



SHARDA MOTOR INDUSTRIES LIMITED

(CIN: L74899DL1986PLC023202)

Registered Office: D-188, Okhla Industrial Area, Phase I, New Delhi-110020
Tel.: +91 11 4733 4100 Fax: +91 11 2681 1676 Website: www.shardamotor.com

NOTICE OF POSTAL BALLOT

Dear Member(s)

NOTICE is hereby given, pursuant to Section 110 of the Companies Act, 2013 ("the Act") read with the Companies (Management and Administration) Rules, 2014 that the Company is seeking consent of its members for the below mentioned resolutions by way of Postal Ballot which includes voting by electronic means. The 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 Shri A.K. Goyal, Company Secretary in Practicing (holding Membership No. FCS 1565 and C.P. No. 7461), 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, for voting by "post" or through "electronic means" namely by:-

- (i) returning the ballot form duly completed in all respects, as per instructions contained in the postal ballot form, in the attached self addressed postage per paid envelope, so as to reach the scrutinizer not later than 5.00 P.M. on 17th November' 2014: or
- (ii) casting their votes electronically from 18th October' 2014 (9.00 A.M. IST) to 17th November' 2014 (5.00 P.M.) by following the procedures as explained in Explanatory Statement.

The Scrutinizer after completion of the scrutiny will submit his report to the Chairman/Co-Chairman of the Company. Thereafter, the results of the postal ballot will be declared by the Chairman/Co-Chairman at the Registered Office of the Company.

The results will also be displayed on the website of the Company i.e. www.shardamotor.com, besides communicating to concerned Stock Exchanges where the shares of the Company are listed. The results of postal ballot shall also be announced through newspaper advertisement.

The Company is pleased to provide e-voting facility to the Shareholders for transacting the business at the above said Postal Ballot. Members holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 10th October' 2014, may cast their vote electronically on the Business(es) as set out in the Notice of the Postal Ballot through electronic voting system of Central Depository Services (India) Limited.

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

PROPOSED RESOLUTIONS

1. TO APPOINT SHRI BIRESWAR MITRA AS A DIRECTOR

To consider and if thought fit, to pass with or without modification(s), the following Resolution as an **Ordinary Resolution**

"**RESOLVED THAT** Shri Bireswar Mitra (holding DIN 06958002), who was appointed as an Additional Director of the Company by the Board of Directors with effect from 3rd September, 2014, in terms of Section 161 of the Companies Act, 2013 and who holds his office upto the date of next Annual General Meeting (i.e. 30th AGM) and eligible for appointment as a Director and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company whose period of office shall be liable to determination by retirement of directors by rotation."

2. TO APPOINT SHRI BIRESWAR MITRA AS A WHOLE-TIME DIRECTOR

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 Sections 196, 197 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (Act) (including any statutory modifications or re-enactment thereof), and subject to the such consent, approvals and permission as may be needed in this regards, consent of the Company be and is hereby accorded to the appointment of Shri Bireswar Mitra (holding DIN 06958002), as a whole-time director to be designated as an Executive Director of the company for a period of five years with effect from 3rd September, 2014 to 2nd September' 2019 on payment of such remuneration and other perquisites subject to tax deduction as per the Income Tax Act, as set out hereunder:

Salary : Basic: Rs. 87,000/-per month in the range of Rs.80,000/- to Rs. 1,20,000 /- per month.

HRA : Rs. 43,500/- per month in the range of Rs.40,000 to Rs.60,000 per month.

(As may be agreed by the Board of Directors / Nomination and Remuneration and Nomination Committee and Shri Bireswar Mitra)

Other Entitlements

1. Entertainment : Reimbursement of entertainment expenses subject to a maximum of Rs.10,000 per month.
2. Books & Periodicals : Actual subject to a maximum of Rs 9,370/- per month.
3. Medical for Self & Family : Actual for self and family subject to maximum of Rs.-1,250/- per month.
4. Leave Travel Concession : For self and family as per Company Rules.
5. Earned / Privilege Leave : As per Company Rules. Leaves accumulated but not availed of during his tenure en cashable as per Company Rules.
6. Car : Provision for Chauffeur Driven Car for official use only
7. Telephone/Mobile : Telephone at residence expenses on actual basis (excluding STD/ISD) and Mobile Expenses, on actual basis.
8. Provident Fund : Company's Contribution towards Provident Fund, Pension Fund & Superannuation Fund as per the Company Rules.
9. Gratuity : Gratuity as per the Payment of Gratuity Act, 1972 including any amendment or re-enactment thereof.
10. Others : Such other perquisites and allowances in accordance with the rules of the Company or as may be agreed upon by the Board of Directors and Shri Bireswar Mitra.

