



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

Email: investorrelations@shardamotor.com Website: www.shardamotor.com

NOTICE OF POSTAL BALLOT

Pursuant to Section 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management & Administration) Rules, 2014

Dear Members,

NOTICE is hereby given that pursuant to Section 110 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with Rules 20 and 22 of the Companies (Management and Administration) Rules, 2014, as amended from time to time including any statutory modification or re-enactment thereof for the time being in force, read with Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable laws and regulations, if any, the Company is seeking consent from its members for the below mentioned resolution by way of Postal Ballot which includes voting by electronic means. The Explanatory Statement pertaining to the resolution proposed in this notice setting out all material facts and reasons thereof along with Postal Ballot Form is annexed herewith.

Special Business

Item No.1: Re-classification of the promoters of the company

To consider and if thought fit, to give assent/ dissent to the following resolution(s) as an Ordinary Resolution(s):

"RESOLVED THAT pursuant to Regulation 31A and other relevant provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR") and the applicable provisions of the Companies Act, 2013 ("Act") read with the Rules framed thereunder (including any statutory modification(s) or re-enactment thereof), the approval of the Company be and is hereby accorded for re-classification of Ms. Aashita Relan, the existing promoter of the company, from promoter category to Non-promoter category.

RESOLVED FURTHER THAT the promoter seeking re-classification does not directly or indirectly, exercise control over the affairs of the Company and increase in the level of public shareholding pursuant to such reclassification shall not be counted towards achieving compliance with shareholding requirement under rule 19A of Securities Contracts (Regulations) Rules, 1957.

RESOLVED FURTHER THAT the Board be and is hereby authorised to take all such steps as may be necessary, proper and expedient to give effect to this resolution.

RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of the powers conferred on it by or under this resolution to any Committee of Directors of the Company or to any director of the Company or any other officer(s) or employee(s) of the Company as it may consider appropriate in order to give effect to this resolution including filing of necessary forms / returns with the Ministry of Corporate Affairs / Stock Exchanges / other authorities concerned."

By order of the Board of Directors
For Sharda Motor Industries Limited

Place : Delhi

Date : 26th April, 2017

Nitin Vishnoi
Company Secretary

1. The relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 is annexed hereto.
2. Voting rights are reckoned on the basis of the shares registered in the name of members/beneficial owners as on cut-off date i.e. 21st April, 2017.
3. Mr. Vineet K Chaudhary, Company Secretary in whole time practice has been appointed as Scrutinizer for conducting the postal ballot and remote e-voting process in a fair and transparent manner.
4. As per section 110 of the Act read with Rules 20 & 22 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, Notice of the Postal Ballot may be served on the members through electronic means, or by registered post/speed post or through courier service. Accordingly, Members who have registered their e-mail IDs with depositories or with the Company are being sent this Notice of Postal Ballot by e-mail and the members who have not registered their e-mail IDs will receive Notice of Postal Ballot along with the Postal Ballot Form and self-addressed business reply envelope by permitted mode.

