up value of the shares registered in the name of the shareholders as on the same date.
7. A member desiring to exercise vote by e-Voting / physical Postal Ballot Form is requested to carefully read the instructions printed on the Postal Ballot Form, as applicable, and cast their votes in electronic mode / return the duly completed form in the attached self-addressed business reply envelope, so as to reach the Scrutinizer at 2, Red Cross Place, Kolkata - 700 001 on or before 6.00 p.m., on Tuesday, 18th March, 2014. The Postal Ballot Forms received after this date will be treated as if the reply from the member has not been received.
8. The Scrutinizer will submit his report to the Chairman of the Board of the Company after completion of the scrutiny and the result of postal ballot process will be announced by Mr C. K. Somany, Chairman, or in his absence by any other person so authorised by him, on 22nd March, 2014. The result of the Postal Ballot process will also be published in a newspaper and hosted on the website of the Company www.hngil.com
9. The resolution(s) will be taken as passed effectively on the date of announcement of the results as above, if the result of the Postal Ballot indicates that the requisite majority of the shareholders have assented to the resolution(s).
10. Voting rights in a Postal Ballot cannot be exercised by a Proxy.

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**Annexure to the Postal Ballot Notice dated 10th February, 2014**

**EXPLANATORY STATEMENTS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 READ WITH SECTION 192A(2) OF THE COMPANIES ACT, 1956**

**Item No. 1 & 2**

The Board of Directors had vide their resolution dated August 13, 2010 approved the appointment of Mr. Sanjay Somany & Mr. Mukul Somany, as Vice Chairman and Managing Director under the provisions of sections 198, 269, 309, 317 and Schedule XIII of the Companies Act, 1956. The Board further vide its resolution dated November 11, 2011 had increased their remuneration in terms of the agreement entered into between the Company and Mr. Sanjay Somany, Mr. Mukul Somany , respectively. Due to sharp increase in borrowings, power & fuel and raw materials cost laid-back with down turn in the global economy during the financial year 2012-13 the Company anticipated that the Net Profit of the Company on standalone basis for said financial year would be inadequate for payment of remuneration to Managerial Personnel and accordingly made an application for payment of excess remuneration to the Vice Chairman & Managing Directors of the Company. With the commencement of commercial production in its new plants situated at Nashik and Naidupeta, the profits of the company was further affected. The gestation period in the glass industry is between 12-18 months as the furnaces involved in the process of manufacture take time to be readied for production. However, the Company has taken suitable steps for reduction in the cost of power and fuel, which is expected to lead to annual savings of nearly Rs. 400 Crore. Moreover, keeping in mind the past performance of the Company, this inadequacy is only temporary and the Company expects profit in couple of years. The Company had made an application to the Ministry of Corporate Affairs (hereinafter referred as "MCA") for approval of such increased remuneration in anticipation of inadequate profits for the remaining tenure also falling under the financial year. The 'MCA' vide its letter dated 13th November, 2013 approved the payment of increased remuneration for the period 1st April, 2012 to 30th September, 2012, in the financial year 12-13.

Since MCA had partially approved the payment of increased Managerial remuneration, therefore it is desirable to apply to MCA for the waiver of recovery of excess remuneration paid for the period 1st October, 2012 to 31st March, 2013 as there was inadequate Profit of the Company for the financial year 2012-13 for the purpose of payment of managerial remuneration and accordingly necessary approval of shareholders is sought for waiver of excess managerial remuneration, paid to Mr Sanjay Somany and Mr Mukul Somany.

The Board of Directors of the Company recommends the resolutions at Item no. 1 & 2 for approval of the Shareholders by way of a Special Resolution

None of the Directors/Key Managerial Personnel/their relatives of the Company is in any way concerned or interested in the above referred resolution except Mr. Chandra Kumar Somany, Chairman of the Company. Mr. Sanjay Somany & Mr. Mukul Somany, Vice Chairman & Managing Directors of the Company is deemed to be interested for the reason specified above.

