



GURUDEV

Surana Industries Limited



CIN : L27104TN1991PLC020533

Regd. Cum Corp. H.O. : # 29, Whites Road, II Floor,
Royapettah, Chennai - 600 014. ☎ : 2852 6336, 2852 5127

★ Fax: 044-2852 0713 ★ Grams : "GURUHASTI"

Email: surana@suranaind.com ★ Website : www.suranaind.com

0/c

Ref: Sil/Sec/Listing/

/FY15-16

July 10, 2015

The Manager,
National Stock Exchange of India Limited,
Listing Department,
Exchange Plaza, Bandra-Kurla Complex,
Bandra (E), Mumbai - 400 051.

The Deputy General Manager,
Department of Corporate Services,
Bombay Stock Exchange Limited,
23rd Floor, P J Towers, Dalal Street,
Mumbai - 400 001.

Dear Sir/Madam,

Sub: Notice of Postal Ballot & Calendar of Events of Surana Industries Limited
Ref: Clause 31(b) and 33 of the Listing Agreement

With reference to the above captioned subject, we have enclosed herewith the copy of Notice of Postal Ballot along with the Calendar of Events for the Postal Ballot Process of our Company for your reference.

This is for your information and records.

Thanking you,

Yours faithfully,

For Surana Industries Limited



CS D.Hem Senthil Raj
Company Secretary & Compliance Officer
M.No: A25451
Encl: A/a

GURUDEV



SURANA INDUSTRIES LIMITED

(CIN: L27104TN1991PLC020533)

POSTAL BALLOT NOTICE

CERTIFIED TRUE COPY
For SURANA INDUSTRIES LIMITED


Company Secretary

Regd Office: No. 29, Whites Road, 2nd Floor, Royapettah, Chennai - 600 014.

Phone: 044-2852 5127 / 2852 5596 Fax: 044 - 28521143

E-mail : surana@suranaind.com Website : www.suranaind.com

GURUDEV

Surana Industries Limited

(CIN: L27104TN1991PLC020533)

Regd. office No.29, Whites Road, II Floor, Royapettah, Chennai - 600 014
E-mail : surana@suranaind.com Website : www.suranaind.com



POSTAL BALLOT NOTICE

To,

The Members,

Notice is hereby given, pursuant to Section 110 of the Companies Act, 2013 ("the Act") read with The Companies (Management and Administration) Rules, 2014, (including any statutory modification or re-enactment thereof for the time being in force) the company is seeking the consent of its members for the below mentioned resolutions by way of Postal Ballot which includes voting by electronic means.

An Explanatory Statement pertaining to the resolutions proposed in this notice setting out all material facts and reasons thereof along with Postal Ballot Form is annexed herewith.

The Company has appointed Smt. Lakshmmi Subramanian, Senior Partner [M.No: FCS – 3534 CP No: 1087] of M/s. Lakshmmi Subramanian & Associates, Practising Company Secretaries, Chennai as Scrutinizer for conducting the postal ballot process in a fair and transparent manner.

The members are requested to carefully read the instruction printed in the Postal Ballot notice and return the Form duly completed in the attached self addressed postage pre-paid envelope so as to reach the Scrutinizer on or before the close of working hours i.e. 5.30. PM on, Monday the 10th day of August, 2015. The Scrutinizer after completion of the scrutiny will submit his report to the Managing Director of the Company on Tuesday, the 11th day of August, 2015. The results of the postal ballot will be declared by the Managing Director or in his absence by any Director authorized by the Board in this regard on Tuesday, the 11th day of August, 2015. The results will also be posted on the website of the Company www.suranaind.com. The results shall be intimated to the Stock Exchanges where the shares of the Company are listed and also to general public through press release in newspapers.

Members may note that as required under Clause 35B of the Listing Agreement, the Company has engaged the services of Central Depository Services Limited (CDSL) to provide e-voting facility to the members of the Company. Accordingly the Company is providing e-voting facility for the Postal Ballot as an alternate, which would enable the members to cast their votes electronically, instead of casting their votes and dispatching Postal Ballot forms physically. Members desiring to opt for the e-voting facility are requested to read and follow the instructions on e-voting enumerated in the Notes to this Notice. Only members entitled to vote are entitled to fill in the Postal Ballot Form and send it to the Scrutinizer or vote under the e-voting facility offered by the Company, and any other recipient of the Notice who has no voting rights should treat the Notice as an intimation only. Detailed instructions to use the facility are given separately.

The Resolutions, if approved, will be taken as passed effectively on the date of declaration of results.

SPECIAL BUSINESSES:

ITEM NO: I

Issue of Equity Shares on Preferential basis to the Shri. Dineshchand Surana, Promoter:

To consider and, if thought fit, to give assent/ dissent to the following Special Resolution with or without modification(s):

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For SURANA INDUSTRIES LIMITED

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Company Secretary

POSTAL BALLOT NOTICE



“RESOLVED THAT in supersession of the earlier resolution passed by the shareholders by way of postal ballot on February 6, 2015 and pursuant to the provisions of Section 62 and other applicable provisions, if any of the Companies Act, 2013 and its rules (including any statutory amendments thereto and all modifications or re-enactments thereof for the time being in force) and in accordance with the provision of the Memorandum and Articles of Association of the Company and subject to the rules/regulations/guidelines/clarifications issued by the Securities and Exchange Board of India (hereinafter referred to as **“SEBI”**), including the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 on Preferential Issue (hereinafter referred to as **“SEBI Regulations for Preferential Issue”**), Listing Agreements entered into by the Company with the Bombay Stock Exchange Limited, Madras Stock Exchange Limited and National Stock Exchange of India Limited, where the equity shares of the company are listed, the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations 2011 as amended (the **“Takeover Regulations”**) and all other applicable laws and regulations and subject to the company obtaining all such approvals, permissions, sanctions and consents as may be required from any Government or Regulatory Authorities and/or other institutions and bodies including banks, provided that such terms, conditions, alterations, modifications, corrections, changes and variations, if any, that may be stipulated or imposed or prescribed under such approvals, permissions, sanctions and consents, are acceptable to the Board of Directors (which term shall include any duly constituted and authorized **“Committee of Directors”** thereof) and in terms of and in furtherance to the scheme of Corporate Debt Restructuring (CDR Package) by and between the Company and the lenders of the Company (**CDR lenders**) that is governed by the Corporate Debt Restructuring Guidelines, which has been approved by the Corporate Debt Restructuring Empowered Group (**CDR EG**) on 7th March, 2014 and communicated to the Company by the Corporate Debt Restructuring Cell (**CDR Cell**) vide its letter of approval dated 13th March, 2014 (**CDR LOA**) and any modifications to the terms thereof as approved by the CDR lenders and the Company, the consent of the Company be and is hereby accorded to the Board to offer, issue and allot fully paid-up equity shares of Rs.10/- each for cash at a price of Rs. 72.82/- per share prevalent at the relevant date, which is determined in accordance with ICDR regulations in consideration of the Promoter's contribution under the CDR package brought in/ to be brought in by Shri. Dineshchand Surana Promoter and Promoter Group from time to time as per the CDR package in the form of equity or priority loan or lender's sacrifice in accordance with the obligations under the CDR package, by way of preferential allotment in one or more tranches to Shri Dineshchand Surana, Promoter cum Managing Director of the Company for an aggregate consideration of up to **Rs. 377,70,00,000/-** (Rupees Three Hundred and Seventy Seven Crores and Seventy Lakhs only) in such manner and on such other terms and conditions, as the Board may in its absolute discretion think fit;