"Family means the Spouse, Dependent Children and Parents of the appointee."

FURTHER RESOLVED THAT where in any financial year during the currency of tenure of the Appointee, the Company has no profits or its profits are inadequate, the company will pay remuneration by way of salary and other entitlements as specified above, subject to limits laid down in the Companies Act, 2013 and Schedules / Rules made there under.

FURTHER RESOLVED THAT in the event of any liberalization/revision in the ceiling on permissible managerial remuneration or otherwise, the Board of Directors be and is hereby authorized to alter, vary and increase the remuneration, notwithstanding the overall remuneration set out as above, as may be permissible/prescribed without requiring any further resolution or consent of/reference to the Members.

FURTHER RESOLVED THAT the appointment may be terminated by either party by giving, in writing, to other party, one calendar months notice or such other period as may be agreed mutually."

FURTHER RESOLVED THAT Shri Nitin Vishnoi, Company Secretary be and is hereby authorized to file and submit necessary forms and returns with the Registrar of Companies and to do such other things, deeds and act as may be considered necessary for the purpose.

3. TO PAY MINIMUM REMUNERATION TO SHRI N. D. RELAN, CO-CHAIRMAN OF COMPANY WITH APPROVAL OF CENTRAL GOVERNMENT

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

RESOLVED THAT pursuant to the provisions of Sections 196 and 197 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (Act) (including any statutory modifications or re-enactment thereof), and subject to approval of the Central Government and such approvals as may be required, the payment of revised remuneration, as set out in the Explanatory statement annexed to this notice, to Shri N.D. Relan (holding DIN 00240280), Whole-time Director

(designated as Co-Chairman) of the Company with effect from 1st April, 2014 or such other date as may be approved by the Central Government, for the remaining period of his tenure i.e. upto 30th June, 2018, be and is hereby ratified, confirmed and approved.

RESOLVED FURTHER THAT in the absence or inadequacy of profits in any financial year during the remaining tenure of Shri N.D. Relan, Whole-time Director, he shall be paid the remuneration and perks as set out in the explanatory statement referred to above as the Minimum Remuneration with the approval of the Central Government.

RESOLVED FURTHER THAT save and except as aforesaid, the special resolution passed at the General Meeting on 2nd September, 2013 shall remain in full force and effect.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to take all actions and steps expedient or desirable to give effect to this resolution.

4. TO PAY MINIMUM REMUNERATION TO SHRI AJAY RELAN, MANAGING DIRECTOR OF THE COMPANY WITH APPROVAL OF CENTRAL GOVERNMENT

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

RESOLVED THAT pursuant to the provisions of Sections 196 and 197 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (Act) (including any statutory modifications or re-enactment thereof), and subject to approval of the Central Government and such approvals as may be required, the payment of revised remuneration, as set out in the Explanatory statement annexed to this notice, to Shri Ajay Relan (holding DIN 00257584), Managing Director of the Company with effect from 1st April, 2014 or such other date as may be approved by the Central Government, for the remaining period of his tenure i.e. upto 31st August, 2016, be and is hereby ratified, confirmed and approved.

RESOLVED FURTHER THAT in the absence or inadequacy of profits in any financial year during the remaining tenure of Shri Ajay Relan, Managing Director shall be paid the remuneration and perks as set out in the explanatory statement referred to above as the Minimum Remuneration with the approval of the Central Government.

RESOLVED FURTHER THAT save and except as aforesaid, the special resolution passed at the General Meeting on 8th August, 2011 shall remain in full force and effect.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to take all actions and steps expedient or desirable to give effect to this resolution.

