

**POSTAL BALLOT FORM**

- Name & Registered Address of the Sole/First Member/Beneficial Owner
- Name(s) of the Joint Member(s), if any.
- Registered folio No./ \*DP ID No.-Client ID No. (\* Applicable to the Members holding Shares in dematerialized form)
- Number of Shares held
- I/We hereby exercise my/our votes in respect of the Special Resolution(s) to be passed through Postal Ballot for the businesses stated in the Postal Ballot Notice of the Company dated August 6, 2013 by sending my/our assent or dissent to the said Resolution(s) by placing the tick (✓) mark at the appropriate box below:

Item No.	Description	No. of Shares for which Vote cast	Please tick (✓) in the appropriate box below	
1.	Special Resolution for payment of commission @ 1% to Mr. D.K. Jain, Non-Executive Chairman, as per Section 198 read with Section 309(4) of the Companies Act, 1956 for a period of 5 years from the financial year 2013-14 onwards.		I/We assent to the Resolution	
			I/We dissent to the Resolution	
2.	Special Resolution regarding elevation and re-designation of Mr. Deepak Jain as Managing Director of the Company and approval of revised remuneration.		I/We assent to the Resolution	
			I/We dissent to the Resolution	

Date:  
Place:

**Signature of the Shareholder**  
(Refer Instruction No.3 overleaf)

*Note: please read carefully the instructions printed overleaf before exercising your vote.*

**NOTICE OF POSTAL BALLOT**

{Pursuant to Section 192A(2) of the Companies Act, 1956 read with the Companies (Passing of the Resolutions by Postal Ballot) Rules, 2011}

Dear Member(s),

Notice is hereby given pursuant to Section 192A of the Companies Act, 1956 read with the Companies (Passing of Resolutions by Postal Ballot) Rules, 2011, for the consent of members of the Company, for the proposed Special Resolutions set out below, sought to be obtained by means of Postal Ballot.

The proposed Special Resolutions, along with the Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956, setting out all material facts pertaining to the resolutions and a Postal Ballot Form is enclosed for your consideration. The Board has appointed Mr. Maneesh Gupta, a Practicing Company Secretary, as Scrutinizer for conducting the entire Postal Ballot process in a fair and transparent manner.

Members are requested to carefully read the instructions printed in the Postal Ballot Form and return the said Form duly completed in the attached self addressed, prepaid postage envelope, so as to reach the Scrutinizer on or before the close of working hours, Monday, 21<sup>st</sup> October, 2013. The Ballot Form received after the said date will be treated as not received as per Rule 6(f) of Companies (Passing of Resolutions by Postal Ballot) Rules, 2011. The Scrutinizer will submit his Report to the Chairman after completion of the scrutiny and the result of the voting by Postal Ballot will be declared and notified on 22<sup>nd</sup> October, 2013, through a notice to be displayed on the notice board at the Registered Office of the company on said date. The date of declaration of result shall be deemed to be date of passing of the said Resolution.

**Draft Resolutions to be passed through Postal Ballot:**

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

**“RESOLVED THAT** pursuant to the provisions of Section 198, 309, 310, 314, 349, 350 and other applicable provisions, if any, of the Companies Act, 1956 and subject to such other approvals, permissions or sanctions as may be necessary, the consent of the members of the Company be and is hereby accorded for the payment of Commission to Mr. D.K. Jain, Non-Executive Chairman, up to 1% of the net profits of the company as per Section 198 read with Section 309(4) of the Act for a period of 5 years from the financial year 2013-14 onwards, in such manner and up to such extent as the Board may, from time to time, determine on the recommendation of Remuneration Committee.

**RESOLVED FURTHER THAT** pursuant to Annexure I D to the Clause 49 of the Listing Agreement of the Stock Exchanges, the consent of the members of the Company be and is hereby also accorded for providing Company maintained Chairman's office to Mr. D.K. Jain, Non-Executive Chairman at the Company's expense and also reimbursement of expenses incurred in performance of his duties including company maintained Car facility, travelling and telephone (including mobile) expenses for official purpose.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board be and is hereby authorized on behalf of the Company to take all necessary steps in this regard in order to facilitate the legal and/ or procedural formalities and to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary for such purpose and with powers on behalf of the Company to settle any questions, difficulties or doubts that may arise in this regard without requiring the Board to secure any further consent or approval of the members of the Company.”

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

**“RESOLVED THAT** in partial modification of earlier resolution passed by the shareholders at the Annual General Meeting held on August 09, 2011 and in accordance with the provisions of Sections 198, 269, 309, 310 and 311 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modifications or re-enactment thereof for the time being in force), Articles of Association of the Company and subject to the approval of Central Government and other authorities, as applicable, the consent of the members of the Company be and is hereby accorded to the elevation and re-designation of Mr. Deepak Jain as Managing Director of the Company with effect from August 6, 2013 for remaining period of his appointment i.e. up to January 31, 2016 on the remuneration and terms & conditions including allowances, perquisites and commission as set out in the explanatory statement annexed to this notice, with liberty and authority to the Board of Directors (hereinafter referred to as “the Board” which term shall be deemed to include any committee of the Board constituted to exercise its powers, including the power conferred by this resolution) to alter and vary the terms and conditions and / or remuneration, subject to the provisions of the applicable laws and approvals and / or as may be directed by the Central Government, if any, and agreed to by the said Managing Director.