RESOLVED FURTHER THAT the Equity Shares to be allotted in terms of this resolution shall be subject to the provisions of Memorandum and Articles of Association of the Company and shall rank pari-passu inter-se with the then existing equity shares of the Company in all respects;

RESOLVED FURTHER THAT the said equity shares shall be subject to the lock-in as per the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 (including any amendment thereof) for Preferential Issue;

RESOLVED FURTHER THAT The Equity Shares shall be listed at BSE Ltd (the **“BSE”**) and the National Stock Exchange of India Ltd (the **“NSE”**) subject to the consent of the shareholders pursuant to the provisions of the Companies Act, 2013 and in terms of the provisions of the Listing Agreement entered with the Indian Stock Exchanges where the equity shares of the company are listed;

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For SURANA INDUSTRIES LIMITED

POSTAL BALLOT NOTICE



RESOLVED FURTHER THAT without prejudice to the generality of the above, the relevant date for the determination of price for the above mentioned Equity Shares to be issued as per SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 (including any amendment thereof) is 7th March, 2014, the date of approval of the Corporate Debt Restructuring Package by the Corporate Debt Restructuring Empowered Group (**CDR EG**) under the Corporate Debt Restructuring framework of the Reserve Bank of India (**RBI**);

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution and matters flowing there from, connected with and incidental to any of the matters mentioned in the aforesaid resolution, the Board be and is hereby authorized on behalf of the Company to take all actions and to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, desirable or expedient to the issue/offer or allotment of the aforesaid equity shares, listing thereof with the stock exchange(s) and to resolve and settle all questions and difficulties that may arise in the proposed issue / offer, including pricing, number of shares to be allotted, allotment of aforesaid shares, utilization of the issue proceeds and to do all acts, deeds and things in connection there with and incidental thereto as the Board may in its absolute discretion deem fit and consent or approval shall be deemed to have been given;

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred by this resolution to any Director or Directors or to any Committee of Directors or any other officer or officers of the Company to give effect to the aforesaid resolutions including to execute any documents on behalf of the Company and to represent the Company before any governmental authorities, and to appoint any professional advisers/consultants/lawyers."

ITEM NO: 2

Shifting of the Registered Office from Chennai in the state of Tamilnadu to Gummudipoondi in the state of Tamilnadu:

To consider and, if thought fit, to give assent/ dissent to the following Special Resolution with or without modification(s):

"RESOLVED THAT pursuant to the provisions of section 12, 13, 110 and other applicable provisions if any, of the Companies Act, 2013 and rules made there under and subject to the confirmation of the Central Government, power vested with the Regional Director and such permission, sanction or approval as may be required under the provisions of the said Act or under any other law for the time being in force, the consent of the members be and is hereby accorded to shift the Registered Office of the Company from Chennai in the state of Tamilnadu to Gummudipoondi in the state of Tamilnadu;

RESOLVED FURTHER THAT upon confirmation of the Regional Director, Southern Region the Registered Office of the Company be shifted from **No. 29, 11nd Floor, Whites Road, Royapettah, Chennai - 600014** in the state of Tamilnadu and be situated at **#F67, 68 & 69, Sipcot Industrial Complex, Gummudipoondi, Thiruvallur District** in the state of Tamilnadu;

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things as may be deemed necessary to give effect to the aforesaid resolution including filing of necessary application under the Companies Act 2013 before the Regional Director, Southern Region, Chennai and/or any other authority and to act for every purpose in connection therewith and/or incidental thereof as it may in its absolute discretion deem necessary or desirable for and on behalf of the Company."

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For SURANA INDUSTRIES LIMITED



POSTAL BALLOT NOTICE

ITEM NO: 3

Giving of Loans/Guarantees, Providing Securities and Making of Investments in Securities beyond the prescribed limits under Section 186 of the Companies Act, 2013:

To consider and, if thought fit, to give assent/ dissent to the following Special Resolution with or without modification(s):

“RESOLVED THAT subject to Section 186 and other applicable provisions of the Companies Act, 2013 (“the Act”) read with the Companies (Meetings of Board and its Powers) Rules, 2014, as may be amended, from time to time and Articles of Association of the Company, approval of the shareholders of the Company be and is hereby given to the Board of Directors of the Company for giving any loan to any person or other body corporate, giving guarantee or providing any security in connection with the loan given to any person or body corporate and /or acquiring by way of subscription, purchase or otherwise the securities of any other body corporate up to an amount, the aggregate outstanding of which should not exceed at any given time, an amount of Rs. 2500 crores over and above the limits specified in Sec 186 (2) of the Companies Act 2013 and the aggregate outstanding amount of loans/guarantees/securities given / provided to wholly owned subsidiary companies and /or joint venture companies and investment made in wholly owned subsidiaries from time to time.

“RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board or its duly authorized committee thereof, be and is hereby authorized to negotiate and decide from time to time, terms and conditions, execute necessary documents, papers, agreements etc. for investments to be made, loans/guarantees to be given and securities to be provided to any person and /or any body corporate, to do all such acts, deeds, matters and things and to give such directions as may be necessary or expedient as the Board in its absolute discretion, may deem fit and its decision shall be final and binding and to settle any question, difficulty that may arise in this regard and to delegate all or any of these powers to any Committee of Directors or Director or officer of the Company or any other person.