By order of the Board
For **Hindusthan National Glass & Industries Limited**

**Place : Kolkata**
**Date : 10.02.2014**

**Ajay Kumar Rai**
**Company Secretary**

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# POSTAL BALLOT FORM

Postal Ballot No. :

| | | |
|---|---|---|
| 1. | Name and Registered Address of the Sole / First Named Member (in block letters) | |
| 2. | Name(s) of the Joint Member(s), if any (in block letters) | |
| 3. | Registered Folio No. / DP ID No. / Client ID No.* (*Applicable to shareholders holding shares in dematerialised form) | |
| 4. | Number of shares held | |

I/We hereby exercise my/our vote in respect of the Resolutions to be passed through Postal Ballot for the business stated in the Notice dated 10th February, 2014 (hereinafter referred to as "the Notice"), by sending my/our assent or dissent to the said resolutions by placing the tick (✓) mark at the appropriate box below:

| Item No. | Description | No. of Shares | (FOR) | (AGAINST) |
|---|---|---|---|---|
| | | | I/We assent to the Resolution | I/We dissent to the Resolution |
| 1. | **As a Special Resolution :** Waiver of excess remuneration paid to Mr. Sanjay Somany, Vice Chairman & Managing Director | | | |
| 2. | **As a Special Resolution :** Waiver of excess remuneration paid to Mr. Mukul Somany, Vice Chairman & Managing Director | | | |

_____
Signature of the Member

_____
Name of the Member

Place :

Date :

| **ELECTRONIC VOTING PARTICULARS** | | |
|---|---|---|
| EVSN (E-Voting Sequence Number) | USER ID | PASSWORD / PIN |
| **140210003** | | |

**Note : Please read the instructions printed overleaf carefully before exercising your vote.**

**IMPORTANT INSTRUCTIONS :**

1. The voting rights for the shares are one vote per equity share, registered in the name of the shareholders/ beneficial owners as on 7th February, 2014.
2. Voting by Postal Ballot, in physical form or e-Voting, can be exercised only by the shareholder or his/her duly constituted attorney or, in case of bodies corporate, the duly authorized person. Voting rights in a Postal Ballot cannot be exercised by a Proxy.
3. Voting period commences **on and from Monday, 17th February, 2014 at 10.01 a.m., and ends on Tuesday, 18th March, 2014 at 6.00 p.m.**
4. The result of postal ballot process will be announced by Shri C. K. Somany, Chairman, or in his absence by any other person so authorised by him, on 22nd March, 2014. The result of the Postal Ballot process will be communicated to the stock exchanges, published in a newspaper and hosted on the website of the Company www.hngil.com.
5. A member need not use all his/her votes.
6. **Shareholders can opt only one mode for voting i.e. either by Physical Ballot or e-voting. In case the member has exercised the vote in physical as well as electronic mode, the vote by electronic mode only will be considered.**
7. The Scrutinizer's decision on the validity of a Postal Ballot shall be final.
8. Any query in relation to the resolutions proposed to be passed by Postal Ballot may be sent to: cosec@hngil.com.

**Instructions for Voting by Physical Postal Ballot Form**

1. A Shareholder desirous of exercising vote by physical Postal Ballot should complete the Postal Ballot Form in all respects and send it after signature to the Scrutinizer in the attached self-addressed postage pre-paid envelope which shall be properly sealed with adhesive or adhesive tape. However, envelopes containing Postal Ballot Form, if sent by courier at the expense of the Member but using the postage pre-paid envelope will also be accepted. Members are requested to convey their assent or dissent in this postal ballot form only. The assent or dissent received in any other form or manner shall be considered as invalid.
2. The self-addressed envelope bears the name and address of the Scrutinizer appointed by the Board of Directors of the Company.
3. The Postal Ballot Form should be signed by the Shareholder as per specimen signature registered with the Registrar /Depository. In case, shares are jointly held, this Form should be completed and signed (as per specimen signature registered/recorded with the Registrar /Depository) by the first named member and in his/ her absence, by the next named member. Holders of Power of Attorney (POA) on behalf of member may vote on the Postal Ballot mentioning the registration No. of the POA or enclosing an attested copy of POA. Unsigned Postal Ballot Form will be rejected.
4. Duly completed Postal Ballot Form should reach the Scrutinizer not later than 6.00 p.m. on Tuesday, 18th March, 2014. Postal Ballot Forms received after that date will be strictly treated as if reply from such member has not been received. The Members are requested to send the duly completed Postal Ballot Forms well before the last date, providing sufficient time for postal transit.
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 the Board Resolution/ Authority and preferably with attested specimen signature(s) of the duly authorized signatory(ies) giving requisite authority to the person voting on the Postal Ballot Form. Where the form has been signed by a representative of the President of India or of the Governor of a state, a certified copy of the nomination should accompany the Postal Ballot Form.
6. The number of shares in respect of which votes are cast should be mentioned in the column, in the absence of which, all the votes shall be deemed to have been cast as per the tick mark placed by the shareholder in the respective column.
7. Shareholders are requested not to send any paper (other than the resolution/authority as mentioned under instruction no. 5 above) 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 if any extraneous paper is found in such envelope the same would not be considered and would be destroyed by the Scrutinizer.
8. There will be only one Postal Ballot Form for every folio / client ID irrespective of the number of Joint Member(s). On receipt of the duplicate Postal Ballot Form, the original will be rejected.
9. A member may request for a duplicate Postal Ballot Form, if so required and the same duly completed should reach the scrutinizer not later than the last date for voting.
10. Incomplete, improperly or incorrectly tick marked Postal Ballot Forms will be rejected.
11. Members from whom no Postal Ballot Form is received or received after the aforesaid stipulated period shall not be counted for the purposes of passing of the resolutions.

