Varroc Engineering Ltd.
Regd. & Corp. Office

L-4, MIDC, Industrial Area
Waluj, Aurangabad 431
136, Maharashtra, India

Tel + 91 240 6653700
Fax + 91 240 2564540

email: varroc.info@varroc.com
www.varroc.com
CIN: L28920MH1988PLC047335

VARROC/SE/INT/2020-21/59

January 18, 2021

To,

The Manager- Listing
The Listing Department,
National Stock Exchange of India Limited
Exchange Plaza, Plot No. C/1, G Block,
Bandra-Kurla Complex,
Bandra (East), Mumbai-400051.

NSE Symbol: VARROC

The Manager – Listing
The Corporate Relation Department,
Bombay Stock Exchange Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai-400001.

BSE Security Code: 541578

Sub: Postal Ballot Notice in connection with issue of upto 1,80,00,000 equity shares of the Company for achieving Minimum Public Shareholding

Pursuant to the Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose herewith Postal Ballot Notice dated January 13, 2021 for seeking approval of the members of the Company for the resolution as set out in the Postal Ballot Notice, proposed to be passed as a Special Resolution only by voting through electronic means.

In compliance with the applicable circulars issued by the Ministry of Corporate Affairs and the Securities and Exchange Board of India, the Company has sent Postal Ballot Notice by electronic mode only on January 18, 2021, to all the Members whose email addresses are registered with the Depositories or the Company and whose names appear in the list of Beneficial Owners as received from Depositories as on Friday, January 15, 2021.

The Postal Ballot Notice is also uploaded on Company's website at www.varroc.com.

Key information about the Postal Ballot Notice is reproduced below for ready reference:

Cut-off date for e-voting	Friday, January 15, 2021
Commencement of Remote e-voting	9:00 a.m. (IST) on Tuesday, January 19, 2021
Conclusion of Remote e-voting	5:00 p.m. (IST) on Wednesday, February 17, 2021

We request you to take the above on record and the same be treated as compliance under applicable provisions of the Listing Regulations.

Thanking you,
Yours faithfully,
For Varroc Engineering Limited

AJAY KUMAR SHARMA

Digitally signed by AJAY KUMAR SHARMA
DN: c=IN, o=Personal, 2.5.4.20=8e39480b54bf7a428a2c5037cce4c75628f0abd36bb8fe3c2044ee92155ac86234, postalCode=121004, st=HARYANA, serialNumber=6874ec243b772febd55e68c4ac7af69e44bded0b2f83f14b355f3038c5ad40b3ae, cn=AJAY KUMAR SHARMA
Date: 2021.01.18 21:14:27 +05'30'

Ajay Sharma
Group General Counsel and Company Secretary

Encl: a/a

VARROC ENGINEERING LIMITED

CIN: L28920MH1988PLC047335
Regd. Office: Plot No. L - 4, MIDC Industrial Area,
Waluj, Aurangabad – 431136, Maharashtra
Tel No: +91 240 6653700; Fax No: +91 240 2564540
Web: www.varroc.com; Email Id: investors@varroc.com

POSTAL BALLOT NOTICE

Dear Member(s),

Notice is hereby given pursuant to the provisions of Section 110 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force) ("**the Act**"), read with Rule 20 and 22 of the Companies (Management and Administration) Rules, 2014 including any statutory modification or re-enactment thereof for the time being in force ("**the Rules**") read with the General Circular No. 14/2020 dated April 8, 2020, the General Circular No. 17/2020 dated April 13, 2020, the General Circular No. 22/2020 dated June 15, 2020 and the General Circular No. 39/2020 dated December 31, 2020, in relation to "Clarification on passing of ordinary and special resolutions by companies under the Companies Act, 2013 and the rules made thereunder on account of the threat posed by Covid - 19" issued by the Ministry of Corporate Affairs, Government of India ("**the MCA Circulars**") and the Securities and Exchange Board of India ("**SEBI**") vide its circular dated May 12, 2020, as amended, in relation to Relaxation from compliance with certain provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("**Listing Regulations**") due to the COVID-19 pandemic (**"SEBI Circulars"**) Secretarial Standard on General Meetings ("**SS-2**"), Regulation 44 of the Listing Regulations (including any statutory modification or re-enactment thereof for the time being in force), and pursuant to other applicable laws and regulations, that the resolution appended herein below for issuance of fresh/new equity shares of the Company through one or more public or private offerings or any other method or combination thereof for achieving Minimum Public Shareholding is proposed to be passed as a Special Resolution by the Members of the Company through Postal Ballot only through the remote e-voting process.