ITEM NO: 4

To approve disinvestment in Surana Power Limited (SPL):

To consider and, if thought fit, to give assent/ dissent to the following Special Resolution with or without modification(s):

“RESOLVED THAT pursuant to Clause 49 of the equity listing agreement with the stock exchanges on which the equity shares of the Company are listed and further pursuant to the provisions of Section 180(1)(a), Section 110 and such other applicable provisions if any, of the Companies Act, 2013 (including any statutory modifications, amendments or re-enactments thereto) and the Rules made thereunder (collectively the “Act”) and the Memorandum and Articles of Association of the Company and subject to requisite approvals including the approval of lenders and all concerned statutory and regulatory authorities and departments, person or persons, if and to the extent necessary, and such other approvals, permissions and sanctions as may be required, the consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as “Board”, which term shall include a Committee thereof authorised for the purpose) for divestment of the entire investment of the Company held in its wholly owned subsidiary of the Company and a material subsidiary of the Company.”

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For SURANA INDUSTRIES LIMITED

Company Secretary

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“RESOVLED FURTHER THAT Shri. Dineshchand Surana, Managing Director, Shri. S. Babu, Non-Executive Chairman, Shri. Anil Gupta, Group Chief Financial Officer and Shri. D. Hem Senthil Raj, Company Secretary & Compliance Officer of the Company be and are hereby severally authorised to do all such acts, deeds, matters and things including but not limiting to deciding the time when the divestment be done, the manner of divestment, extent of divestment, other incidental and ancillary activities thereto, determining such other terms and conditions, relevant to the divestment, negotiating and finalizing the terms of sale/offer for sale, negotiating, finalizing and executing share purchase agreement(s), by whatever name called, such other agreement, deeds, documents, indemnities, contracts, declarations, undertakings, forms, letters and such other papers as may be necessary desirable and expedient to be agreed, signed and executed, to determine the final consideration/pricing, to approve all the resolution(s), to make all such filings and applications for the statutory/regulatory and other approvals as may be required in the matter of divestment/offer for sale and to complete the aforesaid transaction, take necessary steps in the matter as the Board may in its absolute discretion deem necessary, desirable or expedient to give effect to the aforesaid resolution, and to settle any question that may arise in this regard and incidental thereto, without being required to seek any further consent of approval for the shareholders or otherwise to the end and intent that the shareholders shall be deemed to have given their approval thereto expressly by the authority of this resolution.”

“RESOLVED FURTHER THAT all acts, deeds, matters and things, either verbal or written or otherwise, already done by the Company and/or any of its director and/or officers and/or representatives for and in the name of the Company in this regard be and the same are hereby noted, ratified and approved.”

ITEM NO: 5

To approve disinvestment in Surana Mines & Minerals Limited (SMML), Singapore:

To consider and, if thought fit, to give assent/ dissent to the following Special Resolution with or without modification(s):

“RESOLVED THAT pursuant to Clause 49 of the equity listing agreement with the stock exchanges on which the equity shares of the Company are listed and further pursuant to the provisions of Section 180(1)(a), Section 110 and such other applicable provisions if any, of the Companies Act, 2013 (including any statutory modifications, amendments or re-enactments thereto) and the Rules made thereunder (collectively the “Act”) and the Memorandum and Articles of Association of the Company and subject to requisite approvals including the approval of lenders and all concerned statutory and regulatory authorities and departments, person or persons, if and to the extent necessary, and such other approvals, permissions and sanctions as may be required, the consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as “Board”, which term shall include a Committee thereof authorised for the purpose) for divestment of the entire investment of the Company held in its wholly owned foreign subsidiary of the Company.”

“RESOVLED FURTHER THAT Shri. Dineshchand Surana, Managing Director, Shri. S. Babu, Non-Executive Chairman, Shri. Anil Gupta, Group Chief Financial Officer and Shri. D. Hem Senthil Raj, Company Secretary & Compliance Officer of the Company be and are hereby severally authorised to do all such acts, deeds, matters and things including but not limiting to deciding the time when the divestment be done, the manner of divestment, extent of divestment, other incidental and ancillary activities thereto, determining such other terms and conditions, relevant to the divestment, negotiating and finalizing the

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For SURANA INDUSTRIES LIMITED

[Signature]
Company Secretary



POSTAL BALLOT NOTICE

terms of sale/offer for sale, negotiating, finalizing and executing share purchase agreement(s), by whatever name called, such other agreement, deeds, documents, indemnities, contracts, declarations, undertakings, forms, letters and such other papers as may be necessary desirable and expedient to be agreed, signed and executed, to determine the final consideration/pricing, to approve all the resolution(s), to make all such filings and applications for the statutory/regulatory and other approvals as may be required in the matter of divestment/offer for sale and to complete the aforesaid transaction, take necessary steps in the matter as the Board may in its absolute discretion deem necessary, desirable or expedient to give effect to the aforesaid resolution, and to settle any question that may arise in this regard and incidental thereto, without being required to seek any further consent of approval for the shareholders or otherwise to the end and intent that the shareholders shall be deemed to have given their approval thereto expressly by the authority of this resolution."

"RESOLVED FURTHER THAT all acts, deeds, matters and things, either verbal or written or otherwise, already done by the Company and/or any of its director and/or officers and/or representatives for and in the name of the Company in this regard be and the same are hereby noted, ratified and approved."

By Order of the Board
For Surana Industries Limited
-Sd/-

Dineshchand Surana
Managing Director
(DIN: 0007032)

Place : Chennai.
Date : 30th May, 2015

NOTES:

1. Explanatory Statement setting out all the material facts concerning each item of the proposed special business and reasons thereof pursuant to Section 102 of the Companies Act, 2013 is annexed to this Notice.
2. The company has appointed Smt. Lakshmmi Subramanian, Senior Partner [M.No: FCS-3534, CP No: 1087], M/s. Lakshmmi Subramanian & Associates, Practicing Company Secretaries, Chennai to act as the Scrutinizer for conducting the postal ballot process, in a fair and transparent manner.
3. The Notice is being sent to all the Members, whose names appear in the Register of Members/List of Beneficial Owners received from National Securities Depository Limited (NSDL)/Central Depository Services (India) Limited (CDSL) as on 26th June, 2015.
4. In compliance with provisions of Section 108 and 110 of the Act read with the Companies (Management and Administration) Rules, 2014, the Company is pleased to offer e-voting facility as an alternate, to all the Members of the Company.
5. For this purpose, the Company has entered into an agreement with CDSL for facilitating e-voting to enable the Members to cast their votes electronically instead of dispatching Postal Ballot Form.

