

28<sup>th</sup> November, 2013

**The Managing Director**  
**Messrs. Shriram EPC Limited**  
Sigappi Achi Building, 4<sup>th</sup> Floor,  
No.18/3, Rukmini Lakshmipathi Road,  
Egmore, Chennai - 600 008.

Dear Sir,

**Sub: Passing of Resolution through Postal Ballot**

Pursuant to the resolution passed by the Board of Directors of **M/s. Shriram EPC Limited** at their meeting held on 22<sup>nd</sup> October, 2013, We have been appointed as Scrutinizer to receive process and scrutinize the postal ballot papers in respect of the following resolutions:

Reference to the Companies Act, 1956	Type and Description of the resolution
Section 81 (1A)	<p><b><u>Special Resolution</u></b></p> <p>(a) <b>"RESOLVED</b> that pursuant to the provisions of Section 81(1A), and other applicable provisions, if any, of the Companies Act, 1956 and the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force), the Memorandum and Articles of Association of the Company, listing agreements entered into by the Company with the stock exchanges where the equity shares of the Company are listed, Chapter VII of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 the guidelines and clarifications issued by the Reserve Bank of India ("RBI"), and any other statutory/regulatory authorities, and subject to all such other approvals, permissions, consents and sanctions of any authorities, as may be necessary, and subject to such conditions and modifications as may be prescribed or imposed by any of them while granting such approvals, permissions, consents and sanctions and which may be agreed to by the Board of Directors of the Company, (hereinafter referred to as the <b>"Board"</b>, which term shall also include any committee thereof) the consent of the Company be and is hereby accorded to the Board to issue and allot, on preferential basis, on such terms and conditions and in such manner as the Board may think fit, without offering the same to any person/s who at the date of offer are holders of shares of the Company. up to:</p> <p>(i) 3,00,00,000 Cumulative Redeemable Preference Shares of Rs. 100/- each. (the <b>"Preference Shares"</b>) proposed to be issued in one or more tranches for an aggregate subscription price of</p>





Rs. 300,00,00,000 /- (Rupees three hundred crores only) to the holding Company Shriram Industrial Holdings Limited (SIHL).

- (ii) The Preference shares shall be entitled to a preferential dividend of 10% of the face value of the preference shares every year.
- (iii) The Preference shares shall be redeemed at the end of 10 years from the date of their issue, or such time as the holder may determine.

**(b) RESOLVED FURTHER THAT:**

- (i) The Preference Shares shall be subject to the provisions of the Memorandum and Articles of Association of the Company, and other applicable regulations. The Preference Shares shall rank pari passu with the existing equity shares of the Company in respect of all matters including dividend entitlements;
- (ii) The Board be and is hereby authorized to decide and approve the other terms and conditions of the issue of the above mentioned Preference Shares and to vary, modify or alter any of the terms and conditions, including the size of the issue, as it may deem expedient;
- (iii) The offer, issue and allotment of the aforesaid Preference Shares shall be made at such time or times as the Board may in its absolute discretion decide; and
- (iv) The offer, issue and allotment of the Preference Shares shall be subject to applicable law, guidelines, notifications, rules and regulations.
- (c) **AND RESOLVED FURTHER THAT** Mr. T Shivaraman, Managing Director & CEO and Mr. K Suresh, Vice President & Company Secretary of the Company, be and are hereby jointly and severally authorised to do all such acts and take all such steps as they may think fit and proper for giving effect to this resolution.
- (d) **AND RESOLVED FURTHER THAT** the Board be and is hereby authorised to delegate all or any of the powers to any Committee of Directors of the Company to give effect to the aforesaid resolutions.
- (e) **AND RESOLVED FURTHER THAT** for the purpose of giving effect to the aforementioned resolutions the Board and/or such person(s) as the Board may appoint be and is/are hereby authorised to do all acts, matters, deeds and things and to take all such steps and do all such things and give all such directions as the Board may consider necessary, expedient or desirable in order to give effect to the above resolutions and also to settle any questions or difficulties that may arise in such manner as the Board in its absolute discretion may deem fit and take all