The proposed Special Resolution and Explanatory Statement setting out material facts as required in terms of Section 102 of the Act read with the Rules and the MCA Circulars are appended below seeking consent of the Members of the Company through remote e-voting.

In compliance with Regulation 44 of the Listing Regulations, as amended and pursuant to the provisions of Sections 108 and 110 of the Act read with the Rules and the MCA and SEBI Circulars, the Company is sending this Postal Ballot Notice in electronic mode only and has extended only the remote e-voting facility for its Members, to enable them to cast their votes electronically instead of submitting the Postal Ballot in physical form.

Accordingly, no hard copy of this Postal Ballot Notice along with Postal Ballot forms and pre-paid business envelope is being printed and therefore hard copy will not be sent to the Members for this Postal Ballot. The instructions for remote e-voting are appended to this Postal Ballot Notice.

The Board of Directors of the Company, at its Meeting held on Wednesday, January 13, 2021, has appointed Mrs. Uma Lodha of M/s. Uma Lodha & Co., Practicing Company Secretaries (Membership No. FCS: 5363), as the Scrutinizer for conducting and scrutinizing the Postal Ballot e-voting process in a fair and transparent manner. You are requested to carefully read the instructions in this Postal Ballot Notice and record your assent (FOR) or dissent (AGAINST) through the remote e-voting process not later than 5:00 p.m. IST on Wednesday, February 17, 2021, failing which it will be strictly considered that no reply has been received from the Member.

After completion of scrutiny of the votes, the Scrutinizer will submit her report to the Chairman of the Company, or a person authorized by the Chairman. The results of Postal Ballot shall be declared on or before Friday, February 19, 2021 and along with the Scrutinizer's report, be displayed at the Registered as well as Corporate Office of the Company, communicated to the Stock Exchanges and will also be uploaded on the Company's website www.varroc.com and on the website of National Securities Depository Limited ("NSDL") www.evoting.nsdl.com.

The proposed Special Resolution, if approved, shall be deemed to have been passed on the last date of voting, i.e. Wednesday, February 17, 2021.

Special Business:

Resolution No. 1: To consider and approve issuance of fresh/ new equity shares of the Company through one or more public or private offerings or any other method or combination thereof for achieving Minimum Public Shareholding

To consider, and if thought fit, to pass the following resolution as a **Special Resolution:**