The instructions for Shareholders for e-voting are as under:

- (a) In case of Shareholders receiving intimation by e-mail from CDSL and opting to vote through e-voting process:
 - (i) Open e-mail and open PDF File viz; "SIL e-Voting.pdf" with your Client ID or Folio No. as

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For SURANA INDUSTRIES LIMITED
Company Secretary

POSTAL BALLOT NOTICE



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.cdsl.com>
 - (iii) Click on Shareholder - Login.
 - (iv) Insert user ID and password as initial password noted in step (i) above. Click Login.
 - (v) Password change menu appears. Change the password with new password of your choice with minimum 8 digits/ characters or combination thereof. Note 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 E-voting Cycles.
 - (vii) Select "EVSN" of Surana Industries 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 resolutions, you will not be allowed to modify your vote.
 - (xii) For the votes to be considered valid, the 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. together with attested specimen signature of the duly authorized signatory (ies) who are authorized to vote, to the Scrutinizer through e-mail at lakshmmi6@gmail.com with a copy marked to evoting@cdsl.co.in.
- (b) In case of Members receiving Postal Ballot Form by Post and opting to vote through e-voting Process can refer Point no. 7(a) in Notes.
 - (c) In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the Downloads section of www.evoting.cdsl.com.
 - (d) If you are already registered with CDSL for e-voting then you can use your existing user ID and password for casting your vote.
 - (e) 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).
6. Kindly note that the Shareholders can opt only one mode of voting, i.e., either by Physical Ballot or e-voting. If shareholders are opting for e-voting, then they shall not vote by Physical Ballot or vice versa. However, in case Shareholders 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.

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For SURANA INDUSTRIES LIMITED



POSTAL BALLOT NOTICE

7. Members holding shares in physical form desiring to exercise vote by e-voting and physical Postal Ballot are requested to carefully read the instructions given below:

a) Instructions for Member holding shares in physical form:

User ID	For Members holding Shares in physical form : Folio No registered with the company
PAN*	Enter your 10 digit alpha-numeric *PAN issued by the Income Tax Department when prompted by the system while e-voting.
DOB#	Enter the Date of Birth as recorded in your account or in the Company records for folio in dd/mm/yy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your account or in the Company records for the said folio. After entering these details appropriately, click on "SUBMIT" tab.

* Members who have not updated their PAN with the company are requested to use their first two letters of their name and the sequence number in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name. Eg: If your name is Ramesh Kumar with sequence number 1 and then enter RA00000001 in the PAN field.

Please enter any one of the details in order to login. In case both the details are not recorded with the company, please enter the folio number in the dividend bank details field.

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

b) A member desiring to exercise vote by postal ballot may complete this form (no other form are photocopy thereof is permitted) and return the Form duly completed and signed in the enclosed self addressed business reply envelope to the Scrutinizer so as to reach the Scrutinizer on or before the close of the working hours on Monday 10th day of August, 2015. The postage cost will be borne by the Company. However, envelopes containing Postal Ballot Form(s), if deposited in person or sent by courier or registered/speed post at the expense of the shareholder will also be accepted.

8. The voting period for e-voting module ends on Monday 10th day of August, 2015. The e-voting module will be disabled by CDSL at 05.30 p.m. on the same day.

9. In cases where the Postal Ballot Form has been signed by an Authorized Representative of a Body Corporate, certified copy of the relevant authorization to vote on the Postal Ballot should accompany the Postal Ballot Form.

10. Voting rights shall be reckoned on the paid-up value of the shares registered in the name(s) of the Member(s) on the cut-off date i.e. Friday, 26th June, 2015.

11. The Postal Ballot Forms received after 10th August, 2015 will be treated as if reply from the member has not been received.

12. The Scrutinizer will submit his report addressed to the Managing Director of the Company, after completion of scrutiny of Postal Ballot in a fair and transparent manner. The results of the Postal Ballot will be announced on Tuesday, 11th August, 2015 and communicated to the Stock Exchanges where the Company's shares are listed. The results of the Postal Ballot will also be displayed on the Company's website www.suranaind.com besides communicating to the stock exchanges on which the shares of the company are listed.

13. The Board of Directors of the Company has appointed Shri Dineshchand Surana (DIN: 00007032), Managing Director as the person responsible for the entire Postal Ballot process.

14. Documents specifically stated in the Explanatory Statement are open for inspection at the Registered Office of the Company between 02.00 p.m. and 05.00 p.m. on all working days (except Saturdays, Sundays and Public Holidays) up to the last date for voting under Postal Ballot.

[Signature]
Company Secretary



ANNEXURE / EXPLANATORY STATEMENT TO THE NOTICE:

Statement to be annexed to the notice, pursuant to Sections 102 of the Companies Act, 2013 and 192(A) of the Companies Act, 1956 to the extent applicable is given hereunder:

ITEM NO: I

The shareholders are aware of the fact that, the company is under the Corporate Debt Restructuring Framework of the Reserve Bank of India. And further the approval of the shareholders had been obtained through postal ballot for ratification of the CDR Package as approved by the CDR EG in terms of Regulation 10(2) of the SEBI (Substantial Acquisition of Shares and Takeovers Regulations) 2011 and for Issue of Shares on Preferential Basis to Promoters as part of the CDR Package on February 6, 2015.

However recently the three promoters, namely Shri G R Surana, Shri Shantilal Surana, Shri. Vijayraj Surana, have decided to transfer inter se their holdings to their youngest brother Shri Dineschand Surana, Promoter cum Managing Director of the Company.

Under the provisions of the SEBI (Acquisition of Shares and Takeovers) Regulations 2011 such inter se transfer amongst immediate family members is allowed.

The reason behind the inter-se transfer is that, Shri G R Surana, Shri Shantilal Surana, and Shri. Vijayraj Surana, co-founder and promoters of the company are facing health issues partly due to advancing age, and as a result, they are unable to continue as promoters of our Company. Accordingly they have decided to transfer their shareholdings to their youngest brother, Shri. Dineschand Surana. It is to be noted that there is no dilution of holdings in the promoter group and the said preferential allotment would not result in any change in control over the Company or the Management of the affairs of the Company and Shri. Dineschand Surana, Promoter will continue to be in control with increased holdings.

Shri. Dineschand Surana is one of co-founder of the company and has played a seminal role in shaping its destiny. He has involved in the strategic planning vision and formulation of strategies for the Company. Under his guidance Surana Industries Limited achieved newer milestones with clear focus on driving productivity and performance across all business segments of the company. Further, he has been the Managing Director of our Company since 5th August 2000 and he will continue to hold the position. Shri Dineschand Surana has been working assiduously to frame, get approval and implement the Corporate Debt Restructuring Scheme, which has been sanctioned by the financial institutions and bankers for our Company.

In view of the above, it is thought fit to obtain a fresh approval of the shareholders for the issue and allotment of shares on preferential basis to Shri. Dineschand Surana.

