



# TVS ELECTRONICS LIMITED

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CIN: L30007TN1995PLC032941  
Website:www.tvse.in

## POSTAL BALLOT

### NOTICE

Dear Member(s)

#### Notice pursuant to Section 110 of the Companies Act, 2013

NOTICE is hereby given pursuant to Section 110 of the Companies Act, 2013, read with Rule 22 of the Companies (Management and Administration) Rules, 2014 and Clause 35B of the Listing agreement with Stock Exchanges, that the Company is seeking the assent or dissent of the members in writing on a postal ballot or through electronic means for the following resolutions.

#### 1. Consent for creation of Charge by way of a Special Resolution

“RESOLVED THAT pursuant to Section 180(1)(a) and other applicable provisions of the Companies Act, 2013, and the Rules made there under, consent of the Company be and is hereby accorded to the Board of Directors to create a charge by way of interest or lien on all tangible / intangible and immovable / movable property or assets of the Company or any of the undertakings wheresoever situate, present and future as security, including by way of mortgage/ hypothecation / pledge, with powers to enter upon and to take possession of the same in certain events, to and in favour of any person including but not limited to bankers, financial institutions, insurance companies, corporate bodies, trustees, mutual funds, debenture and bond trustees, to secure the repayment of loans, borrowings, debentures and other obligations together with interest at the respective agreed rates, additional interest, remuneration of trustees and all costs, charges, expenses and other monies payable by the Company, Company's subsidiaries / associates in terms of any agreement entered into with them”.

#### 2. Permission for contribution to bonafide Charitable and other Funds by way of an Ordinary Resolution

“RESOLVED THAT pursuant to Section 181 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder, permission of the Company be and is hereby accorded to the Board of Directors to contribute to bonafide charitable and other funds, an amount not exceeding Rs.5 Crores, in any financial year”.

#### 3. Approval for giving loan / guarantee or providing security or acquisition of securities by way of a Special Resolution:

“RESOLVED THAT pursuant to Section 186 and any other applicable provisions of the Companies Act, 2013 and the rules made there under approval be and is hereby accorded to the Board of Directors to directly or indirectly :

- Give any loan to any person or body corporate
- Give any guarantee or provide any security in connection with a loan to any other person or body corporate ; and
- Acquire by way of subscription, purchase or otherwise the securities of any other body corporate including units of mutual funds

from time to time, notwithstanding that the aggregate of such investments made, loans and advances given and guarantees and securities provided together with the investments already made, loans and advances already given and guarantees or securities already provided shall not exceed the limit of Rs.50 Crores at any point of time”.

#### 4. Appointment of Independent Director representing Small Shareholders by way of an Ordinary Resolution:

“RESOLVED THAT pursuant to Section 151 and other applicable provisions of the Companies Act, 2013 read with Rule 7 of Companies (Appointment and Qualification of Directors) Rules, 2014, the appointment of Mr. R Ramaraj (DIN: 00090279), as a Non Executive Independent Director, representing small shareholders of the Company, not liable to retire by rotation, to hold office for a period of three consecutive years from 1<sup>st</sup> April 2014 to 31<sup>st</sup> March 2017 be and is hereby approved.”

By Order of the Board

Chennai  
29<sup>th</sup> July 2014

**S Nagalakshmi**  
Company Secretary

#### Notes:

- The Statement of material facts pursuant to Section 102 read with Section 110 of the Companies Act, 2013 setting out all material facts of the businesses specified above is annexed hereto.
- Voting period commences from 29<sup>th</sup> August 2014 at 9 am and ends on 27<sup>th</sup> September 2014 at 6 pm.
- Notice is being dispatched to the members by Registered Post / electronic means to those members whose names appear in the Register of Members / Record of Depositories as on 18<sup>th</sup> August, 2014 (cut-off date).
- The Company has appointed Mr. K Sriram, Practising Company Secretary, Partner, M/s. S Krishnamurthy & Co., Chennai as Scrutinizer for conducting the voting through the Postal Ballot in a fair and transparent manner.