**Instructions for Electronic Voting (e-Voting)**

The Company is pleased to offer e-Voting facility as an alternate, for its shareholders to enable them to cast their votes electronically instead of dispatching Postal Ballot Form. The procedure and instructions for the same are as follows:

1. During the voting period, the shareholders can visit the **e-Voting** website www.evotingindia.com. Click on Shareholders tab and select the relevant EVSN / along with Company name from the drop down menu and click on "SUBMIT" for voting.
2. The shareholders then have to fill up the following details in the appropriate boxes:

| | |
|---|---|
| User-ID | For shareholders holding shares in Demat Form:- |
| | a) For NSDL :– 8 Character DP ID followed by 8 Digits Client ID b) For CDSL :– 16 digits beneficiary ID |
| | For Shareholders holding shares in Physical Form:- |
| | • Folio Number registered with the Company |
| Password | Your Unique password is printed on the Postal Ballot Form |
| PAN* | Enter your 10 digit alpha-numeric PAN issued by Income Tax Department |

* Shareholders who have not updated their PAN with the Company / Depository Participant are requested to use default number 'DEFAULT NUMBER' (9999999999) in the PAN field or use physical Postal Ballot Form for voting.

After entering these details appropriately, click on "SUBMIT".

3. After logging in, demat security holders will have to mandatorily change their password. 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. This password can be used by demat security holders for all future voting on resolutions of companies in which they are eligible to vote, provided that Company opts for e-voting through CDSL platform.. Physical shareholders will be provided with a fresh password for every postal ballot voting.
4. 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 communication(s) regarding CDSL e-voting system in future. The same may be used in case the Member forgets the password and the same needs to be reset.
5. If you are holding shares in Demat form and had logged on to www.evotingindia.com and casted your vote earlier for EVSN of any company, then your existing password is to be used.
6. Members holding shares in Physical Form would have to use the User ID, Password and PAN to vote on resolutions for a particular EVSN only and would be taken directly to the voting screen.
7. On the voting page, you will see Resolution Description with the options of 'YES/NO' for voting for each of the resolution. Enter the number of shares (which represents number of votes) under YES/NO. The total number of votes in YES and NO taken together should not exceed the total shareholding.
8. Security holders can also view the Postal Ballot Notice & Resolution details by clicking on the Resolution File Link.
9. After voting on the desired resolution(s), click on SUBMIT. A confirmation box stating "If you wish to confirm your vote, click on OK, else to change your vote, click on CANCEL and accordingly modify your vote" would be displayed. Click OK or CANCEL as desired.
10. Once the security holder casts the vote, the system will not allow modification of the same.
11. During the voting period, security holders can login any number of times till they have voted on all the resolutions.
12. Institutional members (i.e. other than individuals, HUF, NRI 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 Scrutinizer through e-mail at cosec@hngil.com with a copy marked to helpdesk.evoting@cdslindia.com, without which the vote shall not be treated as valid.
13. In case you have any queries or issues regarding e-voting, please contact the Company or Registrar & Share Transfer Agent or send mail to helpdesk.evoting@cdslindia.com or cosec@hngil.com.