A. Material Facts relating to the Issue of Shares on Preferential Basis to Shri. Dineschand Surana, Promoter cum Managing Director:

- (i) To comply with the requirements of Corporate Debt Restructuring programme approved by the Consortium of Bankers and Corporate Debt Restructuring Empowered Group (CDR EG), Promoter/ Promoter Group consist of Shri. Dineschand Surana has to contribute a sum of **Rs. 377,70,00,000/-** (Rupees Three Hundred and Seventy Seven Crores and Seventy Lakhs only) to the Company.
- (ii) The proposed issue of equity shares on preferential basis to the Promoters would be strictly in accordance with Chapter VII of the SEBI (Issue of Capital and Disclosure Requirements) Regulations 2009 ("**SEBI ICDR Regulations 2009**") as amended and the following parameters would be subject to such changes as may be required to conform to the SEBI (ICDR) Regulations, 2009. Such proposed issue of securities to the Promoter / Promoter Group would comprise of such number of equity shares at such price which shall not be lower than the price determined in accordance with the SEBI (ICDR) Regulations, 2009. The total subscription amount including premium on shares up

For SURANA INDUSTRIES LIMITED



to which shares to be issued is **Rs. 377,70,00,000/-** (Rupees Three Hundred and Seventy Seven Crores and Seventy Lakhs only).

- (iii) The Company is proposing to allot the above Equity Shares to "Promoter/Promoter Group" of the Company.
- (iv) The pricing of the equity shares to be allotted on preferential basis to the Promoter shall not be lower than the price determined in accordance with the SEBI (ICDR) Regulations, 2009 as amended. Currently, SEBI (ICDR) Second Amendment Regulations, 2014 provide that the issue of securities on preferential basis can be made at a price not less than higher of the following:

a) In case of Frequently traded Shares:

- The average of the weekly high and low of the volume weighted average prices (VWAP) of the related equity shares quoted on the recognized stock exchange during the twenty six weeks preceding the relevant date;
- Or
- The average of the weekly high and low of the weighted average prices (VWAP) of the related equity shares quoted on a recognized stock exchange during the two weeks preceding the relevant date.

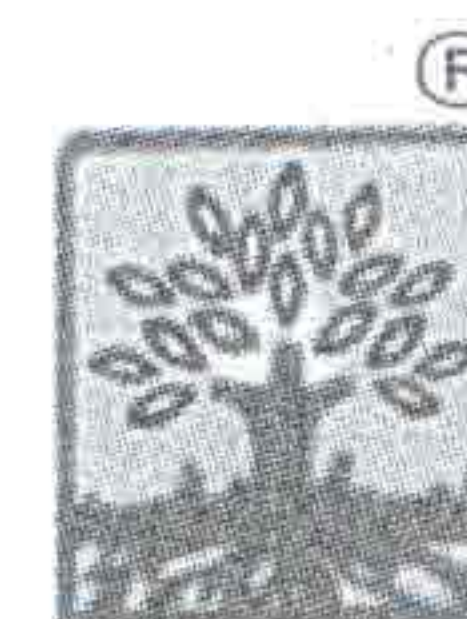
b) In case of infrequently traded Shares:

Regulation 76A of SEBI (ICDR) Second Amendment Regulations 2014:

76A. Where the shares are not frequently traded, the price by the issuer shall take in to account valuation parameters including book value, comparable trading multiples and such other parameters as are customary for valuation of shares.

The Company's total trading during the twelve months preceding the relevant date is only 0.41% which is less than 10% of the shares of total paid up capital of the company. Hence the company falls under the category of "infrequently traded shares" where the price is determined as per Regulation 76A of SEBI (ICDR) Second Amendment Regulations 2014, taking into account valuation parameters including book value, comparable trading multiples, and such other parameters as are customary for valuation of shares.

- (v) **Relevant Date:** The Relevant Date for the determination of the price of the Equity Shares has been considered to be 07th March, 2014, being the date on which the CDR EG approved the Corporate Debt Restructuring Package of the Company as per Regulation 71A of SEBI (Issue of Capital Disclosure Requirements) Regulations 2009 (including any amendment thereof).
- (vi) The Equity Shares arising out of issue of shares to be allotted to the Promoters pursuant to the proposed special resolution shall be subject to lock-in as per SEBI (ICDR) Regulations, 2009 (including any amendment thereof).
- (vii) The Equity Shares allotted pursuant to the above Resolution shall rank in all respects pari passu with the existing Equity Shares of the Company.
- (viii) Pursuant to the provisions of Section 62 of the Companies Act, 2013 and as per the requirements of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, issue of equity shares requires prior approval of the shareholders by a Special Resolution. Under Section 110 of the Companies Act, 2013, a listed company may obtain the approval of the shareholders through Postal Ballot /e-voting. This resolution is proposed for the approval of the Members by way of Postal Ballot /e-voting, in accordance with the rules prescribed under the Companies Act, 2013.



(ix) **General Exemption:** The promoters are exempted from making a public announcement for open offer under regulation 10(2) of the Takeover Regulations of the Scheme of Corporate Debt Restructuring set out in ("CDR LOA") dated March 13, 2014 issued by the CDR Cell and MRA dated 24th March 2014 is approved by Special Resolution, which was obtained by the company by way of postal ballot on February 6, 2015.

(x) **Listing of the above equity shares:**

The Equity Shares shall be listed at BSE Ltd (the "BSE") and the National Stock Exchange of India Ltd ("the NSE"). The consent of the shareholder is also being sought pursuant to the provisions of the Companies Act, 2013 and in terms of the provisions of the Listing Agreement entered with the Indian Stock Exchanges where the equity shares of the company are listed.

B. Disclosures prescribed under the SEBI (ICDR) Regulations, 2009:

a) **Object of the issue:**

To comply with the requirements of Corporate Debt Restructuring programme as approved by the CDR Empowered Group.

b) **Intention of the Promoters to subscribe to the offer:**

Shri. Dineshchand Surana, Promoter had intended and also brought a portion of the subscription money being the "Promoter Group" of the Company for the proposed issue of equity shares. The remaining amount shall be brought in by the Promoter in accordance with the terms of the CDR package. The existing executive directors and the promoters of the Company shall continue to hold their respective position and there will be no change consequent to the allotment of equity shares to "Promoter Group".