"RESOLVED THAT pursuant to and in accordance with the provisions of Sections 23, 42, 62(1)(c), 179 and all other applicable provisions, if any, of the Companies Act, 2013, and the rules framed thereunder, including the Companies (Prospectus and Allotment of Securities) Rules, 2014, and the Companies (Share Capital and Debentures) Rules, 2014, including any modification, amendment, re-enactment or replacement thereof, for the time being in force ("**the Act**"), the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("**SEBI ICDR Regulations**"), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("**Listing Regulations**"), the Securities Contracts (Regulation) Rules, 1957, as amended ("**SCRR**"), and such other statutes, rules, regulations, guidelines, notifications, circulars and clarifications issued by the Government of India ("**GOI**"), the Securities and Exchange Board of India ("**SEBI**"), the applicable provisions of the Foreign Exchange Management Act, 1999, including any amendment(s), statutory modification(s), variation(s) or re-enactment(s) thereof and the rule and regulations made thereunder including the Foreign Exchange Management (Non-Debt Instruments) Rules, 2019, each as amended from time to time (collectively, "**FEMA**")the extant consolidated Foreign Direct Investment Policy issued by the Department of Industrial Policy & Promotion, Ministry of Commerce and Industry, Government of India ("**FDI Policy**") and such other applicable rules, regulations, guidelines, notifications, circulars and clarifications issued/ to be issued thereon by the GOI, Ministry of Corporate Affairs ("**MCA**"), the Reserve Bank of India ("**RBI**"), the Registrar of Companies, Maharashtra at Mumbai ("**RoC**") the stock exchanges where the Company's equity shares with face value of Re.1/- each ("**the Equity Shares**") are listed ("**the Stock Exchanges**") and/ or any other appropriate government/ regulatory/ statutory authorities under any other applicable law, from time to time (hereinafter singly or collectively referred to as the "**Appropriate Authorities**"), the listing agreements entered into by the Company with the Stock Exchanges and all other applicable law(s), the enabling provisions of the Memorandum and Articles of Association of the Company, and subject to all the necessary approvals, consents, permissions and/or sanctions of the SEBI, the GOI, the RBI, the Appropriate Authorities, the Stock Exchanges and/or any other regulatory and statutory authority whether in India or abroad, and subject to such conditions and modifications as may be prescribed by any of them while granting such approvals, permissions, consents and sanctions, as may be necessary and which may be agreed to by the Board of Directors of the Company ("**the Board**" or "**Board of Directors**", which term shall be deemed to include any committee which the Board has constituted or may hereinafter constitute to exercise its powers including the power conferred by these resolutions), the consent, authority and approval of the Members be and is hereby accorded for the purposes of raising further capital and if applicable and to the extent possible, to achieve the Minimum Public Shareholding threshold prescribed under the SCRR, to create, offer, issue and allot (including with provisions for reservations on firm and/or competitive basis, or such part of issue and for such categories of persons as may be permitted) upto 1,80,00,000 Equity Shares with or without a Green Shoe Option, in the course of international and / or domestic offering(s) in one or more foreign markets and/or domestic market, in one or more tranches, to any eligible person as permissible under applicable law(s) including Qualified Institutional Buyers as defined in the SEBI ICDR Regulations ("**QIBs**"), Foreign/ Resident Investors (whether institutions, incorporated bodies, Mutual Funds and/or individuals or otherwise), Foreign

Institutional Investors, Foreign Portfolio Investors, Venture Capital Funds, Alternate Investment Funds, Foreign Venture Capital Investors, Indian and/or multilateral Financial Institutions, systemically important Non-Banking Financial Companies, Mutual Funds, stabilising agents and / or other entities, authorities and/or any other categories of investors, whether they be holders of Equity Shares of the Company or not (collectively called the "**Investors**") as may be decided by the Board in its discretion and permitted under applicable laws and regulations, by offering the Equity Shares in one or more countries, pursuant to the fresh issue through a combination of one or more public and/or private offerings, through issue of prospectus and/or placement document and/or letter of offer and/or private placement offer cum application letters and/or such other documents/writings/circulars/ memoranda and/or any other permissible or requisite offer document, at such time or times, at such price or prices (whether at prevailing market price(s) or at permissible discount or premium to market price(s) in terms of applicable regulations), in such manner and on such terms and conditions as may be decided by and deemed appropriate by the Board in its absolute discretion including the discretion to determine the categories of Investors to whom the offer, issue and allotment shall be made to the exclusion of all other categories of Investors at the time of such offer, issue and allotment considering the prevailing market conditions and other relevant factors wherever necessary in consultation with the lead managers, or other advisor(s) for such issue ("**the Issue**")."

