



**SOLAR
INDUSTRIES
INDIA
LIMITED**

REGD. OFFICE : 11, ZADE LAYOUT,
BHARAT NAGAR,
NAGPUR - 440 033, (M.S.) INDIA.
PHONES : +91-712-2561000, 2560010
FAX : +91-712-2560202
e-mail : solar@solargroup.com

June 17, 2014

The Executive Director
Listing Department
National Stock Exchange Of India Limited
Exchange Plaza, Bandra Kurla Complex
Bandra (E)
Mumbai.

Sub: Intimation of Postal Ballot

Dear Sir,

This is to inform you that pursuant to Section 110 of the Companies Act, 2013, read with the Companies (Management and Administration) Rules, 2014, we are conducting Postal Ballot for obtaining the approval of Shareholders for the Special Business appended below;

- Alteration in the main Object Clause of Memorandum of Association of the Company.
- Approval of Related Party Transactions.
- Restructuring Borrowing Limits in pursuance of Section 180(1) (c) of Companies Act, 2013.
- Creation of Mortgages and/or Charges on the properties of the Company in pursuance of Section 180(1) (a) of Companies Act, 2013.

Mr. Tushar Pahade of M/s T.S. Pahade & Associates Practicing Company Secretaries, Nagpur has been appointed as the Scrutinizer for conducting the Postal Ballot process.

In this connection, we are enclosing here with Six Copies of Postal Ballot Notice and Blank Postal Ballot form sent to the Shareholders of the Company.

This is for your information and record.

Kindly acknowledge the receipt of the same.

Thanking You

Yours truly,

For Solar Industries India Limited

(Khushboo Pasari)
Company Secretary





SOLAR INDUSTRIES INDIA LIMITED

Regd. Office : 11, Zade Layout, Bharat Nagar, Nagpur - 440 033 (M.S.)

CIN : L74999MH1995PLC085878

NOTICE OF POSTAL BALLOT (Pursuant to Section 110 of the Companies Act, 2013)

Dear Shareholder(s),

Notice is hereby given to the shareholder(s) pursuant to Section 110 of the Companies Act, 2013, read with the Companies (Management and Administration) Rules, 2014 (including any statutory modification or re enactment thereof for the time being in force) for seeking approval of the shareholders for resolutions appended below by way of Special Resolution to be passed as Special Business by way of Postal Ballot.

The company is seeking your consent for the proposal as contained in the respective draft resolutions. The Resolutions and relevant Explanatory Statement setting out the relevant material facts and the reasons for the Resolutions appended herewith for your consideration along with a Postal Ballot Form and a self addressed postage pre-paid envelope.

The date of announcement of result of Postal Ballot shall be considered to be the date of Extraordinary General Meeting and the date of passing of the said resolutions.

Pursuant to Circular No. CIR/CFD/DIL/6/2012 dated 13th July 2012 of the Securities and Exchange Board of India and as per the Latest Rule specified under Companies (Management and Administration) Rules, 2014 the company is pleased to offer the option of e-voting facility as an alternate, to all the members of the company. It will enable to cast vote electronically instead of dispatching Postal Ballot Form. E-voting is optional. The detailed procedure is enumerated in the notes to the Postal Ballot Notice. The Company has entered into agreement with Central Depository Services Limited (CDSL) for facilitating e-voting. Members who have registered their email id for the receipt of documents in electronic mode are being sent Notice of Postal Ballot by e-mail. Members who have received Postal Ballot Notice by e-mail and wish to vote through Physical Postal Ballot Form can download Postal Ballot Form from the link www.solargroup.com or seek duplicate Postal Ballot Form from the Registered Office of the Company.

The Company has appointed Mr. Tushar Pahade of M/s. T.S. Pahade & Associates, Practising Company Secretaries as Scrutinizer for conducting the Postal Ballot process in a fair and transparent manner.

You are requested to carefully read the instructions printed in the Postal Ballot Form and return the Form duly completed, in the attached self addressed postage prepaid envelope, so as to reach the Scrutinizer on or before the close of working hours (5 p.m.) on July 30, 2014 at the following address (mentioned on Business Reply Envelope)

Mr. Tushar Pahade of M/s. T. S. Pahade & Associates
Practising Company Secretary
Scrutinizer
C/o : LINK INTIME INDIA PRIVATE LIMITED
Unit : SOLAR INDUSTRIES INDIA LIMITED
C-13, Pannalal Silk Mills Compound,
L.B.S. Marg, Bhandup (W), Mumbai - 400 078.