	steps which are incidental and ancillary in this connection.
<b>Section 94</b>	<p><b><u>Ordinary Resolution</u></b></p> <p><b>RESOLVED THAT</b> pursuant to Section 94, and other applicable provisions, if any, of the Companies Act, 1956, the Authorised Share Capital of the Company be increased from Rs.85,00,00,000/- (Rupees Eighty Five Crores only) to Rs.385,00,00,000/- (Rupees Three Hundred and Eighty Five Crores only) ) divided into 8,50,00,000 Equity shares of Rs.10/- each and 3,00,00,000 Preference Shares of Rs.100/- each and consequently, the existing Clause V of the Memorandum of Association of the company relating to the share capital be amended by replacing the same with following:-</p> <p>The Authorised Share Capital of the Company is Rs.385,00,00,000/- (Rupees Three hundred and Eighty Five Crores only) divided into 8,50,00,000 Equity shares of Rs.10/- each and 3,00,00,000 Preference Shares of Rs. 100/- each with the rights and conditions attached thereto as are provided by the Articles of Association of the Company for the time being, with powers to divide the shares in the Capital into different classes and to attach thereto respectively such preferential rights, privileges or conditions as may be determined by or in accordance with the Articles of Association of the Company and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may be permitted by the Companies Act, 1956 or provided by the Articles of Association of the Company for the time being. The Company has power to increase or reduce the Share Capital in accordance with the provisions of the Companies Act, 1956.</p>
<b>Section 31</b>	<p><b><u>Special Resolution</u></b></p> <p><b>RESOLVED THAT</b> pursuant to Section 31 and other applicable provisions, if any, of the Companies Act, 1956, the following Article 3 be substituted in place of existing Article 3 of the Articles of Association of the Company.</p> <p>Article 3: The Authorised Share Capital of the Company is Rs.385,00,00,000/- (Rupees Three hundred and Eighty Five Crores only) divided into 8,50,00,000 Equity shares of Rs.10/- each and 3,00,00,000 Preference Shares of Rs. 100/- each . The Company shall have power to increase or reduce its capital into different clauses and to attach thereto respectively such preferential, deferred, qualified or other special rights, privileges, conditions or restrictions as may be determined by or in accordance with the Articles of Association of the Company or the legislative provisions in force in that behalf.</p>







<b>Section 269 and other applicable provisions of the Act</b>	<p><b><u>Special Resolution</u></b></p> <p><b>RESOLVED THAT</b> pursuant to provisions of Section 269 and other applicable provisions, if any of the Companies Act, 1956 and subject to the approval of the Central Government, if any, consent of the Company be and is hereby accorded to the Board of Directors for continuing to pay the same remuneration of Rs. 40, 15,008 and Rs. 43, 99,008 p.a. excluding Commission and Perquisites as applicable to Mr. T. Shivaraman, Managing Director &amp; CEO and Mr. M Amjad Shariff - Joint Managing Director of the Company respectively in spite of the loss as per the latest audited financials for the 15 months ended 30<sup>th</sup> June 2013.</p> <p><b>RESOLVED FURTHER THAT</b> consent of the Company be and is hereby accorded to the Board of Directors to prefer necessary application under Section 269 of the Companies Act, 1956 to the Central Government seeking approval for payment of additional remuneration over and above limits specified under Section II of Part II of Schedule XIII of the Companies Act, 1956.</p> <p><b>RESOLVED FURTHER THAT</b> consent of the Company be and is hereby accorded to Mr. S R Ramakrishnan - Chairman or Mr. R Sundararajan, Director or Mr. K Suresh - Vice President &amp; Company Secretary of the Company to submit necessary application to the Central Government and complete all necessary formalities for waiver of the excess remuneration and also for continuing to pay the same remuneration till their tenure of office i.e., 19<sup>th</sup> September 2015.</p>
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We report that the Postal ballot notice dated **22<sup>nd</sup> October, 2013** under Section 192A of the Companies Act, 1956, was issued individually to all the shareholders and the notices were despatched on 28<sup>th</sup> October, 2013 under secured mode by Department of Posts, India. We report that as stated in the notice sent to the shareholders, the Company had fixed **28<sup>th</sup> November, 2013** as the last date for receipt of Postal Ballots. The Company has filed the **Calendar of events** with the Registrar of Companies, Chennai the e- Form No. 61 on 28<sup>th</sup> October, 2013 vide SRN B87912481. As stated in Rule 3(c) of Companies (Passing of the Resolution by Postal Ballot) Rules, 2011 an advertisement was published by the Company in "**THE HINDU BUSINESS LINE**" in English and "**MALAI TAMIZHAGAM**" in Tamil on **30<sup>th</sup> October, 2013** informing about the despatch of the Postal Ballot forms and other related matters mentioned therein. We report that we have received the Postal Ballot forms from the shareholders during the period starting from **2<sup>nd</sup> November, 2013** to **28<sup>th</sup> November, 2013**.