"RESOLVED FURTHER THAT the proceeds of the Issue may be utilised towards such objects as may be determined by the Board / a duly authorised committee thereof, including, amongst other things, either directly or indirectly, towards financing all or part of the funding requirements of the Company for existing as well as new growth / expansion opportunities, including but not limited to meet the capital expenditure and Working Capital requirements of the Company and its Subsidiaries, Joint Venture(s) and Affiliates, if any, including investment in existing or future Subsidiaries, Joint Ventures and Affiliates, repayment of debt, expansion and modernization; exploration of acquisition opportunities and general corporate purposes, and, pending utilisation of the proceeds for the afore-mentioned purposes, the Company intends to temporarily invest such proceeds in creditworthy instruments, including Money Market, Mutual Funds and Deposits with Banks and Corporates or other Securities. Such investments would be in accordance with the investment policies, as approved by the Board and / or a duly authorized committee from time to time and in accordance with all applicable laws."

"RESOLVED FURTHER THAT the Equity Shares that may be issued in the Issue shall rank *pari passu* with the existing Equity Shares of the Company in all respects, subject to the provisions of the Memorandum and Articles of Association of the Company and applicable laws and regulations including any rules and regulations of any of the Stock Exchanges and/or as provided under the terms of the Issue in the relevant offer documents, if any.

"RESOLVED FURTHER THAT in the event of a QIP under the relevant provisions of the SEBI ICDR Regulations:

a) the allotment of Equity Shares shall only be to Qualified Institutional Buyers as defined in the SEBI ICDR Regulations;

b) the allotment of the Equity Shares shall be completed within 365 days from the date of passing of the special resolution by the shareholders of the Company or such other time as may be allowed under the SEBI ICDR Regulations from time to time;

c) The Equity Shares shall be allotted as fully paid up;

d) the Equity Shares issued shall rank pari passu in all respects including entitlement to dividend with the existing Equity Shares of the Company as may be provided under the terms of issue and in accordance with the placement document(s);

e) the Equity Shares to be so created, offered, issued, and allotted, shall be subject to the provisions of the memorandum of association and articles of association of the Company;

f) the number and/or price of the Equity Shares shall be appropriately adjusted for corporate actions such as bonus issue, rights issue, stock split, merger, demerger, transfer of undertaking, sale of

division, reclassification of equity shares into other securities, issue of shares issue of equity shares by way of capitalisation of profit or reserves, or any such capital or corporate restructuring;

g) the Equity Shares shall not be eligible to be sold by the allottee for a period of one year from the date of allotment, except on a recognized stock exchange, or such other time except as may be allowed under the SEBI ICDR Regulations from time to time;

h) the relevant date for the purpose of pricing of the Equity Shares shall be the date of the meeting in which the Board or any Committee duly authorised by the Board, decides to open the issue of Equity Shares and at such price being not less than the price determined in accordance with the pricing formula provided under Chapter VI of the SEBI ICDR Regulations and other applicable laws;

i) issue of Equity Shares made by way of a QIP shall be at such price which is not less than the price determined in accordance with Regulation 176(1) under Chapter VI of the SEBI ICDR Regulations ("**the QIP Floor Price**"). The Board may, however, at its absolute discretion in consultation with the book running lead manager (appointed in relation to the QIP), 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 QIP Floor Price;

j) no single allottee shall be allotted more than fifty per cent of the issue size and the minimum number of allottees shall be as per the SEBI ICDR Regulations; and

k) no allotment shall be made, either directly or indirectly, to any QIB who is a promoter, or any person related to the promoters of the Company.

"RESOLVED FURTHER THAT for the purpose of giving effect to the above resolutions, the Board and/or a duly authorised committee thereof be and is hereby authorised to finalise, settle and execute such documents/deeds/writings/papers/agreements and to accept all such changes/modifications as may be required and to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary or desirable and to settle any question, difficulty or doubt that may arise in regard to the Issue including but not limited to making any applications etc., to regulatory and governmental authorities concerned, if required, finalisation and approval for the preliminary as well as final placement document or offer document(s), if any, determining the form and manner of the Issue, including the class of Investors to whom the Equity Shares are to be issued and/or transferred, number of Equity Shares to be allotted in the Issue, Issue price, discounts permitted under applicable law (now or hereafter), premium amount on issue of the Equity Shares, if any, such documents or writing(s) as may be considered necessary or proper, date of the opening and closing of the Issue, execution of various transaction documents, as the Board may in its absolute discretion deem fit and to settle all questions, difficulties or doubts that may arise in regard to the issue, offer or allotment of Equity Shares and utilization of the proceeds as it may in its absolute discretion deem fit."

