

ISMT/SEC/100/12-13

March 08, 2013

Department of Corporate Services
Bombay Stock Exchange Limited
1st Floor, New Trading Ring
Phiroze Jeejeebhoy Towers
Routunda Building, Dalal Street, Fort
Mumbai - 400 001

National Stock Exchange of India Limited
Exchange Plaza
Bandra Kurla Complex
Bandra (E)
Mumbai - 400 051

Dear Sir/Ma'am,

Sub: Copies of Notice and Postal Ballot

Ref : Clause 31 of the Listing Agreement

Pursuant to Clause 31 of the Listing Agreement, please find enclosed 6 (Six) copies of the following documents :

1. Notice to the shareholders pursuant to Section 192A of the Companies Act, 1956.
2. Postal Ballot in respect of Special Resolution to be passed under Section 198, 309(4)(a), 349 & 350 of the Companies Act, 1956 for payment of remuneration to Mr. O.P. Kakkar as Non-Executive Director of the Company.

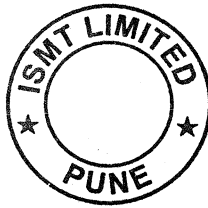
Please acknowledge the receipt and take the same on records.

Regards,

For ISMT Limited



Nilesh Jain
Company Secretary



Encl. : As above.



5CT-0123, 5L-0102
5CT-0395, 5L-0296



ISO/TS 16949 : 2009

Corporate & Registered Office

Lunkad Towers, Viman Nagar, Pune - 411 014, India.

Phone: +91 20 41434100 / 66024901 - 04 | Fax: +91 20 26630779

www.ismt.com



BS OHSAS 18001:2007
ISO 14001:2004

OHS 560515
EMS 560513

ISMT LIMITED

Regd. Office: Lunkad Towers, Vimanagar, Pune- 411014

NOTICE

To
The Shareholders

In terms of Section 309(4)(a) of the Companies Act, 1956, payment of remuneration to a Non-Executive Director requires approval of the Central Government. Further, Clause 49(l)(B) of the Listing Agreement executed with the Stock Exchanges provides for previous approval of the shareholders in General Meeting for payment of fees/compensation to a Non-Executive Director.

The Board of Directors of the Company at its meeting held on February 14, 2013 has approved payment of monthly remuneration to Mr. O.P. Kakkar, which requires the approval of the Shareholders and Central Government. The approval of the Shareholders is being sought in terms of the Companies (passing of the resolution by postal ballot) Rules, 2011 in terms of Section 192A(2) of the Companies Act, 1956.

Notice pursuant to Section 192A(2) of the Companies Act, 1956

Notice is hereby given that the following resolution is circulated herewith for approval of the Shareholders of the Company to be accorded by **Postal Ballot** in accordance with the provisions of Section 192A of the Companies Act, 1956 read with the Companies (passing of the resolution by postal ballot) Rules, 2011:

To consider and if thought fit, to give assent/dissent to the following **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 198, 309(4)(a), 349 and 350 to the extent applicable and any other applicable provisions, if any, of the Companies Act, 1956, or any statutory modification(s) or re-enactment thereof for the time being in force and in accordance with the provisions of the Listing Agreement executed with the Stock Exchanges, consent of the Company be and is hereby accorded to the payment of monthly remuneration of **Rs.3,00,000/-** and provision of Company car, telephone at residence / Mobile for official use and business purpose to **Mr. O.P. Kakkar, Non-Executive Director** of the Company for a period of 3 (Three) years commencing from December 01, 2012.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to take such steps as may be necessary, desirable or expedient to give effect to this resolution."

By Order of the Board of Directors

Registered Office:
Lunkad Towers,
Viman Nagar, Pune - 411014

February 14, 2013

Nilesh Jain
Company Secretary

NOTES:

1. Explanatory Statement and reasons for the proposed special business stated pursuant to Section 173(2) read with Section 192A(2) of the Companies Act, 1956 are annexed below.
2. The Company has appointed Mr. Milind B Kasodekar, Practicing Company Secretary, Pune as Scrutinizer for the purpose of conducting the Postal Ballot exercise in a fair and transparent manner.
3. Notice is being sent to all the Shareholders whose names would appear in the Register of Members as on February 22, 2013.

4. A Shareholder desiring to exercise vote by Postal Ballot may complete the enclosed Postal Ballot Form and send it to the Scrutinizer in the enclosed self-addressed Business Reply Envelope. Postage will be borne and paid by the Company. Envelopes containing Postal Ballots, if sent by courier or by Registered Post at the expense of the Shareholder, will also be accepted. The envelopes containing the Postal Ballot should reach the Company on or before the close of working hours on April 08, 2013. Postal Ballot Form(s) received from member after the said date will be considered invalid.
5. The results of the Postal Ballot shall be announced by the Chairman, or in his absence by any other person so authorized by the Chairman at the Registered Office of the Company on Monday, April 15, 2013 and the resolution will be taken as passed effectively on that date, if the results of the Postal Ballot indicate that the requisite majority of the Shareholders had assented to the Resolution. The results of the Postal Ballot will also be communicated to the Stock Exchanges where the shares of the Company are listed and subsequently published in the newspapers.
6. Shareholders are requested to carefully read the instructions printed on the backside of the Postal Ballot Form before exercising their vote.