5. Members have the option either to vote through the E-voting process or through the Postal Ballot Form. Members who have received the Postal Ballot Notice by email and who wish to vote through Postal Ballot Form can download Postal Ballot Form from the Company's website "www.tvs-e.in".
6. Please read the instructions given below carefully and exercise your vote.

## INSTRUCTIONS FOR VOTING:

### A. VOTING THROUGH PHYSICAL POSTAL BALLOT FORM

1. A member desiring to exercise vote by Postal Ballot shall complete the enclosed Postal Ballot Form with assent (for) or dissent (against) and send it to the Scrutinizer in the enclosed self-addressed postage prepaid 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 expenses of the members, will also be accepted.
2. The **Postal Ballot Form duly completed** and signed should **be returned** in the enclosed self-addressed postage prepaid envelope directly to the Scrutinizer so as **to reach the Scrutinizer not later than the close of working hours on 27<sup>th</sup> September 2014 at 6 pm**. Postal Ballot Forms received after that date and time will be treated as if the reply from such members has not been received.
3. This form should be completed and signed by the sole / first named member. In case of joint holding, this Form should be completed and signed (by the first named member and in his absence, by the next named joint holder. The signature of the member on this Postal Ballot Form should be as per the specimen signature registered with the Company or furnished by National Securities Depository Limited / Central Depository Services (India) Limited to the Company, in respect of shares held in the physical form or dematerialized form, respectively.
4. 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 / Authorisation together with attached specimen signature(s) of the duly authorised signatories.
5. Members holding shares in dematerialised form are advised, in their own interest, to get their signatures verified by their Banker / Depository Participant (DP). Signatures should be verified by the Manager of the concerned Bank / DP by affixing a rubber stamp / seal mentioning name and address of the Bank / DP and name, stamp and signature of the Manager.
6. Members are requested not to send any other paper along with the Postal Ballot Form in the enclosed self-addressed envelope as all such envelopes will be sent to the Scrutinizer and any other paper found in such envelope, the same would not be considered and would be destroyed by the Scrutinizer.
7. The votes should be cast in favour of or against the Resolution by putting the tick mark (✓) in the column provided for assent or dissent. Postal Ballot Form bearing (✓) in both the column will render the form invalid. Incomplete, unsigned, incorrectly filed or bearing more than one Postal Ballot Forms will be subject to rejection by the Scrutinizer.
8. The Postal Ballot shall not be exercised by a Proxy.
9. The Scrutinizer's decision on the validity of the Postal Ballot will be final.

### B. E-voting facility

1. The Company is pleased to offer e-voting facility for members to enable them to cast their votes electronically instead of dispatching Postal Ballot Form. Members have an option to vote either through e-voting or through Ballot Form. If a member has opted for e-voting, then he/she should not vote by Postal Ballot also and vice-a-versa. However, **in case members cast their vote both via physical ballot and e-voting, then voting through e-voting shall prevail and voting done by physical ballot shall be treated as invalid.**
2. The e-voting period commences on **29<sup>th</sup> August 2014 at 9.00 am and ends on 27<sup>th</sup> September 2014 (6 pm)**. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 18<sup>th</sup> August 2014, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 18<sup>th</sup> August, 2014.

#### 3. Members may please note the instructions below:

##### A. In case of members receiving e-mail from NSDL:

- i. Open e-mail and then Open PDF file viz., "TVS Electronics Limited e-voting.pdf" with the Client ID or Folio number as password. The PDF file contains the User ID and Password for e-voting. Please note that the password is an initial password which requires to be changed when the password change menu appears.
- ii. Open your web browser during the voting period and log on to the e-voting website [www.evoting.nsdl.com](http://www.evoting.nsdl.com)
- iii. Click on Shareholder – Login
- iv. Enter 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 with minimum 8 digits / characters or combination thereof. Please note the new password. It is strongly recommended not to share the password with any other person and take utmost care to keep the password confidential.
- vi. Home page of e-voting opens. Go to "e-voting" icon and select "Active EVoting Cycles".