5. TO PAY MINIMUM REMUNERATION TO SHRI UDAYAN BANERJEE, EXECUTIVE DIRECTOR OF COMPANY WITH APPROVAL OF CENTRAL GOVERNMENT

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

RESOLVED THAT pursuant to the provisions of Sections 196 and 197 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (Act) (including any statutory modifications or re-enactment thereof), and subject to approval of the Central Government and such approvals as may be required, the payment of remuneration, as set out in the Explanatory statement annexed to this notice, to Shri Udayan Banerjee (holding DIN 00339754), Whole-time Director (designated as Executive Director) of the Company for the period from 1st April, 2014 to 30th September, 2014 or as may be approved by the Central Government, be and is hereby ratified, confirmed and approved.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to take all actions and steps expedient or desirable to give effect to this resolution

6. TO PAY MINIMUM REMUNERATION TO SHRI BIRESWAR MITRA, EXECUTIVE DIRECTOR OF COMPANY WITH APPROVAL OF CENTRAL GOVERNMENT

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

RESOLVED THAT pursuant to the provisions of Sections 196 and 197 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (Act) (including any statutory modifications or re-enactment thereof), and subject to approval of the Central Government and such approvals as may be required, the payment of revised remuneration, as set out in the Explanatory statement annexed to this notice, to Shri Bireswar Mitra (holding DIN 06958002), Whole-time Director (designated as Executive Director) of the Company with effect from 3rd September, 2014 or such other date as may be approved by the Central Government, for the remaining period of his proposed tenure, be and is hereby ratified, confirmed and approved.

RESOLVED FURTHER THAT in the absence or inadequacy of profits in any financial year during the remaining tenure of Shri Bireswar Mitra, Whole-time Director (designated as Executive Director), he shall be paid the remuneration and perks as set out in the explanatory statement referred to above as the Minimum Remuneration with the approval of the Central Government.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to take all actions and steps expedient or desirable to give effect to this resolution

By Order of the Board
For Sharda Motor Industries Limited

Place : Delhi

Date : 9th October' 2014

Nitin Vishnoi

Company Secretary

FCS 3632

D-188, Okhla Industrial Area,
Phase- I, New Delhi -110020

Encl:

- (1) Explanatory Statement pursuant to the provisions of section 102 of the companies act, 2013 and procedures for voting through "electronic means"
- (2) Postal ballot form & self addressed pre-paid postage envelop

EXPLANATORY STATEMENT PURSUANT TO THE PROVISIONS OF SECTION 102 OF THE COMPANIES ACT, 2013 ANNEXED TO THE NOTICE DATED 9th OCTOBER' 2014

ITEM NO. 1 & 2

Shri Bireswar Mitra was appointed as an Additional Director of the Company with effect from 3rd September' 2014 by the Board of Directors and In terms of Section 161 of the Act, holds office only upto the date of the Next AGM (i.e. 30th AGM) and eligible for appointment as a Director. A notice has been received from a Member signifying its intention to propose Shri Bireswar Mitra appointment as a Director. The Board also appointed Shri Bireswar Mitra as the whole-time Director to be designated as an Executive Director of the Company for the period five year from 3rd September' 2014 to 2nd September' 2019, subject to approval of the Members.

In August 2002, Shri Bireswar Mitra joined the Company as a Sr. General Manager, he is qualified B.Tech. (Mech. Engg.) from IIT, Kharagpur and has worked for more than 22 Years with various reputed organization at deferent levels; this varied experience over such long period has resulted into a wide and deep understanding in business of Company. This enables him to drive operational excellence across the extensiveness of responsibilities.

The Board of Directors of the Company is of the view that the appointment of Shri Bireswar Mitra as a whole-time Director, to be designated as Executive Director will be beneficial to the operations of the Company. The remuneration payable to him is commensurate with his abilities and experience and accordingly commend the Resolutions at Item Nos. 1 & 2 of the accompanying Notice for approval by the Members of the Company.

In compliance with the provisions of Sections 196, 197 and other applicable provisions of the Act, read with Schedule V to the Act, the terms of remuneration specified above are now being placed before the Members for their approval.