Control – There is no change in the Control:

The allotment would not result in any change in control over the Company or the Management of the affairs of the Company, or in the Board of Directors of the Company and the Promoter will continue to be in control with increased holdings.

c). **Shareholding Pattern before and after the proposed preferential issue:**

S.No	Class of Shareholders	Pre Allotment		Post Allotment*	
		No of Shares	%	No of Shares	%
A	Promoter Holdings				
1.	India:				
	Individual	20307502	45.62	72175121	74.88
	Bodies Corporate	-	-	-	-
	Sub Total (1)	20307502	45.62	72175121	74.88
2	Foreign Promoters	-	-	-	-
	Sub Total (2)	-	-	-	-
B	Non-Promoters Holding				
1.	Institutional Investors	688665	1.55	688665	0.73
2	Non-Institution:				
	Private Corporate Bodies	9661925	21.70	9661925	10.02
	Directors and Relatives	32507	0.07	32507	0.03
	Indian Public	841223	1.89	841223	0.87
	Others (including NRIs, OCBs)	12987245	29.17	12987245	13.47
	Sub Total (3)	24211565	54.38	24211565	25.12
	Grand Total (1+2+3)	44519067	100.00	96386686	100.00

* The post allotment is on the assumption that the equity shares of face value of Rs. 10/- each issued proposed to be issued are issued at a minimum price of Rs. 72.82/- (price determined in accordance with SEBI (ICDR) Regulations 2009 as amended) (inclusive of premium of Rs. 62.82 per share) as at the Relevant Date.



d) Proposed time within which the allotment shall be completed:

The Board proposes to allot the above equity shares as per the contribution made by the promoters in one or more tranches in accordance with SEBI (ICDR), Regulations 2009 (including any amendment thereof) and subject to the terms and conditions of the CDR package.

e) The Identity of the proposed allottees and the percentage of post preferential issue capital that may be held by them:

Name of the Proposed Allottees	Category	Pre-issue Holding	No of Equity Shares proposed to be allotted	Issue Price (INR) of equity shares	Post-Issue Holding
Dineshchand Surana	Promoter Individual	50,76,876	51,867,619	72.82	56,944,495
Total	-	50,76,876	51,867,619	-	56,944,495

f) Undertaking for Lock In of Shares:

The lock in of shares shall apply for a period of one year from the date of allotment pursuant to Regulation 78(4) of SEBI (Issue of Capital Disclosure Requirements) Regulations 2009 (including any amendment thereof).

g) Pricing

The pricing of the equity shares to be allotted on preferential basis to the Promoter is Rs. 72.82/- per share (inclusive of Rs. 62.82 as premium per share) which is determined in accordance with the SEBI (ICDR) Regulations, 2009 as amended. Currently, SEBI (ICDR) Second Amendment Regulations, 2014.

h) The CDR Package and Auditor's Certificate required under Clause 73(2) of SEBI ICDR Regulations, 2009:

The copy of approved CDR Package by CDR EG, copy of Auditor's Certificate dated May 30, 2015 and all other relevant documents will be made available for inspection at the Registered Office of the Company between 02:00 p.m. and 05.00 p.m. on any working day (Except Saturdays, Sundays and Public holidays) up to the last date for voting under Postal Ballot. The Auditors' Certificate will also be displayed on the website of the Company – www.suranaind.com

The above proposals are in the interest of the Company and the Directors recommend the Resolution in Item No. 1 of the Notice for approval by the members.

The Directors recommend the aforesaid resolution for the approval by the members as a Special Resolution.

None of the Directors, Key Managerial Personnel and their relatives are in any way concerned or interested in the said resolution except Shri. Dineshchand Surana and their relatives.

ITEM NO: 2

The Company's manufacturing and business activities are based at Gummudipoondi in the state of Tamilnadu. Currently the Registered Office of Company is situated at Chennai in the state of Tamilnadu. To exercise



better administrative and economic control which will reduce overheads, eliminate duplication of records and enable the Company to rationalize and streamline its operations as well as management of affairs of its business, the Board of Directors of the Company in its meeting held on March 26, 2015 has proposed to shift the Registered Office of the Company from Chennai in the state of Tamilnadu to Gummudipoondi in the state of Tamilnadu. This will enable the Company to handle its business activities more efficiently and run its business more economically and conveniently.

Further the Gummudipoondi premises is an own premises of the company and all key officials of the Company are also operating from Gummudipoondi in the state of Tamilnadu. The members are aware that since Gummudipoondi falls under the district of Thiruvallur, it is necessary to obtain the approval of the shareholders. Hence, the Registered office of the Company is proposed to be shifted from No: 29, IInd Floor, Whites Road, Royapettah, Chennai - 600014 in the state of Tamilnadu and be situated at #F67, 68 & 69, Sipcot Industrial Complex, Gummudipoondi, Thiruvallur District in the state of Tamilnadu subject to the confirmation of the Regional Director, Southern Region, Chennai under the provisions of the Companies Act, 2013 and also subject to the members' approval as mentioned above. Your directors believe that the proposed shifting of the office is not prejudicial to the interest of any party. The Directors recommend the resolution at item no. 2 of the accompanying Notice for the approval of the Members of the Company. Further, pursuant to the provisions of Section 110 of the Companies Act, 2013 and the Companies (Management and Administration) Rules, 2014 the Special Resolution for shifting of Registered Office for a listed Company from one state to another is required to be passed by way of Postal Ballot and after passing of the same, the Company will submit necessary application to the Regional Director, Southern Region Chennai for its confirmation as required under Section 13 of the Companies Act, 2013 read with Rule 30 of Companies (Incorporation) Rules, 2014

None of the Directors, Key Managerial Personnel and their relatives are in any way concerned or interested in the said resolution.

ITEM NO: 3

Pursuant to Section 186 (2) of the Companies Act, 2013 (Act) and the Companies (Meetings of Board and its Powers) Rules, 2014 the Board of Directors is authorized to give loan, guarantee or provide security in connection with a loan to any other body corporate or person and/ or to acquire by way of subscription, purchase or otherwise, the securities including shares, debentures etc. or any other body corporate, up to amount aggregate of which should not exceed 60% of the paid up capital, free reserves and securities premium account or 100% of free reserves and securities premium account of the Company, whichever is higher. In case the Company exceeds the above mentioned limits then, prior approval of shareholders by way of a Special resolution is required to be obtained. However, Rule 11 of Rules provides that where a loan or guarantee is given or where a security is provided by a company to its wholly owned subsidiary company or a joint venture company or acquisition is made by a holding company, by way subscription, purchase or otherwise of, the securities of its wholly owned subsidiary company, approval of shareholders is not required but such amounts will be taken into consideration for calculating the above limits.