The Scrutinizer will submit his report to the Company after completion of the scrutiny of Postal Ballot Forms and the result of the voting by Postal Ballot will be declared on August 04, 2014 at the registered office of the Company at situated at 11, Zade Layout, Bharat Nagar, Nagpur- 440033 (M.S.).

The date of declaration of the result shall be deemed to be the date of passing of the said resolution. The result will also be published in the newspaper in English and in Vernacular language circulating in Nagpur and will also be hosted on the website of the company (www.solargroup.com)

Special Business

1. Alteration of Main Object Clause

To consider and if thought fit, to pass with or without modification(s), the following Resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 13 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force) and subject to the approvals, permissions and sanctions from the appropriate authorities, if any, the main objects in the objects clause of the Memorandum of Association of the Company be and are hereby altered by insertion of new object after 1F in the main object clause III A of the Memorandum of Association of the Company.

1G. "To carry out the business of project execution, not limited to installation, erection and running of projects, on turn-key basis and/or out-right sale and / or Build Own Operate & Transfer [BOOT] and /or Build, Operate and Transfer and/or Build Operate Maintain [BOM] and /or on GO-CO basis for various Government, Autonomous Bodies and Private Parties for the manufacturing of Civilian and Defence Explosives including supply of raw material, components, finished product, component of machines and equipments, items used as plant and machinery for the end customer, deployment/supply of expert manpower and to do all such acts and deeds that may be necessary and incidental for giving effect to the aforesaid object."

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the Board of Directors of the company, thereof, be and is hereby authorised to take such actions and to give all such directions may be necessary or desirable and also to settle any question or difficulty that may arise in regard to the proposed alteration of main object clause and further to do all such acts, deeds, matters and things as may be necessary, desirable or expedient in connection therewith."

2. Limits of Borrowings u/s 180 (1) (c) of the Companies Act, 2013

To consider and if thought fit, to pass with or without modification(s), the following Resolution as a Special Resolution:



***RESOLVED THAT** subject to the provisions of Section 180 (1) (c) of the Companies Act, 2013 and other applicable provisions, if any, including any statutory modifications or re-enactments thereof and in supersession of all the earlier resolutions passed in this regard, the Board of Directors (hereinafter referred to as the Board), including any committee thereof for the time being exercising the powers conferred on them by this resolution, be and are hereby authorized to borrow money, as and when required, from, including without limitation, any Bank and/or Public Financial Institution as defined under Section 2 (72) of the Companies Act, 2013 and/or eligible foreign lender and/or any entity/entities and/or authority/authorities and/or through suppliers credit, any other securities or instruments, such as floating rate notes, fixed rate notes, syndicated loans, debentures, commercial papers, short term loans or any other instruments etc. and/or through credit from official agencies and/or by way of commercial borrowings from the private sector window of multilateral financial institution, either in rupees or in such other foreign currencies as may be permitted by law from time to time, as may be deemed appropriate by the Board for an aggregate amount not exceeding Rs. 1000 Crores (Rupees Thousand Crores Only), notwithstanding that money so borrowed together with the monies already borrowed by the Company, if any (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) may exceed the aggregate of the paid-up share capital of the Company and its free reserves, that is to say, reserves not set apart for any specified purpose.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board or a Committee thereof be and is hereby authorized to finalise, settle and execute such documents/deeds/writing/papers/agreements as may be required and do all such acts, deeds, matters and things, as it may in its absolute discretion deemed necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in regard to borrowings as aforesaid."

3. Providing Security u/s 180 (1) (a) of Companies Act, 2013 In connection with the Borrowing of the Company

To consider and if thought fit, to pass with or without modification(s), the following Resolution as a Special Resolution:

***RESOLVED THAT** pursuant to the provisions of Section 180 (1) (a) of the Companies Act, 2013 and other applicable provisions, if any, including any statutory modifications or re-enactments thereof the members of the Company hereby accord their consent to the Board of Directors, including any committee thereof for the time being exercising the powers conferred on them by this resolution, to create mortgage and/or charge on all or any of the moveable and/or immovable assets of the Company, both present and future and/or whole or any part of the Company in favour of the lenders, agents, trustees for securing the borrowings of the Company availed/to be availed by way of loans (in foreign currency and/or in Indian currency) and securities (comprising of fully/partly convertible debentures and/or secured premium notes and/or floating rates notes/bonds or other debt instruments) issued/to be issued by the Company from time to time, in one or more tranches, upto an aggregate limit of Rs. 1000 Crores (Rupees Thousand Crores Only) together with interest as agreed, additional interest in case of default, accumulated interest, liquidated damages and commitment charges, all other costs, charges and expenses and all other monies payable by the Company in terms of respective loan agreement(s) or any other document entered /to be entered into between the Company and the lenders/agents/investors and trustees in respect of enforcement of security as may be stipulated in that behalf and agreed to between the Board of Directors or any committees thereof and the lenders, agents or trustees.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board or a Committee thereof be and is hereby authorized to finalise, settle and execute such documents/deeds/writing/papers/agreements as may be required and do all such acts, deeds, matters and things, as it may in its absolute discretion deemed necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in regard to Creation of Charge on Movable and Immovable properties of the Company, both present and future as aforesaid."

4. Transactions with Related Parties u/s 188 of the Companies Act, 2013

To consider and if thought fit, to pass with or without modification, the following as a Special Resolution:

***RESOLVED THAT** pursuant to the provisions of Section 188 and other applicable provisions of the Companies Act, 2013, if any, consent of the Company be and is hereby accorded for entering into related party transactions by the Company for the financial year 2014-15 upto the maximum per annum amounts as appended below:

MAXIMUM VALUE OF CONTRACT / TRANSACTION FOR THE FINANCIAL YEAR 2014-15 (In crores)					
	Transaction defined u/s 188(1) of Companies Act, 2013				
	Sale or supply of any goods materials	Purchase or otherwise buying materials /property of any kind	Loan (With Interest)	Technical Consultancy Fees	Leasing of property
NAME OF RELATED PARTIES					
Subsidiaries					
Economic Explosives Limited	125.00	81.00	25.00	-	-
Solar Mining Resources Limited	-	-	-	-	1.50
Solar Mines & Minerals Limited	-	-	5.00	-	-
Overseas Subsidiaries / Step Down Subsidiaries					
Solar Explochem Zambia Limited	30.00	-	-	-	-
Nigachem Nigeria Limited	50.00	-	-	1.50	-
Solar Overseas Mauritius Limited	-	-	20.00	-	-
ILCI Patlayici Maddeler Sanayi Ve Ticaret Anonim Sirketi	30.00	-	-	-	-
Associates					
Solar Synthetics Private Limited	-	0.25	-	-	-
Sole Proprietary Firm					
Commercial Sales Corporation	-	-	30.00	-	-
GROSS TOTAL	235.00	81.25	50.00	1.50	1.50



RESOLVED FURTHER THAT to give effect to this Resolution the Board of Directors of the company thereof be and are hereby authorized to do all such acts, deeds, things, as may be necessary to settle any question, difficulty or doubt that may arise with regard to giving effect to above Resolution and to do all such acts, deeds, things as it may be necessary in its absolute discretion deem necessary proper desirable and to finalize any documents and writings related thereto."

Dated 26.05.2014
Place: Nagpur

By Order of the Board
For Solar Industries India Limited



(Khushboo A. Pasari)
Company Secretary

Notes:

1. An Explanatory Statement pursuant to Section 102 of The Companies Act, 2013 read with Section 110 of The Companies Act, 2013.
2. The Notice is being sent to all the Shareholders, whose names appear on the Register of Members / list of Beneficial Owners as received from National Securities Depository Limited (NSDL) / Central Depository Services (India) Limited (CDSL) on 06.06.2014.

ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 ANNEXED TO THE NOTICE DATED 26th May 2014

ITEM NO. 1

It is to be noted that your company has already become the leading manufacturer of industrial explosives. The company is also the biggest exporter to more than 25 countries apart from being the largest supplier to Coal India Limited in India. The Company has successfully set-up facilities for developing and manufacturing products like HMX and related compounds, pyro's & composite propellants for defence sector application. The company further wish to expand the current range of such products utilising its facilities, experience and expertise of its people. The company over the years have gained experience of setting-up and running explosives plants and hence wish to utilise its experience & expertise to undertake projects either on Go-Co basis or Modernisation or setting-up new facilities for manufacturing of explosives in Industrial as well as Defence Explosives fields.