None of the Directors and Key Managerial Personnel of the Company or their Relatives is concerned or interested in the Resolutions at Item Nos. 1 & 2 of the accompanying Notice, except Shri Bireswar Mitra himself.

Shri Bireswar Mitra is not related to any other Director of the Company.

ITEM NO.3

The members of the Company had at the General Meeting held on 2nd September, 2013 re-appointed Shri N.D Relan as Whole-Time Director of the Company for a period of five years with effect from 1st July, 2013 on a remuneration, as detailed in the notice of the said meeting, and authorized the Board of Directors to revise, amend, alter and vary the terms and conditions relating to the remuneration payable to him in such manner as may be permissible with the applicable laws.

But, the present market scenario of general economic slowdown, higher ownership cost, currency fluctuations, high interest rates, and increasing fuel prices are adversely affecting Automobile Industry and resulting in a decline in sales and profitability of the company. Thus, it was observed by Nomination and Remuneration Committee and Board of Directors of Company that keeping view of existing Remuneration (as approved by member in General Meeting held on 2nd September' 2013) to be paid to Shri N.D. Relan, Co-chairman, would exceed the limits prescribed under Schedule V read with relevant provisions of Companies Act 2013. Therefore Nomination and Remuneration Committee and Board of Directors' in their respective meetings held on 7th August' 2014, has approved the following remuneration to be paid to Shri N D Relan, as the minimum remuneration in the case of no profit / inadequate profit with the approval of Central Government for the financial year 2014-15 and thereafter with an increment of 10% per annum. However the Special Resolution passed by the shareholders in their meeting held on 2nd September' 2013 shall remain in full force and effect except in case of no profit / inadequate profit in any financial year.

REMUNERATION:

Salary : Rs. 14,50,000 (Rupees Fourteen Lacs Fifty Thousand only) per month

Perquisites : Rs. 4,50,000 (Rupees Four Lacs Fifty Thousand only) per month

In this regards the said special resolution is proposed for the approval of the shareholders and an application seeking approval of the Central Government is being made by Company for the approval of above mention remuneration to Shri N.D. Relan.

None of the Directors and Key Managerial Personnel of the Company or their relatives is concerned or interested in above resolution except Shri N.D. Relan, himself and Smt. Sharda Relan, Shri Ajay Relan and Shri Rohit Relan as relative to him.

ITEM NO. 4

The members of the Company had, at the General Meeting held on 8th August' 2011, re-appointed Shri Ajay Relan, Managing Director of the Company for a period of five years with effect from 1st September, 2011 on a remuneration, as detailed in the notice of the said meeting and authorized the Board of Directors to revise, amend, alter and vary the terms and conditions relating to the remuneration payable to him in such manner as may be permissible with the applicable laws.

But, the present market scenario of general economic slowdown, higher ownership cost, currency fluctuations, high interest rates, and increasing fuel prices are adversely affecting Automobile Industry and resulting in a decline in sales and profitability of the company. Thus, it was observed by Nomination and Remuneration Committee and Board of Directors of Company that keeping view of existing Remuneration (as approved by member in General Meeting held on 8th, August' 2011) to be paid to Shri Ajay Relan Managing Director, would exceed the limits prescribed under Schedule V read with relevant provisions of Companies Act 2013. Therefore Nomination and Remuneration Committee and Board of Directors' in their respective meetings held on 7th August' 2014, has approved the following remuneration to be paid to Shri Ajay Relan, as the minimum remuneration in the case of no profit / inadequate profit with the approval of Central Government for the financial year 2014-15 and thereafter with an increment of 10% per annum. However the Special Resolution passed by the shareholders in their meeting held on 8th August' 2011 shall remain in full force and effect except in case of no profit / inadequate profit in any financial year.

REMUNERATION :

Salary : Rs. 14,00,000 (Rupees Fourteen Lacs only) per month

Perquisites : Rs. 4,50,000 (Rupees Four Lacs Fifty Thousand only) per month

In this regards the said special resolution is proposed for the approval of the shareholders and an application seeking approval of the Central Government is being made by Company for the approval of above mention remuneration to Shri Ajay Relan.