All the Postal Ballot forms received upto the closure of working hours (05.00 P.M.) on **28<sup>th</sup> November, 2013**, the last date fixed by the Company for receipt of the forms, were considered for our scrutiny.

Envelopes containing postal ballot forms returned undelivered aggregated to 173 (One Hundred and Seventy Three only). These envelopes were not opened and they are separately maintained.

During the course of scrutiny of Postal Ballot Forms we have not come across any mutilated Postal Ballot Forms.

We report that all the Postal Ballot Forms were scrutinized and processed and a computer statement containing the Shareholders Name, Address, Folio Number, Postal Ballot Number, Number of Shares held, Number of Votes voted, Assented, Dissented and Rejected were generated.

We report that out of **9036** Shareholders, we have received polled Ballot Forms from **225** Shareholders and the details of polling results are given below:

Total No. of Shareholders	<b>9,036</b>
Total No. of Shares	<b>4,43,58,184</b>
Receipt of Postal Ballot Forms	<b>2<sup>nd</sup> November, 2013 to 28<sup>th</sup> November, 2013</b>
Total Postal Ballot Forms Received	<b>225</b>
Less: Invalid Postal Ballot Forms*	<b>6</b>
Net Postal Ballot Forms	<b>219</b>
Valid Postal Ballot Forms	<b>219</b>

**\*Invalid Postal Ballot was not taken into account for the voting.**

#### **ITEM NO.1 IN THE NOTICE OF POSTAL BALLOT**

**Special Resolution** pursuant to Section 81 (1A) of the Companies Act, 1956 for raising of additional capital by way of issue of 3,00,00,000 Cumulative Redeemable Preference Shares of a face value of Rs. 100/- each (the "Preference Shares") proposed to be issued in one or more tranches at par for an aggregate subscription price of Rs. 300,00,00,000 /- (Rupees three hundred crores only) to the holding Company Shriram Industrial Holdings Limited (SIHL).







**Summary of Postal Ballot**

Particulars	No. of Ballots	No. of shares (Votes)	% on Total Shares (Votes) Received
Assent	195	30056135	99.98
Dissent	24	5751	0.02
Total	219	30061886	100

**RESULTS:-**

As the number of votes cast in favour of the resolution was three times more than the number of votes cast against, we report that the Special Resolution under Section 81 (1A) of the Companies Act, 1956, with regard to the Item No.1 as set out in the Notice of Postal Ballot has been passed by the shareholders with requisite majority.

**ITEM NO.2 IN THE NOTICE OF POSTAL BALLOT**

**Ordinary Resolution** pursuant to Section 94 of the Companies Act, 1956 for increase of the authorised share capital of the company.