**RESOLVED FURTHER THAT** in the event of absence of or inadequacy of net profit during any of the financial year, the Managing Director shall be paid the salary and other perquisites as detailed in the explanatory statement annexed, as minimum remuneration which shall further be within the overall ceiling as specified in Section II of Part II of Schedule XIII of the Companies Act, 1956.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board be and is hereby authorized on behalf of the Company to take all necessary steps in this regard in order to facilitate the legal and/ or procedural formalities and to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary for such purpose and with powers on behalf of the Company to settle any questions, difficulties or doubts that may arise in this regard without requiring the Board to secure any further consent or approval of the members of the Company.”

**BY ORDER OF THE BOARD**

Place : New Delhi  
Date : August 06, 2013

**B.S. Bhadauriya**  
Vice President (Legal)  
& Company Secretary

## **EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) AND 192A OF THE COMPANIES ACT, 1956:**

With the view to strengthen professional management and provide robust management structure for the Company's growth in the future, following changes as detailed under item no. 1 & 2, are proposed in the Management structure of the Company with effect from August 06, 2013:

### **Item No. 1**

Mr. D.K. Jain was re-appointed as Chairman & Managing Director of the company at a remuneration of Rs.63.97 Lacs per annum and commission upto maximum of 4% subject to overall limit of remuneration under Section 198 of the Companies Act, 1956, for a period of 5 Years w.e.f. August 01, 2011 as approved by the Board and Shareholders in their meetings dated May 27, 2011 and August 09, 2011 respectively in accordance with Section I of Part II of Schedule XIII of the Companies Act, 1956. The present term of Mr. D.K. Jain as Chairman & Managing Director is upto July 31, 2016.

As per the restructuring plan, Mr. D.K. Jain will step down from the position of Managing Director of the Company and he will function as Non-Executive Chairman of the Company with effect from August 06, 2013, so that the Company continues to draw upon his vast experience, knowledge and expertise of the industry and he will also continue to represent the Company before existing as well as prospective Customers & Collaborators, Industry bodies, Government Authorities, Institutions, Investors and in other matters as per the business needs from time to time.

In view of Mr. D.K. Jain, Non-Executive Chairman's significant involvement in the Company's business, which requires him to devote more time and attention, the Board recognizes the need to suitably remunerate him with commission upto a ceiling of 1% of the net profits of the Company every year, computed in the manner specified in the Companies Act, 1956 for a period of 5 years commencing from the Financial Year 2013-14.

In terms of the provisions of Section 309 of the Companies Act, 1956, payment of such commission is required to be authorized by a special resolution to be passed by the members of the Company. As per Section 309(7) of the Companies Act, 1956, such a special resolution remains in force for a period of five years but it can be renewed for further period not exceeding five years at a time.

Hence, the special resolution at item no. 1 of the notice seeks to authorize payment of 1% commission of net profits to Mr. D. K. Jain, Non-Executive Chairman for a period of five years commencing from the financial year 2013-14.

Further, pursuant to Annexure I D to the Clause 49 of the Listing Agreement of the Stock Exchanges, Mr. D.K. Jain, Non-Executive Chairman is also entitled to maintain a Chairman's office at the Company's expense and also reimbursement of expenses incurred in performance of his duties including company maintained Car facility, travelling and telephone (including mobile phone) expenses for official purpose.

The Board of Directors at its meeting held on August 6, 2013 accorded its approval for the payment of remuneration by way of commission to Mr. D.K. Jain, Non-Executive Chairman of the Company in pursuance of the provisions of the Companies Act, 1956, as recommended by Remuneration Committee and subject to the necessary approvals of the members of the Company.

### **Item No.2**

Mr. Deepak Jain was re-appointed as Senior Executive Director of the Company at a remuneration of Rs.55.12 Lacs per annum and commission upto maximum of 2% subject to overall limit of remuneration under Section 198 of the Companies Act, 1956, for a period of 5 Years w.e.f. February 01, 2011 as approved by the Board and Shareholders in their meetings dated January 29, 2011 and August 09, 2011 respectively in accordance with Section I of Part II of Schedule XIII of the Companies Act, 1956. The present term of Mr. Deepak Jain as Senior Executive Director is upto January 31, 2016.

In view of the resignation of Mr. D.K. Jain from the position of Managing Director, it is proposed to elevate Mr. Deepak Jain to the position of Managing Director of the Company w.e.f. August 6, 2013, who shall be responsible for the overall management of the affairs of the Company subject to superintendence, direction and control of the Board of Directors, for the remaining period of his appointment on the terms of remuneration including commission, which shall not exceed 5% per annum of the net profits of the Company calculated as per Section 198 of the Companies Act, 1956, as detailed below:

<b>Particulars</b>	<b>Mr. Deepak Jain</b>
Effective period of remuneration	06-08-2013 onwards
Salary	Rs. 54.00 Lacs Per Annum
Perquisites & Allowances	Rs. 36.00 Lacs Per Annum
Total	Rs. 90.00 Lacs Per Annum
Commission	Up to 5% per annum of the Net Profits of the Company, calculated in accordance with the provisions of the Companies Act, 1956. The commission may be paid quarterly, half yearly or annually as the Board may determine from time to time subject to overall limits of remuneration prescribed under Section 198 of the Companies Act, 1956.