5. The Postal Ballot Notice is being sent to all the members, whose names appear on the Register of Members/list of Beneficial Owners, as received from National Securities Depository Limited (NSDL) / Central Depository Services (India) Limited (CDSL) as on close of business hours on 21st April, 2017. A person, who is not a member as on cut-off date i.e. 21st April, 2017 should treat this notice for information purpose only. A member cannot exercise his/ her vote by proxy on Postal Ballot.
6. A Postal Ballot Form and a postage prepaid self-addressed business reply envelope are attached to this Notice. The self-addressed envelope bears the address to which duly completed Postal Ballot Form is to be sent.
7. The Notice of Postal Ballot is also placed on the website of the Company, www.shardamotor.com and on the website of CDSL, www.evotingindia.com.
8. In compliance with the provisions of Section 108, 110 and other applicable provisions of the Companies Act, 2013 read with the relevant rules and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has also extended e-voting facility as an alternate, for its members to enable them to cast their votes electronically instead of dispatching Postal Ballot Form. The instructions for e-voting are mentioned in the Postal Ballot Notice. The Company has engaged the services of CDSL for the purpose of providing e-voting facility to the members.
9. The e-voting period commences from Saturday, 29th April, 2017 (09:00 A.M. IST) and ends on Sunday 28th May, 2017 (05:00 P.M. IST). During this period, members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 21st April, 2017 may cast their votes 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.
10. The relevant documents pertaining to this resolution are available for inspection at the registered office of the Company and copies thereof shall also be made available for inspection in physical or electronic form at the Registered Office of the Company between 11:00 A.M. to 1:00 P.M. on all working days i.e Monday to Friday, till 28th May, 2017.
11. The Members who do not receive the Postal Ballot Notice and Form may apply to the Company at investorrelations@shardamotor.com to receive the duplicate thereof or may download the same from the website of the Company under 'Investor Relations' Section.
12. Members who do not have access to e-voting facility may send duly completed Ballot Form so as to reach the Scrutinizer appointed by the Board of Directors of the Company, Mr. Vineet K. Chaudhary, Company Secretary in whole time practice, at the Registered Office of the Company not later than 05:00 P.M. (IST) of Sunday, 28th May, 2017.
13. The members desiring to exercise their vote by Postal Ballot Form are requested to carefully read the instructions printed in the Postal Ballot Form, and record their assent (for) or dissent (against) to the items so listed, by returning the same duly completed and signed in the attached postage pre-paid self-addressed envelope. However, Postal Ballot Form(s), if sent by courier or by registered post at the expense of the member(s) will also be accepted. The Postal Ballot Form(s) may also be deposited personally at the address given thereon. The duly completed Postal Ballot Form(s) should reach the Scrutinizer on or before 05:00 P.M. IST of 28th May, 2017 to be eligible for being considered, failing which, it will be strictly treated as, if no reply has been received from the member(s).
14. The Scrutinizer's decision on the validity of the Postal Ballot shall be final. He will submit his report on the results of the voting by Postal Ballot and e-voting to the Chairperson/Co-Chairperson of the Company on or before 29th May, 2017.
15. The final results of the voting by Postal Ballot will be declared by the Chairperson/Co-Chairperson of the Company, at the registered office of the Company on Tuesday, 30th May, 2017 on or before 06:00 P.M. (IST), along with details of the number of votes cast for and against the resolution, invalid votes. The final results as to whether the resolution has been carried or not, along with Scrutinizer's Report will be posted on the website of the Company i.e. www.shardamotor.com and shall be intimated to the Stock Exchanges on which the shares of the Company are listed.
16. The results of the Postal Ballot shall also be published in the newspapers. The resolution, if passed by requisite majority, shall be deemed to have been passed on the last date specified by the company for receipt of duly completed postal ballot forms or e-voting.
17. A member cannot vote both by post and e-voting and if he votes both by post and e-voting, his vote by post shall be treated as invalid.

The instructions for e - voting are as under:

- (A) In case of members receiving e-mail:
 - (i) The shareholders should log on to the e-voting website www.evotingindia.com.
 - (ii) Click on Shareholders.

- (iii) 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)
- (iv) Enter the Image Verification as displayed and Click on Login.
- (v) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used. If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders).</p> <p>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 sequence number in the PAN field. Sequence number is printed on Postal Ballot Form.</p> <p>In case the sequence number is less than 8 digits, enter the applicable number of zeros (0s) before the number after the first two characters of the name in CAPITAL letters. E.g. if your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</p>
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <p>If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iii).</p>

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

- (vii) Members holding shares in physical form will then directly reach the Company 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.
- (viii) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN for 'Sharda Motor Industries Limited'.
- (x) 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.
- (xi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xii) 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.
- (xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting Page.
- (xv) If a demat account holder has forgotten the changed password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (XVI) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xvii) Note for Non-Individual Shareholders and Custodians:
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.