- vii. Select "EVEN" of TVS Electronics Limited
- viii. Cast your vote and select "Submit" and "Confirm" when prompted.
- ix. Upon confirmation, the message "Vote cast successfully" will be displayed.
- x. Once the member has voted on the resolution, such member will not be allowed to modify their vote.
- xi. Institutions members (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 the attested specimen signature of the duly authorised signatory(ies), who are authorized to vote, to the Scrutinizer through email: sriram.krishnamurthy@rediffmail.com with a copy marked to evoting@nsdl.co.in and kr.raman@scl.co.in.

**B. In case of members receiving Postal Ballot form by Post** [for members whose email IDs are not registered with the Company / Depository Participants(s) or requesting physical copy] :

- i. Initial password is provided as below/at the bottom of the Postal Ballot Form:

**ELECTRONIC VOTING PARTICULARS**

EVEN (E-Voting Event Number)	USER ID	PASSWORD / PIN

Please follow the steps from (ii) to (xi) stated above.

- ii. In case of any queries, Members may refer to the Frequently Asked Questions (FAQs) for members and e-voting user manual for members available at the Downloads section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or contact NSDL at 022-24994600.
- iii. If members are already registered with NSDL for e-voting, then they can use their existing user ID and password for casting the vote.
- iv. Members can also update their mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
  - a. The Scrutinizer, after completion of the scrutiny, will submit his report to the Chairman or any of the Directors or Secretary as authorized by the Chairman. The result of the Postal Ballot will be declared by the Chairman or any one of the Directors or the Secretary on **29<sup>th</sup> September 2014**. The result will be announced to the Stock Exchanges where shares of the Company are listed and intimated through a press release in the newspapers. The result will also be displayed on the Company's website **www.tvse.in**. The resolutions, if approved, will be taken as passed effectively on the date of the declaration of the result, as explained above.
  - b. Members are requested to notify the change in the address, if any, in case of shares held in electronic form to the concerned Depository Participant quoting their Client ID and in case of Physical shares to the Registrar and Transfer Agent of the Company quoting their Folio Number.
  - c. In case of any queries, Members may contact the Company at **investorservices@tvse.in; or sclshares@gmail.com**

**STATEMENT OF MATERIAL FACTS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

**Item No.1**

The Company, had at the Annual General meeting held on 22<sup>nd</sup> January 2003, obtained approval from the shareholders, to create charge, mortgage, pledge of Company's movable and immovable properties, by way of an Ordinary Resolution under Section 293(1)(a) of Companies Act, 1956, upto a sum not exceeding Rs.100 Crores at any point of time.

In terms of General Circular no.4/2014 dated 25<sup>th</sup> March, 2014 the above resolution is valid only upto 11<sup>th</sup> September, 2014. Hence, consent of the Company is being sought under the corresponding Section 180 (1)(a) of the Companies Act, 2013 and any other applicable provisions, of the Act, read with Rule 22 of the Companies (Management and Administration) Rules, 2014, by way of a Special Resolution, through Postal Ballot.

Accordingly, Board recommends the resolution for member's approval by passing the Special Resolution as set out in the Notice.

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

**Item No.2**

The Company had at the Extra Ordinary General meeting held on 25<sup>th</sup> April, 2003, had approved contribution to charitable to other funds not directly relating to the business of the Company or the welfare of its employees, any amount not exceeding Rs.5 Crores, under Section 293(1)(e) of the Companies Act, 1956, by way of an ordinary resolution.

As per Section 181 of Companies Act, 2013, the Board of Directors require the prior permission of the members, to contribute to bona fide charitable and other funds, any amount the aggregate of which, in any financial year exceeds 5% of its average profits for the three immediately preceding financial years, as determined in accordance with Section 198 of Companies Act, 2013,.

The contribution limit of Rs.5 Crores under the earlier resolution passed by the shareholders at the Extra Ordinary General Meeting held on 25<sup>th</sup> April, 2003, remains unchanged. The Board recommends the resolution for approval of the shareholders.

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

### Item No.3

The Company had at the Extra Ordinary General meeting held on 24<sup>th</sup> December, 2001, had approved making of investments, loans and advances, guarantees and securities given, not exceeding Rs.50 Crores, under Section 372(A) of the Companies Act, 1956, by way of an ordinary resolution.