"RESOLVED FURTHER THAT without prejudice to the generality of the above, the Issue and/or transfer of Equity Shares in any international offering may have all or any term or combination of terms in accordance with the international practice."

"RESOLVED FURTHER THAT the Board and/or duly authorized Committee thereof be and is hereby authorised to appoint and engage various intermediaries, including but not limited to, the book running lead managers, placement agents, managers, underwriters, lawyers, advisors, guarantors, depositories, custodians, chartered accountants, registrars and all such agencies and intermediaries as are or may be required to be appointed, involved or concerned in the creation, offer, issue, allotment of the Equity Shares, managing, underwriting, marketing, listing, trading and providing legal advice and to remunerate them by way of fees, commission, brokerage or the like and expenses related thereto and also to reimburse them out of pocket expenses incurred by them and also to enter into and execute all such arrangements, agreements, memoranda, documents, etc., with such agencies."

"RESOLVED FURTHER THAT without prejudice to the generality of the above, subject to applicable laws and subject to approvals, consents, permissions, if any, of any governmental/ statutory/ regulatory

authority, including any conditions as may be prescribed in granting such approval or permissions by such governmental/ statutory/ regulatory authority, the aforesaid issue of Equity Shares may have such features or attributes or any terms or combination of terms, in accordance with prevalent market practices or as the Board may, in its sole and absolute discretion, deem fit, including but not limited to the terms and conditions in relation to payment of dividend, issue of additional Equity Shares and the Board be and is hereby authorized, in its absolute discretion, in such manner, as it may deem fit, to dispose-off such of the Equity Shares that are not subscribed."

"RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of the powers herein conferred in relation to the Issue, to any committee of Directors or any one or more Directors of the Company with power to sub-delegate to any officers of the Company, including filing of placement document or offer document with authorities as required, affixing the Common Seal of the Company on agreements/ documents, arranging delivery and execution of contracts, deeds, agreements and instruments and opening bank accounts and demat accounts."

"RESOLVED FURTHER THAT a copy of the above resolutions, certified to be true by any Director or the Company Secretary of the Company, signed physically or by digital means, be forwarded to the concerned authorities or persons for necessary action, wherever required."

By Order of the Board of Directors
For **Varroc Engineering Limited**

Ajay Sharma
Group General Counsel and
Company Secretary
ACS: 9127

Place : Pune
Date : January 13, 2021

NOTES

1. The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 read together with Rule 22 of the Companies (Management and Administration) Rules, 2014 setting out material facts in respect of the aforesaid resolution is annexed hereto.

   The Postal Ballot Notice is being published/displayed for all the Members, whose names appear in the List of Beneficial Owners as received from Depositories i.e. National Securities Depository Limited ("**NSDL**")/Central Depository Services (India) Limited ("**CDSL**") as on Friday, January 15, 2021 and is also being sent to the Members who already have their e-mail IDs registered with the Company/Depositories, in accordance with the provisions of the Companies Act, 2013, read with Rules made thereunder and Ministry of Corporate Affairs, Government of India's General Circular No. 14/2020 dated April 8, 2020, General Circular No. 17/2020 dated April 13, 2020, the General Circular No. 22/2020 dated June 15, 2020 and the General Circular No. 39/2020 dated December 31, 2020 ("**MCA Circulars**") and the Securities and Exchange Board of India (**"SEBI"**) vide its circular dated May 12, 2020, as amended, in relation to Relaxation from compliance with certain provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("**Listing Regulations**") due to the COVID-19 pandemic (**"SEBI Circulars"**), Secretarial Standard on General Meetings ("**SS-2**"), Regulation 44 of the Listing Regulations, (including any statutory modification or re-enactment thereof for the time being in force).

