SESHASAYEE PAPER AND BOARDS LIMITED

CIN : L21012TZ1960PLC000364

Regd. Office : Pallipalayam, Cauvery RS PO, Erode 638 007, Namakkal District, Tamilnadu
Ph : 91-4288-240221 to 240228, Fax : 91-4288-240229
E-mail : edoff@spbltd.com Web : www.spbltd.com

POSTAL BALLOT NOTICE

(Pursuant to Section 110 of the Companies Act, 2013)

To
The Members,

Notice is hereby given, pursuant to Section 110 of the Companies Act, 2013, read with Companies (Management and Administration) Rules, 2014, for obtaining the consent of the Members through Postal Ballot for appointment of Sri A L Somayaji and Dr Nanditha Krishna, as Independent Directors.

The draft of the Ordinary Resolutions to be passed, together with the Statement, pursuant to Section 102(1) of the Companies Act, 2013, setting out the material facts and reasons thereto, are annexed.

In accordance with Clause 35B of Equity Listing Agreement entered into by the Company with Stock Exchanges wherein the Company's Equity Shares are listed and in terms of Section 110 of the Companies Act, 2013, and the Rules made thereunder, the Company has appointed National Securities Depository Limited ("NSDL") as the Agency for electronic voting. Members who wish to vote electronically are advised to follow the detailed instructions given for e-voting as annexed to this Notice.

The Company has appointed Sri B Kalyanasundaram, Practicing Company Secretary (Membership No. 672), as the Scrutiniser for conducting the Postal Ballot Voting process in a fair and transparent manner and to receive and scrutinise the completed Ballot Papers from the Members, in accordance with the Rules. You are requested to carefully read the instructions printed on the Form and return the Form duly completed, in the enclosed self-addressed prepaid business reply envelope so as to reach the Scrutiniser on or before 27th September 2014 at 17.30 hours. The Scrutiniser will submit the report to the Chairman of the Company after completion of scrutiny of the Postal Ballot Forms and the results of the Postal Ballot will be announced on 29th September 2014 at 11.30 AM at the Registered Office of the Company at Pallipalayam, Cauvery RS PO, Erode 638 007, Namakkal District, Tamilnadu. The results along with the Scrutiniser's Report will be immediately posted on the website of the company. The said date of declaration of the result of the Postal Ballot will be taken as the date of passing of the Resolution(s).

All documents referred to in the Notice and in the Statement referred to under Section 102(1) of the Companies Act, 2013, are open for inspection at the Registered Office of the Company at Pallipalayam, Cauvery RS PO, Erode 638 007, Namakkal District, Tamilnadu, during office hours on all working days between 09.30 AM and 05.30 PM upto 27th September 2014.

The said Notice of Postal Ballot and Ballot Form have also been placed on the Company's website www.spbltd.com for use by the Members.

Enc. :

1. Draft Resolutions with Statement pursuant to Section 102(1) of the Companies Act, 2013 and
2. Postal Ballot Form and self-addressed prepaid business reply envelope.

(By Order of the Board)
For Seshasayee Paper and Boards Limited

(V PICHAI)
Deputy Managing Director & Secretary

Place : Chennai
Date : 23 08 2014

DRAFT RESOLUTIONS

SPECIAL BUSINESS :

1. To consider and if thought fit to pass with or without modifications, the following Resolution as an Ordinary Resolution :

   Resolution :

   "RESOLVED that, pursuant to Sections 149, 152 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder [including any statutory modification(s) or re-enactment thereof for the time being in force], read with Schedule IV to the Companies Act, 2013 and pursuant to Clause 49 of the Listing Agreement, Sri A L Somayaji (DIN: 00049772) (in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Companies Act, 2013, signifying the Member's intention to propose Sri A L Somayaji, for appointment as an Independent Director of the Company), be and is hereby appointed as an Independent Director of the Company to hold office for a fixed term of five years from 29th September 2014 and not liable to retire by rotation".