In terms of Section 186 of the Companies Act, 2013, the Board of Directors require the prior consent of the members by way of a Special Resolution, to give loan or give any guarantee or provide security in connection with a loan to any other body corporate or person and acquire by way of subscription, purchase or otherwise, the securities of other body corporate, not exceeding sixty percent of its paid up share capital, free reserves and securities premium account or one hundred percent of free reserves and securities premium account, whichever is more.

The limit of Rs.50 Crores under the earlier resolution passed by the shareholders at the Extra Ordinary General Meeting held on 24<sup>th</sup> December, 2001 remains unchanged. The Board recommends the Special Resolution for approval of the shareholders.

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

### Item No.4

In terms of Section 151 of the Companies Act, 2013, read with Rule 7 of Companies (Appointment and Qualification of Directors) Rules, 2014, a listed Company can **suo motu** opt to have a director representing small shareholders, and such an appointment shall be made, with the approval of the members, by way of Postal ballot.

Mr. R Ramaraj is an Independent Director in terms of Clause 49 of the Listing agreement, liable to retire by rotation. He has furnished declaration confirming that he meets the criteria of Independence under Section 149(6) of the Companies Act, 2013. The Board has also formed an opinion that he is a person of integrity and possess the relevant expertise and experience and have consequently selected him as an Independent Director.

In terms of Section 151 of the Companies Act, 2013 read with Rule 7 of Companies (Appointment and Qualification of Directors) and Rule 22 of the Companies (Management and Administration) Rules, 2014, approval is being sought for appointment of Mr. R Ramaraj, as an Independent Director, representing small shareholders, for a period of three consecutive years, from 1<sup>st</sup> April 2014 to 31<sup>st</sup> March 2017. During this period, he shall not be liable to retire by rotation.

Brief resume of Mr. R Ramaraj with other details as required under Clause 49 of the Listing agreement forms part of this Notice. Board considers that this will be in the interest of the Company and recommends the resolution to be approved by the shareholders, by way of an Ordinary Resolution.

Mr. R Ramaraj is a serial entrepreneur who has been involved in ventures in IT, cellular and Internet. His last venture was Sify, where he was the Co-Founder and Chief Executive Officer, Sify was the first Indian Internet Company from India to list on NASDAQ National Market in the US (NASDAQ –SIFY).He was recognized as the 'Evangelist of the Year' at the India Internet World Convention in September 2000 and was also voted the IT Person of the year 2000 and in 2001, in a CNET.com poll in India.

In 2010, The Confederation of Indian Industry (CII) recognized him with a Life Time Achievement Award for nurturing the Spirit of Entrepreneurship and inspiring and mentoring numerous entrepreneurs. Until recently he was the Senior Advisor at Sequoia Capital. He is also associated with a couple of Impact funds. Acumen and Elevarequity. He is a Member of the Board of Governors of the Indian Institute of Management, Calcutta.

He is on the board of Olympic Gold Quest (OGQ) a Not for Profit organization. OGQ is committed to bridging the gap between the best athletes in India and the best athletes in the world thus helping Indian athletes to win Olympic Gold medals. He is the Co-Founder and Director of Coaching Foundation of India, an organization that trains and certifies CEO Coaches. He is the first Indian to be invited to the Board of Directors of ICANN (Internet Corporation for Assigned Names and Numbers) where he served for 6 years as an Independent Director. He was a member of the Global Board of Trustees of TiE (The Indus Entrepreneurs).

Mr. R. Ramaraj holds a B.Tech in Chemical Engineering from the University of Madras and a M.B.A. from the Indian Institute of Management, Calcutta.

None of the Directors (except the appointee) or Key Managerial Personnel of the Company and / or their relatives has any concern or interest, financial or otherwise, in this resolution.

All the material documents pertaining to the above special businesses are available for inspection by the members at the Registered office of the Company during the working hours during the voting period.

By Order of the Board

Chennai  
29<sup>th</sup> July 2014

**S Nagalakshmi**  
Company Secretary

Encl:

1. Postal Ballot Form
2. Self-addressed Postage Pre-Paid Envelope