   A person who is not a Member as on Friday, January 15, 2021, should treat this Postal Ballot Notice for information purposes only. A copy of this Postal Ballot Notice will also be available on the website of the Company at https://varroc.com/investors/regulatory-filings/, the relevant section of the website of the Stock Exchanges on which the Equity Shares of the Company are listed and the website of NSDL https://www.evoting.nsdl.com/.

2. The Members of the Company whose names appear in the List of Beneficial Owners as received from Depositories i.e., NSDL/CDSL as on Friday, January 15, 2021 (including those Members who may not have received this Postal Ballot Notice due to non-registration of the e-mail ID with the Company/Depositories), shall be entitled to vote in relation to the resolution specified in this Postal Ballot Notice.

3. In terms of Sections 108, 110 and other applicable provisions of the Companies Act, 2013, as amended, read together with the Rules, MCA Circulars, the SEBI Circulars and in compliance with Regulation 44 of the Listing Regulations, the Company is pleased to offer remote e-voting facility to all the Members of the Company ("**Remote e-voting**"). The Company has appointed NSDL for facilitating remote e-voting to enable the Members to cast their votes electronically.

4. In view of the COVID-19 Pandemic, the Company is sending this Postal Ballot Notice in electronic form only. The hard copy of this Postal Ballot Notice along with Postal Ballot forms and pre-paid business envelope will not be sent to the Members for the Postal Ballot in accordance with the requirements specified under the MCA Circulars and the SEBI Circulars. Accordingly, the communication of the assent or dissent of the Members would take place through the Remote e-voting only.

5. Members are requested to register / update their email addresses with their DP by following procedure prescribed by DP or alternatively, temporarily register/update their email addresses with the Company by writing to the Company's Registrar and Share Transfer Agent, Link Intime India Pvt Ltd at rnt.helpdesk@linkintime.co.in. Members are requested to submit request letter mentioning the DP id/Client id and Name of Member and self-attested copy of PAN card for updation of email address.

6. **The Remote e-voting period commences on Tuesday, January 19, 2021, at 9:00 a.m. (IST) and ends on Wednesday, February 17, 2021 at 5:00 p.m. (IST).** The Remote e-voting shall not be allowed beyond the said date and time. During this period, the Members of the Company holding shares in dematerialised form, as on the cut-off date, being Friday, January 15, 2021, may cast their votes by electronic means in the manner and process set out herein below. The Remote e-voting module shall be

disabled for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently.

7. The voting rights of the Members shall be in proportion to their shares in the total paid-up equity share capital of the Company, as on Friday, January 15, 2021, subject to the provisions of the Companies Act, 2013, as amended.

8. The instructions and other information relating to e-voting are as under:

Step 1 : Log-in to NSDL e-Voting system

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen. Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details will be as per details given below :
   a) **For Members who hold shares in demat account with NSDL:** 8 Character DP ID followed by 8 Digit Client ID (For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******).
   b) **For Members who hold shares in demat account with CDSL:** 16 Digit Beneficiary ID (For example if your Beneficiary ID is 12********** then your user ID is 12**********).
5. Your password details are given below:
   a. If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
   b. If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need enter the 'initial password' and the system will force you to change your password.
   c. How to retrieve your 'initial password'?
      i. If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account. The .pdf file contains your 'User ID' and your 'initial password'.
      ii. If your email ID is not registered, your 'initial password' is communicated to you on your postal address.
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
   a. Click on "**Forgot User Details/Password?**"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
   b. If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number, your PAN, your name and your registered address.
   c. Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2 : Cast your vote electronically on NSDL e-Voting system.

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
3. Select "EVEN" of the Varroc Engineering Limited.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders:

1. Institutional shareholders (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. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail at uma@umalodha.com to with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" option available on www.evoting.nsdl.com to reset the password.