2. To consider and if thought fit to pass with or without modifications, the following Resolution as an Ordinary Resolution :

   Resolution :

   "RESOLVED that, pursuant to Sections 149, 152 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder [including any statutory modification(s) or re-enactment thereof for the time being in force], read with Schedule IV to the Companies Act, 2013 and pursuant to Clause 49 of the Listing Agreement, Dr Nanditha Krishna (DIN: 00906944) (in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Companies Act, 2013, signifying the Member's intention to propose Dr Nanditha Krishna for appointment as an Independent Director of the Company), be and is hereby appointed as an Independent Director of the Company to hold office for a fixed term of five years from 29th September 2014 and not liable to retire by rotation".

(By Order of the Board)
For Seshasayee Paper and Boards Limited

(V PICHAI)
Deputy Managing Director & Secretary

Place : Chennai
Date : 23 08 2014

STATEMENT

(Pursuant to Section 102(1) of the Companies Act, 2013)

SPECIAL BUSINESS

ITEMS 1 - 2

Appointment of Independent Directors

As per the Companies Act, 2013, our Company shall have at least one-third of the total number of Directors as independent Directors. SEBI, by Circular dated April 17, 2014, has advised Stock Exchanges to amend Clause 49 of the Equity Listing Agreement with effect from October 01, 2014 with more stringent conditions. This inter alia deals with Independent Directors applicable from 1st October 2014. The revised Clause 49 of the Listing Agreement continues to prescribe a higher ceiling of 50% of the total strength of the Board as Independent Directors. Reconstitution of Board has, therefore, become necessary since Nominee Directors are no longer considered Independent Directors. In the process it is proposed to induct two Independent Directors as mentioned in the Notice. Two Non Independent Directors, viz., Sri Bimal Kumar Poddar and Sri Arun G Bijur have resigned from the Board to fall in line with the new Law on Board composition. The Company also ensured to comply with the requirement of having one Woman Director on the Board, as required by Section 149(1) of the Companies Act, 2013, by inducting Dr Nanditha Krishna.

Section 149(10) of the Companies Act, 2013 now mandates the appointment of Independent Directors for a fixed tenure up to five consecutive years. They shall be eligible for reappointment for one more term of five years on passing of a Special Resolution by the Company.

Being a listed Company, we have to comply with the Listing Agreement conditions. We have already three Independent Directors on our Board. To fall in line with the Listing Agreement, it is proposed to appoint two more Independent Directors, viz., Sri A L Somayaji and Dr Nanditha Krishna. Both of them are eminent persons in their professional fields. The Nomination-cum-Remuneration Committee of the Board of Directors of the Company has recommended the appointment of Sri A L Somayaji and Dr Nanditha Krishna as Independent Directors for a term of five years and not liable to retire by rotation.

A brief resume of both the Directors are as under :

Sri A L Somayaji :

Sri A L Somayaji is a top ranking lawyer in the State of Tamilnadu and his incisive knowledge of law and immense experience spanning over four and half decades in the legal profession are certainly invaluable and will benefit the Company to a great extent. After finishing his law graduation, Sri Somayaji became the member of the Bar Council and joined M/s Aiyar & Dolia, a leading firm of Advocates in Chennai. In October 1994, he was designated as Senior Advocate. He has handled several cases involving constitutional issues and other matters, both in Madras High Court and Supreme Court of India. He is in the Editorial Board of “Supreme Today”, “Current Tamilnadu Cases”, “Labour Law Journal” and “Sales Tax Cases”. He is legal advisor to several companies.

Taking due note of his rich experience and legal acumen, Tamilnadu Government has appointed him as the Advocate General of Tamilnadu.

Dr Nanditha Krishna :

Dr Nanditha Krishna is an acknowledged authority on Indology and is an environmental educationist. She holds a Ph.D from the Department of Ancient Indian Culture, University of Bombay. She is the Director of CPR Institute of Indological Research and C P Ramaswami Aiyar Foundation. Her area of specialisation includes Indian Art and Culture, Environmental History and Ecological Heritage of India and Cambodian Art.

Dr Nanditha Krishna has undertaken and guided numerous Research Projects. She is deeply committed to heritage conservation and has organised several symposia. She is a regular publisher of books and the Editor of Eco News and Indian Journal of Environment Education. She has won large number of awards and recognitions for her outstanding works.