**EXPLANATORY STATEMENT
(Pursuant to Section 173(2) of the Companies Act, 1956)**

Mr. O.P. Kakkar, 69 years is Mechanical Engineer and Post Graduate Diploma holder in Business Management. He has over 40 years of industrial experience in different capacities. He was associated with the Company for about 30 years. He held various Board level positions and was also Managing Director of the Company upto March 31,2009.

The Board at its meeting held on November 08, 2012 expressed the view that Mr. O.P. Kakkar should be inducted on the Board to give his valuable guidance to the Company and hence he was appointed as an additional director of the Company.

The Board at its meeting held on February 14, 2013 was also of the view that Mr. O.P. Kakkar's technical and managerial expertise will be of immense help to the Board and Senior Management of the Company and accordingly approved the payment of monthly remuneration to Mr. O.P. Kakkar as Non-Executive Director on the basis of recommendations made by the Remuneration committee of the Company.

The aforesaid arrangement requires previous approval of the shareholders of the Company pursuant to Clause 49(I)(B) of the Listing Agreement executed by the Company with the Stock Exchanges, pursuant to the provisions of the Companies Act, 1956 and also requires approval of Central Government.

Mr. O.P. Kakkar is concerned or interested in this resolution.

No other Directors are concerned or interested in this resolution.

By Order of the Board of Directors

Registered Office:
Lunkad Towers,
Viman Nagar, Pune - 411014

February 14, 2013

Nilesh Jain
Company Secretary

ISMT LIMITED

Regd. Office: Lunkad Towers, Viman Nagar, Pune- 411014

POSTAL BALLOT FORM

(Please read the instructions printed overleaf carefully before completing this form)

POSTAL BALLOT NO.

(1) Name(s) of Shareholder(s) :

(2) Registered Address of the Sole/
First named Shareholder :

(3) Name(s) of the Joint-Holder(s),
if any :

(4) DPID No. / Client ID No. /
Registered Folio No. :

(5) No. of Shares held :

(6) I/We hereby exercise my/our vote in respect of the **Special Resolution** to be passed through Postal Ballot for the business stated in the Notice dated February 14, 2013 of the Company by sending my/our assent or dissent to the said Resolution by placing the tick mark (✓) at the appropriate column below:

Description	Number of Votes exercised corresponding to the total number of voting rights	I/We assent to the resolution (FOR)	I/We dissent to the resolution (AGAINST)
Special Resolution under Section 198, 309(4)(a), 349 & 350 of the Companies Act, 1956 for payment of remuneration to Mr. O.P. Kakkar as Non-Executive Director			

Place :

Date :

Signature of the Shareholder
(must be as per specimen signature registered with the Company)

Note: Last date for receipt of Postal Ballot Form by the Scrutinizer: April 08, 2013

INSTRUCTIONS

1. A Shareholder desiring to exercise vote by Postal Ballot may complete this Postal Ballot Form and send it to the scrutinizer in the enclosed postage pre-paid self-addressed envelope. Postage will be borne and paid by the Company. Envelopes containing Postal Ballot, if sent by courier or by Registered Post at the expense of the Shareholder will also be accepted.
2. Voting rights shall be reckoned on the paid up value of the shares registered in the name of the shareholder on the cut-off date i.e. Friday, February 22, 2013. The shareholders can vote for their entire voting rights as per their discretion.
3. This form should be completed and signed by the Shareholder (as per the Specimen Signature registered with the Company/Depository Participant). In the 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.
4. In case of shares held by companies, trust, societies etc., the duly completed Postal Ballot Form should accompany a certified true copy of Board Resolution/ Authority. Where the Postal Ballot Form has been signed by a representative of the President of India or the Governor of a State, a certified copy of the nomination should accompany the Postal Ballot Form.
5. The consent must be accorded by recording the assent in the Column 'FOR' and Dissent in the column 'AGAINST' by placing a tick mark (✓) in the appropriate column.
6. Unsigned or incomplete Postal Ballot Form will be rejected.
7. Duly completed Postal Ballot Form should reach the Scrutinizer not later than the close of working hours on Monday, April 08, 2013. Postal Ballot Form(s) received after the said date will be considered invalid.
8. 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 item No. 7 above.
9. Shareholders are requested not to send any other paper along with the Postal Ballot Form in the enclosed postage prepaid self-addressed envelope.
10. The Scrutinizer's decision on the validity of a Postal Ballot Form will be final. The Scrutinizer will submit his report to the Chairman or in his absence by any other person so authorized by the Chairman on the completion of the scrutiny.
11. The results of the Postal Ballot will be declared on April 15, 2013 and displayed on the Notice Board at the Registered Office of the Company at 5:00 p.m.