Currently, the Main Object Clause of the Company, does not specific provisions to undertake the activity of project execution on turn-key basis and/or out-right sale and / or Build Own Operate & Transfer [BOOT] and /or Build, Operate and Transfer and/or Build Operate Maintain [BOM] and/or on GO-CO basis so, your Board of Directors recommends such inclusion of new main object for the company.

The Directors are satisfied that this resolution would be in the interest of our company and its members and accordingly recommends this Resolution for your approval to be passed as Special Resolution as recited in Item no. 1 through Postal Ballot.

Directors, Key Managerial Personnel and their relatives who are members of the Company, may be deemed to be concerned or interested in this Resolution to the extent of their respective shareholding in the company to the same extent as that of every other member of the Company.

ITEM NO. 2 & 3

On 11th September, 2013, in the 18th AGM members of the Company had by way of an ordinary resolution accorded their consent & provided to the Board of Directors the power to borrow funds and to mortgage and / or create charge on all or anyone of the moveable / immovable properties or such other assets of the company, to the extent of Rs. 1000 crores in excess of the paid up capital and free reserves of the Company.

Consequent to implementation of Section 180 of the Companies Act, 2013 consent of the Company is required by way of a special resolution to borrow funds in excess of the paid up capital and free reserves of the company and to create security for the same.

Accordingly, Item no. 2 & 3 have been put forward for your approval. For the avoidance of doubt, it is clarified that these resolutions do not increase the amounts that may be borrowed by the Board of Directors or the amount of charges that may be created that had already been approved by the members of the Company.

The Board of Directors recommends the Resolutions at Item no. 2 & 3 for your approval as Special Resolutions. Directors, Key Managerial Personnel and their relatives who are members of the Company, may be deemed to be concerned or interested in this Resolution to the extent of their respective shareholding in the company to the same extent as that of every other member of the Company.

ITEM NO. 4

The provision of Section 188(1) of the 2013 Act that govern the Related Party Transactions require a Company to obtain prior approval of the Board of Directors and in case the paid-up share capital of a Company is Rs. 10 Crores or more, the prior approval of shareholders by way of

a special Resolution.

Further, third proviso to section 188(1) provides that nothing shall apply to any transaction entered into by the company in its ordinary course of business other than transaction which are not on arm's length basis.

The proviso of Section 188(3) also provide that any contract or arrangement entered into u/s 188(1) may be ratified by the Board or, as the case may be, by the shareholders at a meeting within three months from the date on which such contract or arrangement was entered into.

In the light of proviso of the 2013 Act, the Board of Directors of your Company has approved the proposed transaction along with annual limits that your Company may enter into with its Related Parties (as defined under the 2013 Act) for the financial year 2014-15 and beyond.

All prescribed disclosures as required to be given under the provision of the 2013 act, and the Companies (Meetings of Board and its Power) Rules, 2014 are given here below in a tabular format for kind perusal of the members.

MAXIMUM VALUE OF CONTRACT / TRANSACTION FOR THE FINANCIAL YEAR 2014-15 (in crores)					
	Transaction defined u/s 188(1) of Companies Act, 2013				
	Sale or supply of any goods materials	Purchase or otherwise buying materials /property of any kind	Loan (With Interest)	Technical Consultancy Fees	Leasing of property
NAME OF RELATED PARTIES					
Subsidiaries					
Economic Explosives Limited	125.00	81.00	25.00	-	-
Solar Mining Resources Limited	-	-	-	-	1.50
Solar Mines & Minerals Limited	-	-	5.00	-	-
Overseas Subsidiaries / Step Down Subsidiaries					
Solar Explochem Zambia Limited	30.00	-	-	-	-
Nigachem Nigeria Limited	50.00	-	-	1.50	-
Solar Overseas Mauritius Limited	-	-	20.00	-	-
ILCI Patlayici MAddeleer Sanayi Ve Ticaret Anonim Sirketi	30.00	-	-	-	-
Associates					
Solar Synthetics Private Limited	-	0.25	-	-	-
Sole Proprietary Firm					
Commercial Sales Corporation	-	-	30.00	-	-
GROSS TOTAL	235.00	81.25	50.00	1.50	1.50

The Board of Directors of your Company has approved this in the Board Meeting held on 26th May, 2014 and recommends the Resolution as set out in the accompanying Notice for the approval of members of the Company as a special Resolution.

Except Promoter Directors and Key Managerial Personnel of the Company and their relatives, no other Director is concerned or interested in the Resolution.