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 sections of **https://www.evoting.nsdl.com** or contact NSDL by email at **evoting@nsdl.co.in** or call on.: 1800 222 990.

Members may note that the Notice and requisite documents will also be/ are made available on the Company's website at www.varroc.com, website of the stock exchanges, i.e., BSE Limited at www.bseindia.com and National Stock Exchange of India Limited at www.nseindia.com and also on the website of NSDL at www.evoting.nsdl.com.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 FORMING PART OF THE NOTICE

In accordance with Section 102 of the Companies Act, 2013 read with the rules made thereunder ("**the Act**"), the following statement contains all the material facts relating to the Special Business, as set out in Resolution no. 1 of this Notice.

The Company's equity shares of Re.1 each ("**Equity Shares**") were offered to the public through an initial public offering and the Equity Shares were listed on BSE Limited and National Stock Exchange of India Limited with effect from July 6, 2018. Presently, the Company's public shareholding is 15%. In terms of the requirement of continuous listing as stipulated under Rule 19(2)(b) and Rule 19A of the Securities Contracts (Regulation) Rules, 1957 ("**SCRR**"), the Company is required to increase its public shareholding to at least 25% within a period of three years from the date of listing of its securities. Accordingly, the Company is required to increase its 'Minimum Public Shareholding' ("**MPS**") to 25% before July 5, 2021.

Pursuant to Circular no. SEBI/HO/CFD/CMD/CIR/P/43/2018 dated February 22, 2018 issued by the Securities and Exchange Board of India ("**the SEBI**", and such circular, "**the MPS Circular**"), the SEBI has permitted certain additional mechanisms to achieve MPS. Accordingly, the various methods now permitted by the SEBI to achieve MPS include, among others, offer for sale of equity shares by promoters and/or members of the promoter group through the stock exchange mechanism, sale of equity shares held by promoters and/or members of the promoter group up to 2% of the total paid-up equity share capital of the listed company in the open market and /or allotment of equity shares by the listed company through qualified institutions placement under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended, ("**the SEBI ICDR Regulations**"). Additionally, the promoters and/or members of the promoter group may make an offer for sale of equity shares through a qualified institutions placement for the purpose of achieving MPS in terms of SCRR.

Section 62 of the Act regulates any increase in subscribed capital by issue of fresh/new equity shares by a company. For issuance of fresh/new equity shares by a company that may be offered to any person otherwise than as stated in Section 62(1)(a) of the Act, prior permission of the members is required to be obtained by way of a special resolution at a general body meeting pursuant to Section 62(1)(c) of the Act.

In view of thereof, approval of the members is being sought for issuance of upto 1,80,00,000 Equity Shares for achieving MPS through a combination of one or more public and/or private offerings, through such mechanism prescribed under the MPS Circular or as permitted under other applicable law(s), including through a Qualified Institutions Placement of Equity Shares ("**QIP**") in accordance with the relevant provisions of the SEBI ICDR Regulations, through issue of prospectus and/or placement document and/or letter of offer and/or any other permissible or requisite offer document at such time or times, at such price or prices, at a discount or premium to the market price or prices, including discounts as permitted under applicable law in such manner and on such terms and conditions as may be decided by the Board of Directors of the Company ("**the Board**", including any duly authorised committee thereof) in its discretion and permitted under applicable laws and regulations in one or more tranches ("**the Issue**"). For purposes of achieving MPS in accordance with the SCRR, the promoter and/or the members of the promoter group may offer for sale ("**the Offer for Sale**") such number of additional Equity Shares and/or through any other modes prescribed by SEBI or as permitted under other applicable law(s) as may be requested by such promoter and/or members of the promoter group and as noted by the Board.