**Summary of Postal Ballot**

Particulars	No. of Ballots	No. of shares (Votes)	% on Total Shares (Votes) Received
Assent	195	30056135	99.98
Dissent	24	5751	0.02
Total	219	30061886	100

**RESULTS:-**

As the number of votes cast in favour of the resolution was more than the number of votes cast against, we report that the Ordinary Resolution under Section 94 of the Companies Act, 1956, with regard to the Item No.2 as set out in the Notice of Postal Ballot has been passed by the shareholders with requisite majority.



**ITEM NO.3 IN THE NOTICE OF POSTAL BALLOT**

**Special Resolution** pursuant to Section 31 of the Companies Act, 1956 for alteration in the Articles of Association of Company with respect to capital clause.

**Summary of Postal Ballot**

Particulars	No. of Ballots	No. of shares (Votes)	% on Total Shares (Votes) Received
Assent	197	30056309	99.98
Dissent	22	5577	0.02
Total	219	30061886	100

**RESULTS:-**

As the number of votes cast in favour of the resolution was three times more than the number of votes cast against, we report that the **Special Resolution** under Section 31 of the Companies Act, 1956, with regard to the Item No.3 as set out in the Notice of Postal Ballot has been passed by the shareholders with requisite majority.

**ITEM NO.4 IN THE NOTICE OF POSTAL BALLOT**

**Special Resolution** pursuant to Section 269 of the Companies Act, 1956 seeking approval of the Central Government for continuing to pay same Managerial Remuneration to the Managing Director & CEO and Joint Managing Director of the Company, in spite of the Loss in the Audited Financials for the 15 Months ended 30<sup>th</sup> June 2013 and authorise officials to make necessary application to Central Government in this regard.

**Summary of Postal Ballot**

Particulars	No. of Ballots	No. of shares (Votes)	% on Total Shares (Votes) Received
Assent	175	30052921	99.97
Dissent	44	8965	0.03
Total	219	30061886	100

**RESULTS:-**

As the number of votes cast in favour of the resolution was three times more than the number of votes cast against, we report that the **Special Resolution** under Section 269 and other applicable provisions of the Companies Act, 1956, with regard to the Item No.4 as set out in the Notice of Postal Ballot has been passed by the shareholders with requisite majority.







The results of the resolution passed through Postal Ballot pursuant to Section 192A of the Companies Act, 1956 read with Companies (Passing of the Resolution by Postal Ballot) Rules, 2011 is annexed hereto.

We further report that as per the Board Resolution dated 22<sup>nd</sup> October, 2013, Mr. S R Ramakrishnan, Chairman of the Board of directors of the Company or any other Director of the company or Mr. K Suresh - Vice President and Company Secretary may declare and confirm the above results of voting by postal ballot in respect of the resolutions referred herein on Friday, 29<sup>th</sup> November, 2013 at 11.00 a.m. at D-17, SIPCOT Industrial Complex, Gummidipoondi - 601 201 and the results of the postal ballot should be displayed at the Registered Office and also posted on the Company's website - [www.shriramepc.com](http://www.shriramepc.com). The results shall also be communicated to the Stock Exchanges where the Company's shares are listed.


We further report that as per the Companies (Passing of the Resolution by Postal Ballot) Rules, 2011, the Company has complied with the provisions of the Rules. We further report that as per the said Rules, the records maintained by me such as, the computer register (to record the consent or otherwise received from the shareholders, which includes all the particulars of the shareholders such as the name, address, folio number, number of shares held, number of shares voted and number of shares assented, number of shares dissented, number of shares rejected), ballot papers and other related papers are in our safe custody which will be handed over to the Company Secretary after the Chairman considers, approves and signs the minutes of the meeting.

We thank you for the opportunity given to act as a Scrutinizer for the above Postal Ballot.

Thanking You

Yours faithfully,

**For R. SRIDHARAN & ASSOCIATES**  
**COMPANY SECRETARIES**

  
**CS R. SRIDHARAN**  
**C P No. 3239**  
**FCS No. 4775**

Encl.: a/a