The Company has received Notices under Section 160 from Members proposing each of the candidature for being appointed as Independent Director, together with requisite deposit of ₹ one lakh. Details of Independent Directors proposed for appointment are furnished in the Annexure pursuant to Clause 49 of the Listing Agreement that forms an integral part of this Notice.

The above two Directors qualify for being appointed as Independent Directors for a tenure of five years and accordingly, their appointments have been proposed for a fixed tenure of five years from 29th September 2014.

Having regard to the above, the proposal for appointment of Independent Directors is placed for the consideration of Members and voting through Postal Ballot.

The Company has received requisite declaration from each of the above, in deference to Section 149(7) that they meet the criteria of independence as provided in Section 149(6) of the Companies Act, 2013. It is further confirmed that in the opinion of the Board each of the Independent Director proposed to be appointed as above fulfils the conditions specified in the Act and the Rules made thereunder and that the proposed Director is independent of the Management.

The Independent Directors would be eligible for Sitting Fee for attending the Board / Audit Committee / other Committee Meetings within the ceiling prescribed by the Act and as determined by the Members and the Board. They would also be eligible for Commission out of the Net Profits of the Company within the limits permissible under Law and approved by Members. They shall, however, not be entitled to any stock option.

The terms and conditions of appointment of Independent Directors, as approved by the Board, are open for inspection by a member on any working day of the Company between 09.30 AM and 05.30 PM. This would also be posted on the Company's website.

No Director or Key Managerial Personnel or their relatives is interested in this item of business, excepting the interest of each of the person above in his / her respective appointment as an Independent Director of the Company.

(By Order of the Board)
For Seshasayee Paper and Boards Limited

(V PICHAI)
Deputy Managing Director & Secretary

Place : Chennai
Date : 23 08 2014

Appointment of Directors :

Disclosure required under Clause 49 of the Listing Agreement in respect of Directors seeking appointment :

1	Name of Director	**Sri A L Somayaji**	**Dr Nanditha Krishna**
2	DIN	00049772	00906944
3	Date of Birth	27 01 1944	18 07 1951
4	Expertise in specific functional areas	Advocate General, Government of Tamilnadu. He is in the Editorial Board of 'Supreme Today', 'Current Tamilnadu Cases', 'Labour Law Journal' and 'Sales Tax Cases'. He is legal advisor to various corporates.	She is an authority on Indology and an Environmental educationist. She is a writer on Indian Arts and Culture, Environmental History and Ecological Heritage of India and Cambodian Art. She has undertaken numerous Research Projects. She is a regular publisher of books and Editor of Eco News and Indian Journal of Environment Education. She has won several awards and recognitions for her outstanding works.
5	Qualifications	B.Com., B.L	B.A., Ph.D
6	List of other companies in which directorship held as on 23rd August 2014	Director : High Energy Batteries (India) Limited Esvi International (Engineers & Exporters) Limited Commercial Laws of India Private Limited	Managing Director : Krishna Process Equipment Pvt Ltd Director : Ponni Sugars (Erode) Limited Aspick Engineering Pvt Ltd Aspick Green Tech Pvt Ltd Humane Society International : India Honorary Director : C P Ramaswami Aiyar Foundation C P R Environmental Education Centre

		Sri A L Somayaji	Dr Nanditha Krishna
7	Chairman / Member of the Committees of the Board of other companies in which he is a Director as on 23rd August 2014	High Energy Batteries (India) Limited : Chairman : - Audit Committee - Nomination-cum-Remuneration Committee	Nil
8	Shareholding as on 23rd August 2014 : (a) held individually (b) held jointly with others	 -- --	 -- --
9	Relationship with other Directors	Not related to any other Director	Not related to any other Director

Notes :

1. Voting through electronic means (e-voting)

   (a) In compliance with provisions of Section 110 of the Act, read with Companies (Management and Administration) Rules, 2014 and Listing Agreement, the Company is pleased to offer e-voting facility to all the Members of the Company. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating e-voting to enable the Members to cast their votes electronically instead of despatching Postal Ballot Form. The e-voting is optional. The instructions for Members for e-voting are as under:

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

   (i) Open the e-mail and open PDF file viz. “SPB 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.