The funds raised in the Issue, if any, shall be used towards such objects as may be determined by the Board / a duly authorised committee thereof, including, amongst other things, either directly or indirectly, towards financing all or part of the funding requirements of the Company for existing as well as new growth / expansion opportunities, including but not limited to meet the capital expenditure and Working Capital requirements of the Company and its Subsidiaries, Joint Venture(s) and Affiliates, if any, including investment in existing or future Subsidiaries, Joint Ventures and Affiliates, repayment of debt, expansion and modernization; exploration of acquisition opportunities and general corporate purposes, and, pending utilisation of the proceeds for the afore-mentioned purposes, the Company intends to temporarily invest such proceeds in creditworthy instruments, including Money Market, Mutual Funds and Deposits with Banks and Corporates or other Securities. Such investments would be in accordance with the investment policies, as

approved by the Board and / or a duly authorized committee from time to time and all applicable laws and Regulations.

The members may please note that the said resolution is only an enabling resolution to give adequate flexibility and discretion to the Board to finalise the terms of the Issue and the detailed terms and conditions for the Issue will be determined by the Board in consultation with lead manager(s), advisor(s), underwriter(s) 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 pricing of the Issue can only be decided at a later stage, it is not possible to state the price of the Equity Shares to be issued. However, the pricing of Equity Shares shall be in accordance with the SEBI ICDR Regulations. As the price of the Equity Shares shall be determined at a later stage, exact number of Equity Shares to be issued in the Issue shall also be determined later. The Equity Shares that may be issued in the Issue shall rank pari passu with the existing Equity Shares of the Company in all respects, including in respect of entitlement to dividend with the existing Equity Shares, as may be provided under the terms of the Issue and in accordance with the provisions of the placement document(s), if any. In case the Board or the Committee of Directors duly authorised in this regard, decides to issue and allot Equity Shares by way of a QIP in terms of SEBI ICDR Regulations: (a) the "relevant date" for the purpose of pricing of the Equity Shares shall be the date of the meeting in which the Board or the Committee of Directors duly authorised in this regard decides to open the proposed QIP; (b) the issue of Equity Shares made by way of a QIP shall be at such price which is not less than the price determined in accordance with the pricing formula provided under the SEBI ICDR Regulations; (c) the Board may at its absolute discretion, issue fresh/new Equity Shares at a discount of not more than 5% on the price determined for the QIP under the SEBI ICDR Regulations, or such other discount as may be permitted under applicable law; and (d) allotment of Equity Shares in the QIP pursuant to the special resolution passed by the Shareholders shall be completed within a period of 12 months (i.e., 365 days) from the date of passing of such resolution.

The Board of Directors, at its meeting held on January 13, 2021 has accorded its approval for raising of funds by the Company by way of issue of upto 1,80,00,000 fresh/new Equity Shares for achieving MPS, subject to Shareholders' approval and such other approvals as may be required under the applicable laws. The said Issue shall be subject to requirements as stipulated under the SEBI ICDR Regulations, the Act and other applicable provisions of law(s). The Equity Shares of the Company that are allotted in the Issue would be listed. Hence, the issue would be subject to applicable regulatory approvals. The promoter and members of the promoter group will not subscribe to the Equity Shares in the Issue. Further, the proposed Issue will result in the dilution of promoter shareholding along with the shareholding of other Members.

The Board recommends passing of the special resolution set out in this Postal Ballot Notice.

Necessary disclosures have and will be made to the Stock Exchanges, as may be required under the listing agreements entered into with the Stock Exchanges, and the Listing Regulations, as amended. The Members are, therefore, requested to grant their approval for Item 1 of this Postal Ballot Notice.

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, except to the extent of their shareholding in the Company and any Equity Shares that may be offered by the promoter or any member of the promoter group in the Offer for Sale.

This Notice does not constitute an offer or invitation or solicitation of an offer of securities to the public within or outside India. Nothing in this Notice constitutes an offer of securities for sale or solicitation in any jurisdiction in which such offer or solicitation is not authorized or where it is unlawful to do so.

By Order of the Board of Directors
For **Varroc Engineering Limited**

Ajay Sharma
Group General Counsel and
Company Secretary
ACS: 9127

Place : Pune
Date : January 13, 2021