Perquisites & Allowances, subject to maximum of the limits as given above, shall include House Rent Allowance and reimbursement of all expenses on Electricity, Security Guards, Club Membership Fees, Leave Travel Concession, Medical, Mediclaim and Personal accidental insurance premium, on actual basis, if incurred by him on self, spouse and dependent parent(s) and dependent children as the case may be. The Company shall make all applicable Statutory Payments viz. Provident Funds, Superannuation funds, Gratuity, as per the rules of the Company in respect of above remuneration.

The value of perquisites and allowances shall be evaluated as per Income Tax Rules, wherever applicable. In the absence of any such rules, perquisites and allowances shall be evaluated at actual cost. Provided further that the use of company maintained cars, telephones, mobile phone, travelling and hotel expenses incurred for business purposes shall not be included in the computation of perquisites and allowances for the purpose of calculating ceiling of remuneration.

The Board of Directors may, at their discretion, based upon a review of the performance and contribution of the Managing Director, as the case may be, grant such increments, as may be considered appropriate by the Board from time to time, on the recommendation of Remuneration Committee.

The aforesaid proposal including revised remuneration has been approved and recommended by Remuneration Committee considering financial position of the Company, trend in the Industry, appointee(s) qualification, experience, past performance and past remuneration among others and also by the Board of Directors at their meeting held on August 06, 2013, subject to the approval of members of the Company.

None of the Directors are interested in the above resolutions except Mr. D.K. Jain, Mr. Deepak Jain and Mr. Anmol Jain, being related to each other.

The Explanatory Statement under Item No. 2 be treated as an abstract of the terms of variation in contract of appointment of Mr. Deepak Jain in accordance with Section 302 of the Companies Act, 1956.

The Board recommends the above resolutions for approval of members as Special Resolutions.

## **Instructions:**

1. A Member desiring to exercise his/her vote by Postal Ballot may complete this Postal Ballot Form and send it to the Scrutinizer in the enclosed self-addressed envelope. Postage will be borne and paid by the Company. However, envelopes containing Postal Ballot Form, if sent by courier or deposited in person at the expense of the member will also be accepted.
2. The self-addressed envelope being sent herewith bears the name and address of the Scrutinizer appointed for conducting Postal Ballot process.
3. The Postal Ballot Form should be completed and signed by the Member (as per the specimen signature Registered with the Company/ Depository Participant). In case of joint holding, this Form should be completed and signed by the first named member and in his/her absence, by the next named member and so on.
4. There shall be one Postal Ballot Form for every Folio/Client ID irrespective of the number of joint holders. The Postal Ballot shall not be exercised by a Proxy.
5. A member may request for a duplicate Postal Ballot Form, if so required. However, the duly completed duplicate Postal Ballot Form should reach the Scrutinizer not later than the date specified hereinbelow at serial no. 8.
6. The votes should be cast either in favour or against by putting the tick (✓) mark in the column provided for assent or dissent. Postal Ballot Form bearing tick marks in both the columns will render the form invalid.
7. Incomplete, unsigned or incorrectly ticked Postal Ballot Form will be rejected. The Scrutinizer's decision on the validity of a Postal Ballot will be final and binding.
8. Duly completed Postal Ballot Form should be received by the Scrutinizer not later than the close of working hours (i.e. before 5.30 P.M.) on 21<sup>st</sup> October, 2013. Postal Ballot Forms received after this date will be treated as if no reply from the member has been received.
9. Voting rights shall be reckoned on the paid up value of Shares registered in the name(s) of the Shareholder(s).
10. In case of shares held by companies, trusts, societies, etc. the duly completed Postal Ballot Form should be signed by the authorized signatory accompanied by a certified true copy of the Board Resolution/ Authorization together with specimen signature(s) of the duly authorized signatories.
11. Members are requested not to send any other paper along with the Postal Ballot Form in the enclosed self-addressed postage prepaid envelope in as much as all such envelopes will be delivered to the Scrutinizer and any extraneous paper found in such envelope would be destroyed by the Scrutinizer.
12. The Scrutinizer will submit the final report, to the Chairman of the Company, after completion of the Scrutiny and result of the Postal Ballot will be announced by a Director of the Company at its Registered Office on, 22<sup>nd</sup> October, 2013.
13. Postal Ballot Form shall be considered invalid if a form other than the one issued by the company or a photocopy thereof has been used.

**BY ORDER OF THE BOARD**

**B.S. Bhadauriya  
Vice President (Legal)  
& Company Secretary**

**Place : New Delhi  
Date : August 06, 2013**