None of the Directors and Key Managerial Personnel of the Company or their relatives is concerned or interested in above resolution except Shri Ajay Relan, himself and Shri N.D. Relan, Smt. Sharda Relan and Shri Rohit Relan as relative to him.

ITEM NO. 5

The members of the Company had, at the General Meeting held on 18th August' 2010, re-appointed Shri Udayan Banerjee, Whole-time Director (designated as Executive Director) of the Company for a period of five years (i.e. 1st April, 2010 to 31st March 2015), on a remuneration as detailed in the notice of the said meeting and authorized the Board of Directors to revise, amend, alter and vary the terms and conditions relating to the remuneration payable to him in such manner as may be permissible with applicable laws.

However, due to personal reasons Shri Udayan Banerjee has tendered his resignation, effective from 1st October 2014. But Shri Udayan Banerjee had been paid remuneration within the approved limits for the period from 1st April' 2014 to 30th September' 2014. The Nomination and Remuneration Committee and Board of Directors of Company also observed that monthly remuneration being paid to him from 1st April' 2014 along-with other Executive Director(s), may exceed the limits prescribed (i.e. Total managerial remuneration paid to managerial personnel) under the Companies Act, 2013 and Schedules made thereunder. Therefore Nomination and Remuneration Committee and Board of Directors' in their respective meetings held on 7th August' 2014, has approved following monthly remuneration being paid to Shri Udayan Banerjee subject to the approval of Central Government.

REMUNERATION:-

Salary : Rs. 1,20,000/- (Rupees One Lacs Twenty Thousand Only) per month

HRA : Rs. 72,000/- (Rupees Seventy Two Thousand Only) per month

Perquisites : Rs. 92,500/- (Rupees Ninety Two Thousand Five Hundred Only) per month

In this regards the said special resolution is proposed for the approval of the shareholders and an application seeking approval of the Central Government is being made by Company for the approval of above mention remuneration to Udayan Banerjee.

None of the Directors and Key Managerial Personnel of the Company or their relatives is concerned or interested in above resolution except Shri Udayan Banerjee himself.

ITEM NO. 6

Shri Bireswar Mitra was appointed as an Additional Director of the Company with effect from 3rd September' 2014 by the Board of Directors and further, subject to approval of members, he was also appointed as a whole-time Director (to be designated as Executive Director) on such remuneration as set out in item no 2 of this postal ballot notice.

But, the present market scenario of general economic slowdown, higher ownership cost, currency fluctuations, high interest rates, and increasing fuel prices are adversely affecting Automobile Industry and resulting in a decline in sales and profitability of the company. Therefore, it was observed by Nomination and Remuneration Committee and Board of Directors of Company that Remuneration to be paid to Shri Bireswar Mitra with other Executive Directors may exceed the limits prescribed under Companies Act, 2013. Therefore Nomination and Remuneration Committee and Board of Directors' in their respective meetings held on 3rd September' 2014, has approved the following remuneration to be paid to Shri Bireswar Mitra, as the minimum remuneration in the case of no profit / inadequate profit with the approval of Central Government for the financial year 2014-15 and thereafter with an increment of 10% per annum.

REMUNERATION:-

Salary : Rs. 1,20,000 (Rupees One Lacs Twenty Thousand only) per month

HRA : Rs. 60,000 (Rupees Sixty Thousand only) per month

Perquisites : Rs. 50,000 (Rupees Fifty Thousand only) per month.

In this regards the said special resolution is proposed for the approval of the shareholders and an application seeking approval of the Central Government is being made by Company for the approval of above mention remuneration to Shri Bireswar Mitra.

None of the Directors and Key Managerial Personnel of the Company or their relatives is concerned or interested in above resolution except Shri Bireswar Mitra himself.