   (ii) Launch internet browser by typing the following URL:

   https://www.evoting.nsdl.com/.

   (iii) Click on Shareholder - Login.

   (iv) Put User ID and Password as initial Password noted in step (i) above. Click Login.

   (v) Password change menu appears. Change the Password / PIN with new Password of your choice with minimum 8 digits / characters or combination thereof. Note down the new password. It is strongly recommended not to share your Password with any other person and take utmost care to keep your Password confidential.

   (vi) Home page of e-Voting opens. Click on e-Voting: Active Voting Cycles.

   (vii) Select “EVEN” of Seshasayee Paper and Boards Limited.

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

   (ix) Cast your vote by selecting appropriate option and click on “Submit” and also “Confirm” when prompted.

   (x) Upon confirmation, the message “vote cast successfully” will be displayed.

   (xi) Once you have voted on the Resolution(s), you will not be allowed to modify your vote.

   (xii) Institutional Members (i.e. other than individuals, HUF, NRI, etc.) are also required to send scanned copy (PDF / JPG Format) of the relevant Board Resolution / Authority letter, etc., together with attested specimen signature of the duly authorised signatory(ies) who are authorised to vote, to the Scrutiniser through e-mail : bksundaram@gmail.com with a copy marked to evoting@nsdl.co.in

B In case a Member receives physical copy of the Postal Ballot Notice (for Members whose e-mail IDs are not registered with the Company / Depository Participant(s) or requesting physical copy)

(i) Initial Password is provided as below, at the bottom of the Postal Ballot Notice.

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

(ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.

(b) In case of any queries, you may refer to the Frequently Asked Questions (FAQs) for Members and e-voting user manual for Members available at the "downloads" section of www.evoting.nsdl.com or contact NSDL at the Telephone No. 022-2499 4600.

(c) If you are already registered with NSDL for e-voting, then you can use your existing user ID and Password / PIN for casting your vote.

(d) 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).

2. Kindly note that the Members can opt only one mode of voting, i.e., either by Physical Ballot or e-voting. If you are opting for e-voting, then do not vote by Physical Ballot also and vice versa. However, in case Members cast their vote by Physical Ballot and e-voting, then voting done through valid Physical Ballot shall prevail and voting done by e-voting will be treated as invalid.

3. Members desiring to exercise vote by Physical Postal Ballot are requested to carefully read the instructions printed in the Postal Ballot Form and return the Form duly completed and signed in the enclosed self addressed prepaid business reply envelope to the Scrutiniser. The postage cost will be borne by the Company. However, envelopes containing Postal Ballots, if sent by courier or Registered / Speed Post at the expense of the Members, will also be accepted.

4. The voting rights of Members shall be in proportion to their shares of the paid up Equity Share Capital of the Company as on the cut-off date of 20th August, 2014.

5. The voting period commences from (09.30 AM), on Thursday, the 28th August 2014 and ends on Saturday, the 27th September 2014 (05.30 PM). During this period, Members of the Company, holding shares either in physical form or in dematerialised form, as on the cut-off date of 20th August 2014, may cast their vote electronically. The e-Voting module shall be disabled by NSDL for voting thereafter. Once the vote on a Resolution is cast by the Member, the Member shall not be allowed to change it subsequently.

6. Sri B Kalyanasundaram, Practicing Company Secretary (Membership No. 672) has been appointed as the Scrutiniser to scrutinise the Postal Ballot Voting process in a fair and transparent manner.

7. The Scrutiniser will submit the report to the Chairman of the Company after completion of scrutiny of the Postal Ballot Forms, both physical and e-voting, and the results of the Postal Ballot will be announced on 29th September 2014 at 11.30 AM at the Registered Office of the Company at Pallipalayam, Cauvery RS PO, Erode 638 007, Namakkal District, Tamilnadu. The said date of declaration of the result of the Postal Ballot will be taken as the date of passing of the Resolution(s).

8. The results declared along with the Scrutiniser's Report will be placed on the Company's website www.spbltd.com and on the website of NSDL and communicated to National Stock Exchange of India Ltd., (NSE) / BSE Ltd.