The company is undertaking various business activities through its subsidiaries and joint ventures associate companies, other bodies corporate and would, therefore, be required to provide financial assistance / support by way of giving of loans / guarantees, providing of securities, making investment in securities in order to expand its business activities and also for optimum utilization of funds. Accordingly, Board of Directors, of the Company may be authorized to given loans, guarantees or provide securities or investment



as mentioned above, up to an amount, the aggregate outstanding of which should not exceed, at any given time Rs. 2500 crores, which shall be over and above the said limit as specified in section 186 (2) of the Act and the aggregate outstanding amount of loans/guarantees/ securities provided/made to wholly owned subsidiary companies and joint venture companies and investment made in wholly owned subsidiary companies from time to time. The Board of Directors recommends this resolution to the Shareholders for their approval by way of Special Resolution.

Except the Directors and Key managerial Personnel or their relatives who may be concerned or interested, financial or otherwise, by way of Directorship/shareholding or in any other manner in one or more companies / bodies corporate / individuals as described in the said resolution, no other Director or Key managerial personnel or their relatives is concerned in the said Resolution.

ITEM NO: 4 & 5

The Company, since quite some time, has been taking various initiatives for liability management including successful implementation of corporate debt restructuring. The company is in the urge of infusing much needed liquidity in the system by divesting its stake in its subsidiaries. The Company is also aggressively pursuing the disposal off its other non-core assets.

Apart from the above and as has been mandated by CDR EG, it is now proposed to divest from Surana Power Limited (SPL), India a wholly owned subsidiary which is considered as a material subsidiary of the company and Surana Mines & Minerals Limited (SMML), a wholly owned foreign subsidiary of the Company, which would facilitate further improving the liquidity position of the Company and help debt reduction.

Several options continue to be explored for monetizing the Company's both domestic and international asset being Surana Power Limited (SPL) and Surana Mines & Minerals Limited (SMML). Surana Group has now received a binding offer from the prospective acquirer both in India and Singapore respectively wherein the closing of which is subject to regulatory, financing and other customary closing conditions.

The Board was further informed that the proposed buyer(s) is not related to the promoter and promoter group and the proposed transaction shall not constitute a related party transaction.

The funds raised by such complete or partial divestment are proposed to be used by the Company towards repayment of a portion of its debts and for the business growth of the company. Having paid off such Rupee debts, there would be substantial saving in the interest cost and the Company would be in a better position to focus on business.

Clause 49(V)(F) of the Equity Listing Agreement entered into by the Company with the Stock Exchanges on which the equity shares of the Company are listed, provides that no company shall dispose of shares in its material subsidiary which would reduce its shareholding (either on its own or together with other subsidiaries) to less than 50% or cease the exercise of control over the subsidiary without passing a special resolution in its general meeting, except in cases where such divestment is made under a scheme of arrangement duly approved by a Court/Tribunal. A material subsidiary in terms of the Company's Policy on Material Subsidiary, means (a) a subsidiary in which the investment made by the Surana Industries Ltd (SIL) in the share capital of such subsidiary company exceeds 20% of its consolidated net worth as per the audited consolidated financial statements; or (b) the income of the subsidiary exceeds 20% of the consolidated income as per the audited consolidated financial statements during the previous financial year. The total investment made by SIL in SPL exceeds 20% of the consolidated Networth of the company.

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For SURANA INDUSTRIES LIMITED



Thus since SPL meets the said criteria of being a Material Subsidiary of the Company, it would be required to seek approval of the Shareholders of the Company for divesting from SPL the entire stake to the extent of 100%.

In terms of Section 180(1)(a) of the Companies Act, 2013, a company cannot sell, lease or otherwise dispose off the whole or substantially the whole of the undertaking of the company without the consent of the members by way of special resolution at the general meeting of the company. In terms of explanation to Section 180(1)(a), the term 'undertaking' means an undertaking in which the investment of the company exceeds 20% of its Networth as per the audited balance sheet of the preceding financial year or an undertaking which generates 20% of the total income of the company during the previous financial year. Further, the expression 'substantially the whole of the undertaking' in any financial year shall mean 20% or more of the value of the undertaking as per the audited balance sheet of the preceding financial year. Since SPL contributes more than 20% of the consolidated Networth of the company and SMML includes sale of 'substantially the whole of the undertaking' it is mandatory to seek the approval of the shareholders in terms of Section 180(1)(a) of the Companies Act, 2013

In view of the aforesaid provisions, you are requested to grant you consent to the special resolution as set out at Agenda Item No. 4 of the accompanying Notice.

None of the Directors and Key Managerial Personnel of the Company and their relative has any concern or interest, financial or otherwise in the proposed resolution.

Registered Office:

No.29, II Floor, Whites Road,
Royapettah, Chennai 600 014

Place : Chennai

Date : 30th May, 2015

By order of the Board
For **Surana Industries Limited**

Sd/-

Dineshchand Surana
Managing Director
(DIN: 0007032)

Encl:

1. Postal Ballot Form
2. Pre-paid self-addressed envelope

CERTIFIED TRUE COPY
For SURANA INDUSTRIES LIMITED

[Signature]
Company Secretary

GURUDEV

Surana Industries Limited

(CIN: L27104TN1991PLC020533)



Regd. office No.29, Whites Road, II Floor, Royapettah, Chennai - 600 014

Email : surana@suranaind.com Website : www.suranaind.com

POSTAL BALLOT FORM

1. Name & Registered Address of the : Sr. No.
sole/first named Shareholder
(in block letters)
2. Name(s) of Joint Shareholder(s), if any :
3. Registered Folio No./ :
DP ID No.* / Client ID No.*
*(Applicable to Investors holding
Shares in demat form)
4. Number of Share(s) held :
(Equity Shares of Rs.10/- each)
5. I/We hereby exercise my/our vote in respect of the Resolution(s) to be passed through Postal Ballot for the business stated in the Notice of the Company, dated 30th May, 2015 by conveying my/our assent or dissent to the said resolution(s) by placing the tick mark (✓) at the appropriate box below

Resolution No.	Description of Resolutions	Type of Resolution	No of Shares Held	I/We Assent to the Resolution (FOR)	I/We dissent to the Resolution (AGAINST)
1.	Issue of Equity Shares on Preferential basis to Shri. Dineschand Surana, Promoter	Special Resolution			
2.	Shifting of the Registered Office of the Company	Special Resolution			
3.	Giving of Loans/Guarantees, Providing Securities and Making of Investments in Securities beyond the prescribed limit under Section 186 of the Companies Act, 2013	Special Resolution			
4.	To Approve Disinvestment in Surana Power Limited (SPL)	Special Resolution			
5.	To Approve Disinvestment in Surana Mines & Minerals Limited (SMML)	Special Resolution			