By Order of the Board
For Sharda Motor Industries Limited

Place : Delhi
Date : 9th October' 2014

Nitin Vishnoi
Company Secretary
FCS 3632
D-188, Okhla Industrial Area,
Phase- I, New Delhi -110020

Notes :-

1. The Company is pleased to offer e-voting facility for all its members to enable them to cast their vote electronically in terms of Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 and Clause 35B of the Listing Agreement (including any statutory modification or re-enactment thereof for the time being in force). Accordingly, a member may exercise his vote by electronic means and the Company may pass any resolution by electronic voting system in accordance with the above provisions.
2. Voting rights are reckoned on the basis of the shares registered in the name of Members/Beneficial owners as on cutoff date 10th October' 2014.
3. Members are requested to read instructions printed on the reverse of the Postal Ballot Form and return the Form duly completed in the attached self addressed and pre-paid postage envelop so as to reach the Scrutinizer on or before on the 17th November' 2014 (5.00 P.M.) at the following addressed Shri A.K. Goyal, Scrutinizer, C/o Sharda Motor Industries Limited, D- 188, Okhla Industrial Area, Phase –I, New Delhi – 110020 , Tel : +91-11-47334100 Fax : +91-26811676
4. The instructions for e-voting are as under:

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

- (i) Log on to the e-voting website www.evotingindia.com, during the voting period
- (ii) Click on "Shareholders" tab.
- (iii) Now, select the Electronic Voting Sequence Number - "EVSN" along with "COMPANY NAME" from the drop down menu and click on "SUBMIT"
- (iv) Now Enter your User ID (For CDSL: 16 digits beneficiary ID, For NSDL: 8 Character DP ID followed by 8 Digits Client ID, Members holding shares in Physical Form should enter Folio Number registered with the Company and then enter the Captcha Code as displayed and Click on Login.
- (v) 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 password is to be used. If you are a first time user follow the steps given below.
- (vi) Now, fill up the following details in the appropriate boxes:

| For Members holding shares in Demat and Physical Form | |
|--|--|
| PAN | Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the folio number for physical shareholder and client id for demat account shareholder in the PAN field. In case the physical folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ram Kumar Jain with folio no. 48 then enter RA00000048 in the PAN field. |
| DOB | Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account/ 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. Please enter the DOB or Dividend Bank Details in order to login. In case the details are not recorded with the depository or company please enter the number of shares held as on the cut off date i.e. 10th October' 2014, in the Dividend Bank details field. |

- (vii) After entering these details appropriately, click on "SUBMIT" tab.
 - (viii) 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. 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.
 - (ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
 - (x) Click on the relevant EVSN on which you choose to vote.
 - (xi) 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.
 - (xii) Click on the "Resolutions File Link" if you wish to view the entire Resolutions.
 - (xiii) 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.
 - (xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
 - (xv) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
 - (xvi) 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.
 - (xvii) Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates. After receiving the login details they have to link the account(s) which they wish to vote on and then cast their vote. They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.
- (B) In case of members receiving the physical copy:
Please follow all steps from sl. no. (i) to sl. no. (xvii) above to cast vote.
- (C) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.co.in under help Section or write an email to helpdesk.evoting@cdslindia.com
- (D) Other Instructions:
- i. The e-voting period commences on 18th October' 2014 (9.00 A.M. IST) and ends on, 17th November' 2014 (5.00 P.M.). During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on the Cut-off date of - 10th October 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 Member, he shall not be allowed to change it subsequently.
 - ii. The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as at the closure of working hours on 10th October, 2014.
 - iii. Shri A.K. Goyal, Practicing Company Secretary (holding Membership No. FCS 1565 and C.P. No. 7461), has been appointed as the Scrutinizer to scrutinize the e-voting process (including the Postal Ballot Form received from the Members who do not have access to the e-voting process) in a fair and transparent manner.



SHARDA MOTOR INDUSTRIES LIMITED

(CIN: L74899DL1986PLC023202)

Registered Office: D-188, Okhla Industrial Area, Phase I, New Delhi-110020
Tel.: +91 11 4733 4100 Fax: +91 11 2681 1676 Website: www.shardamotor.com

POSTAL BALLOT FORM

(To be returned to the scrutinizer appointed by Company)

Name(s) of Shareholder(s) :
(in block letters) (Including Joint
holders, if any)

Registered address of the Sole/
First named Shareholder :

Registered Folio No./ DP ID No. :
/ Client ID No.*
*(Applicable to members holding
Shares in dematerialized form)