Dated 26.05.2014
Place: Nagpur

By Order of the Board
For Solar Industries India Limited



(Khushboo A. Pasari)
Company Secretary

Instructions

The instructions for members for voting electronically are as under:-

(A) In case of members receiving e-mail:

- i) 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 login id and password are to be used.
- ii) Log on to the e-voting website www.evotingindia.com.
- iii) Click on "Shareholders" tab to cast your votes.
- iv) Now, select the Electronic Voting Sequence Number - "EVSN" along with "SOLAR INDUSTRIES INDIA LTD." from the drop down menu and click on "SUBMIT"
- v) Now, fill up the following details in the appropriate boxes:

	For Members holding shares in Demat Form	For Members holding shares in Physical Form
User ID	For NSDL: 8 Character DP ID followed by 8 Digits Client ID For CDSL: 16 digits beneficiary ID	Folio Number registered with the Company & then enter the captcha code as displayed and click on login
PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department when prompted by the system while e-voting (applicable for both demat shareholders as well as physical shareholders)	
DOB#	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.	
Dividend Bank Details#	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.	

* Members who have not updated their PAN with the Company/Depository Participant are requested to use the default number: <SILEV1234Z> in the PAN field.

Please enter any one of the details in order to login. In case either of the details are not recorded with the depository please enter the value <06/06/2014> in the DOB column.

- vi) After entering these details appropriately, click on "SUBMIT" tab.
- vii) Members holding shares in physical form will then reach directly the EVSN selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. 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 (@ # \$ % & *). Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Kindly note that this changed password is to be also used by the Demat holders for voting for resolutions for the Company or any other Company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform.
- viii) Click on the relevant EVSN on which you choose to vote.
- ix) On the voting page, you will see Resolution Description and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- x) Click on the "Resolutions File Link" if you wish to view the entire Resolutions.
- xi) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- xii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xiii) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- xiv) If Demat account holder has forgotten the changed password then Enter the User ID and Captcha Code click on Forgot Password & enter the details as prompted by the system.

(II) In case of members receiving the physical copy of Notice of Postal Ballot [for members whose e-mail IDs are not registered with the company/depository participant(s) or requesting physical copy]:

- (B) Please follow all steps from sl. no. (ii) to sl. no. (xii) above, to cast vote.
- (C) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves, link their account which they wish to vote on and then cast their vote. They should upload a scanned copy of the Board Resolution in PDF format in the system for the scrutinizer to verify the vote.
- (D) The voting period begins on 20.06.2014 (10.00 am) to 30.07.2014 (5.00 pm) During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 06/06/2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.





SOLAR INDUSTRIES INDIA LIMITED

Registered Office: 11, Zade Layout, Bharat Nagar, Nagpur - 440 033 (M.S)
Tel: 91-0712-2550151, Fax: 91-0712-2560202, E-Mail: cs@solargroup.com
Website: www.solargroup.com CIN: L74999MH1995PLC085878

POSTAL BALLOT FORM

(Please read carefully the instructions printed overleaf before exercising your vote)

Sr. No.

1. Name and Registered Address of sole / first named Shareholder
(IN BLOCK LETTERS)
2. Name(s) of Joint shareholder(s), if any
(IN BLOCK LETTERS)
3. Registered Folio No. / DP ID No.* / Client ID No.* (*Applicable to Investors holding shares in dematerialized form)
4. Number of Shares held
5. I/We hereby exercise my/our vote in respect of the Special Resolution(s) to be passed through Postal Ballot for the Special business stated in the Notice of the Company, dated 26th May, 2014 by the conveying my/our assent (FOR) or dissent (AGAINST) to the said Resolutions by placing the tick (✓) mark in appropriate box below:

Item No.	Brief particulars of the resolution	No. of Shares	I/We assent to the resolution (FOR)	I/We dissent to the resolution (AGAINST)
1.	Special Resolution u/s 13 of the Companies Act, 2013 for alteration of Main Object Clause of the Memorandum of Association of the Company.			
2.	Special Resolution u/s 180(1)(c) of the Companies Act, 2013 for approving the Limits of Borrowings.			
3.	Special Resolution u/s 180(1)(a) of the Companies Act, 2013 for providing Security in connection with the Borrowings of the Company.			
4.	Special Resolution u/s 188 of the Companies Act, 2013 for Transaction with Related Parties.			

Place:

Date:

Signature of the Shareholder