Place :

Date :

Company Secretary

Signature of the Shareholder

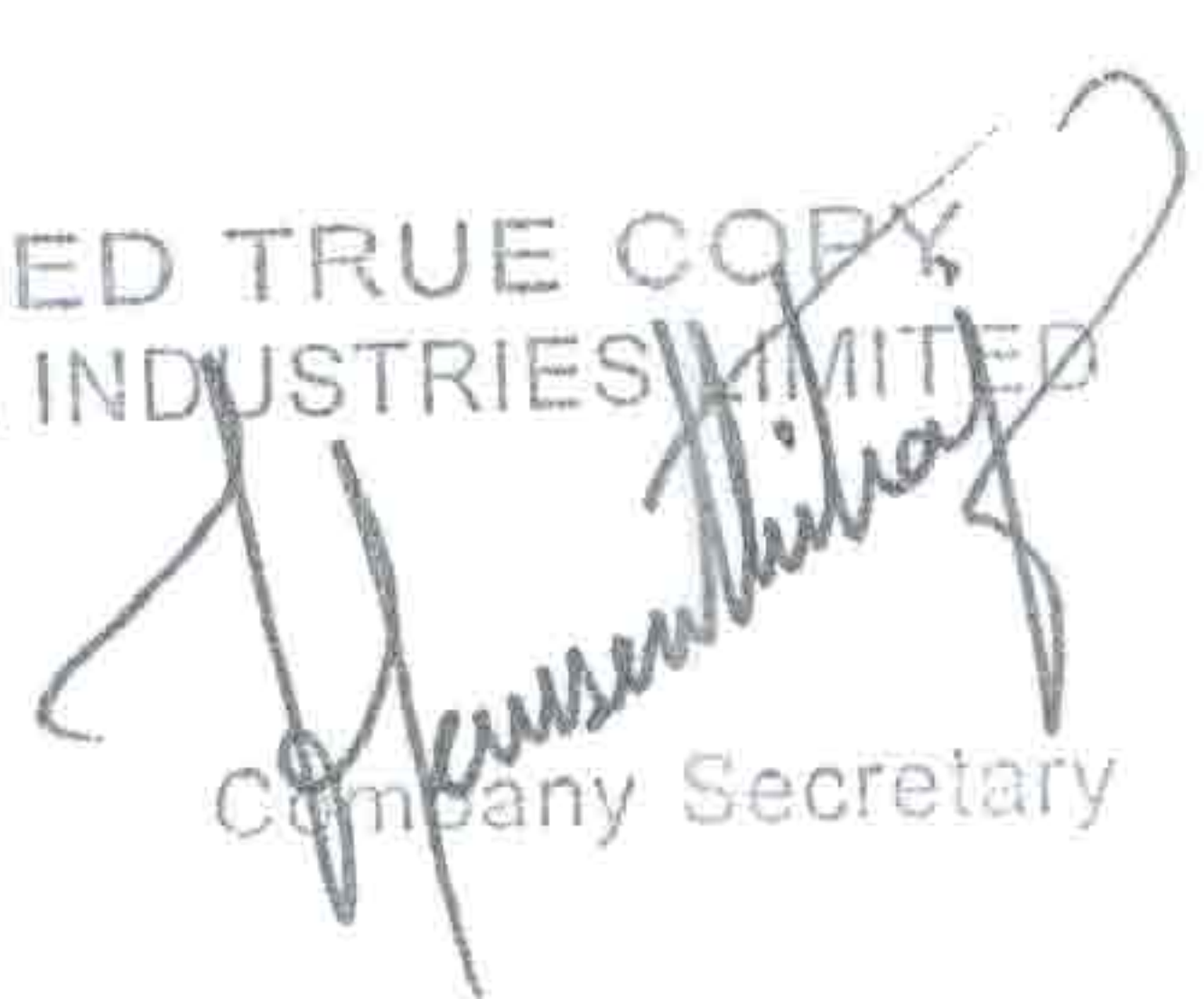
ELECTRONIC VOTING PARTICULARS

(Applicable for Individual Members only)

EVS (Electronic Voting Sequence Number)	Default Number

Note : (1) Kindly read the instructions printed in postal ballot notice before filling the form. Valid Ballot Forms received by the Scrutinizer by 5.30 p.m. till Monday August 10, 2015 shall only be considered.

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For SURANA INDUSTRIES LIMITED


Company Secretary



Surana Industries Limited

CIN : L27104TN1991PLC020533

Regd. Cum Corp. H.O. : # 29, Whites Road, II Floor,
Royapettah, Chennai - 600 014. ☎ : 2852 6336, 2852 5127

★ Fax: 044-2852 0713 ★ Grams : "GURUHASTI"

Email: surana@suranaind.com ★ Website : www.suranaind.com



CALENDAR OF EVENTS FOR POSTAL BALLOT PROCESS OF SURANA INDUSTRIES LIMITED

JULY 2015

S.No	Particulars	Date of Event
1	Date of Approval of the Board of Directors for seeking approval of the shareholders for Postal Ballot.	May 30, 2015
2	Date on which consent given by scrutinizer to act as scrutinizer	May 30, 2015
3	Date of Appointment of scrutinizer	May 30, 2015
4	Date of Board Resolution authorizing one functional director (Shri. Dineshchand Surana, MD) to be responsible for the entire poll process	May 30, 2015
5	Filing of the Notice of Postal Ballot along with the Calendar of Events to the Stock Exchanges.	July 11, 2015
6	Completion of dispatch of Notice of Voting through Postal Ballot to the shareholders by physical and also by e-mail	July 11, 2015
7	Date of Commencement of Voting through electronic mode	July 11, 2015
8	Publication of Notice in newspaper giving the information as required in Rule 22(3) of the Companies (Management & Administration) Rules, 2014.	July 11, 2015
9	Last date of receipt of Postal Ballot Form/e-voting from the shareholders	August 10, 2015
10	Preparation of Scrutinizer's Report and submission of the same to the Managing Director	August 11, 2015
11	Declaration of the results of Postal Ballot and to inform the Stock Exchanges and display on the website of the company	August 11, 2015
12	Date of Publication of the results in Newspaper	August 12, 2015
13	Filing of the Voting Results under Clause 35A along with the Report of Scrutinizer's Report with the SE's	August 12, 2015
14	Date of Signing the Minutes Book by the Chairman in which the results of the Postal Ballot is recorded	August 14, 2015
15	Filing of the proceedings of the Postal Ballot with the SE's	August 14, 2015

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For Surana Industries Limited



D. Hem Senthil Raj

Company Secretary & Compliance Officer