No. of Share(s) held :
Class of Share : Equity Shares

I hereby exercise my vote in respect of Ordinary/Special Resolutions enumerated below by recording my assent or dissent to the said resolutions in the following manner:

| S.N. | Description | No. of shares | I/we assent to the resolution (FOR) | I/we dissent to the resolution (AGAINST) |
|------|--|---------------|-------------------------------------|--|
| 1. | To appoint Shri Bireswar Mitra as a Director | | | |
| 2 | To appoint Shri Bireswar Mitra as a Whole-time Director | | | |
| 3 | To pay minimum remuneration to Shri N. D. Relan, Co-Chairman of Company with approval of Central Government | | | |
| 4 | To pay minimum remuneration to Shri Ajay Relan, Managing Director of the Company with approval of Central Government | | | |
| 5 | To pay minimum remuneration to Shri Udayan Banerjee, Executive Director of Company with approval of Central Government | | | |
| 6. | To pay minimum remuneration to Shri Bireswar Mitra, Executive Director of Company with approval of Central Government | | | |

Place : _____

Date : ___/___/___14

Signature

ELECTRONIC-VOTING PARTICULARS

| E-Voting Sequence No. EVSN | USER ID (16 Digits Demat Account /Folio No.) | PASSWORD |
|-------------------------------|---|------------------------|
| | | YOUR EXISTING PASSWORD |

INSTRUCTIONS

1. A Shareholder desiring to exercise vote by Postal Ballot should complete the Postal Ballot Form and send it to the Scrutinizer in the attached self-addressed postage pre-paid envelope. Postage will be borne and paid by the Company. However, envelopes containing Postal Ballots, if deposited in person or sent by courier at the expense of the Registered Shareholder will also be accepted.
2. This postal ballot form should be completed and signed by the Shareholder as per the specimen signature recorded with the Company/Depository Participant. In case of joint holding, this Form should be completed and signed by the first named shareholder and in his absence, by the next named shareholder. Unsigned postal ballot forms will be rejected.
3. In case of Shares held by Companies, Trusts, Societies, etc, the duly completed Postal Ballot Form should be accompanied by a certified true copy of the Board Resolution/Authorization.
4. A shareholder need not use all his votes nor he needs to cast all his votes in the same way.
5. Duly completed postal ballot forms should reach the Scrutinizer not later than the close of working hours (i.e. 5.00 P.M. IST) on 17th November, 2014. Any postal ballot form received after this date will be treated as if the reply from the shareholder has not been received.
6. A shareholder may request for a duplicate postal ballot form, if so required. However, the duly filled in duplicate postal ballot form should reach the Scrutinizer not later than the date specified at the item no. 5 above.
7. Voting Rights shall be reckoned on the paid up value of the Shares registered in the name of the Shareholder as on the cut-off date.
8. Shareholders are requested not to send any other paper along with the Postal Ballot Form. They are also requested not to write anything in the Postal Ballot form, except giving their assent or dissent and putting their signature. If any such paper is sent the same will be destroyed by the Scrutinizer.
9. Incomplete, unsigned or incorrectly ticked Postal Ballot Forms will be rejected. The Scrutinizer's decision on the validity of the Postal Ballot will be final.
10. The Postal Ballot shall not be exercised by Proxy. However, corporate and institutional members shall be entitled to vote through their authorised representatives with proof of their authorization.
11. The Scrutinizer will submit his consolidated report of Postal Ballot and e-voting process to the Chairman/ Co-Chairman after completion of the scrutiny of the Postal Ballot Forms. The results will be announced on 18th November' 2014, at the Registered Office of the Company and also be placed on the website of the Company.
12. The documents referred to in this notice and explanatory statement are open for inspection at the Registered Office of the Company on all working days of the Company, excluding Saturday.
13. Any query in relation to the resolutions proposed to be passed by Postal Ballot may be addressed to The Company Secretary at the Registered Office of the Company or by email at Nitin.Vishnoi@shardamotor.com
14. Shareholders who have not registered their email IDs are requested to register the same with the Company, in case of shares held in physical form and with their respective Depository Participants, in case of share held in dematerialized/electronic form.