- After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
- The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded 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.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

(D) The Remote e-voting period commences on Saturday 29th April, 2017 (09:00 a.m. IST) and ends on Sunday, 28th May, 2017 (05:00 p.m. IST). During this period, members of the Company holding shares either in physical form or in dematerialized form, as on Cut-Off date i.e. Friday, 21st April, 2017 (the “Cut-off Date”) may cast their vote electronically, and 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.

**EXPLANATORY STATEMENT
(Pursuant to Section 102 of the Companies Act, 2013)**

Item No.1

Members may note that Ms. Aashita Relan is the Daughter of Mr. Ajay Relan, who is one of the promoters of the Company and by virtue of the same, she had been shown under Promoter Group of the Company.

She does not hold any interest in the company other than her shareholding which is merely 16,450 (0.28%) equity shares of Rs. 10/- each as on date and she neither holds any key managerial position in the Company nor does she directly or indirectly, exercise any control over the day-to-day affairs of the Company. Further, she is not, in any manner, involved in any material decision making of the Company. Further, very recently she has got married and has moved out of the promoter family. Therefore, she has requested to the Company to be reclassified from Promoters category to the Non Promoter category.

Approval of the shareholders of the Company is required for the proposed reclassification of Ms. Aashita Relan from promoter to Non Promoter category. Therefore, your Directors recommend to pass this resolution as an Ordinary Resolution.

Shareholding Pattern of the Company before and after proposed Reclassification

Category	Shareholding Pre-Classification*		Shareholding Post Reclassification	
	No. of Shares	%	No of Shares	%
Promoter and Promoter Group	44,57,885	74.97	44,41,435	74.69
Public	14,88,441	25.03	15,04,891	25.31
Total	59,46,326	100	59,46,326	100

* As on 31st March, 2017

None of the (i) Directors, (ii) Key Managerial Personnel, (iii) relatives of the persons mentioned in (i) and (ii), except Mr. Ajay Relan and his relatives (only to the extent of their shareholding in the Company) are concerned or interested in the said resolution

By order of the Board of Directors
For Sharda Motor Industries Limited

Place : Delhi
Date : 26th April, 2017

Nitin Vishnoi
Company Secretary



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

Email: investorrelations@shardamotor.com Website: www.shardamotor.com

POSTAL BALLOT FORM

(To be returned to the scrutinizer appointed by Company)

S.No.

1	Name(s) of shareholder(s) (in block letters) (including Joint holders, if any)	
2	Registered address of the sole / First named shareholder	
3	Registered Folio No./ DP ID No. / Client ID No.* (Applicable to members holding shares in dematerialized form)	
4	No. of share(s) held	
5	Class of shares	Equity Shares

I/We hereby exercise my/our vote in respect of Ordinary Resolution enumerated below by recording my/our assent or dissent to the said resolution in the following manner:

S. No.	Description	No. of shares	I/we assent to the resolution (FOR)	I/we dissent to the resolution (AGAINST)
1.	Re-classification of the promoters of the company			

Place :

Date :

Signature of Member

EVOTING PARTICULARS

E-voting Sequence No. (EVSN)	USER ID (16 digits demat Account/ Folio No.)	Password
170426001		Existing Password

Note: If you are a first time user, please follow the instructions stated in Postal Ballot Notice for generating the password.

INSTRUCTIONS

Instruction for Physical Voting:

1. A Shareholder desiring to exercise vote by Postal Ballot form 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 Ballot forms, 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/ she needs to cast all his/ her votes in the same way.
5. Duly completed postal ballot forms should reach the Scrutinizer not later than 5.00 P.M. IST on Sunday 28th May, 2017. 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 i.e. Friday 21st April, 2017.
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 through authorized representatives with proof of their authorization.
11. The Scrutinizer will submit his consolidated report of Postal Ballot and e-voting process to the Chairperson/Co-Chairperson after completion of the scrutiny of the Postal Ballot Forms. The results will be announced on Tuesday, 30th May, 2017, on or before 06:00 P.M. (IST) at the Registered Office of the Company and also be placed on the website of the Company.
12. 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 investorrelations@shardamotor.com.
13. 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.