

Shriram EPC Limited

Regd. office: , Sigappi Achi Building, 4th floor, 18/3 Rukmini Lakshmi pathi Road, Egmore, Chennai-600008.

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CIN:L74210TN2000PLC045167

POSTAL BALLOT NOTICE

(Notice issued to members pursuant to Section 110 of the Companies Act, 2013)

Dear Member(s),

Notice is hereby given pursuant to Section 110 of the Companies Act, 2013 (the Act), and other applicable provisions of the Act, read with Rule 22 of the Companies (Management and Administration) Rules, 2014 and other applicable rules under the Act, that the resolutions appended below are proposed to be passed by way of postal ballot. Members' consent is requested for the proposal contained in the resolutions appended below. The explanatory statement pertaining to the said resolutions setting out the material facts and the reasons thereof is annexed hereto along with a postal ballot form.

1. Issue of equity shares on preferential basis in terms of ICDR Regulations on conversion of the Working Capital Term Loan (WCTL) to CDR Lenders in terms of the CDR Package

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

"RESOLVED THAT pursuant to the provisions of Section 62(1)(c) and all other applicable provisions, if any, of the Companies Act, 2013 (the Act) and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and in accordance with the provisions of the Memorandum and Articles of Association of the Company, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the equity listing agreements entered into by the Company with BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE), together with the BSE, the Stock Exchanges, provisions of Chapter VII – Preferential Issue and other applicable provisions, if any, of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended, from time to time (the ICDR Regulations), and subject to the applicable rules, notifications, guidelines and circulars issued by various authorities including but not limited to the Government of India, the Securities and Exchange Board of India (SEBI), the Reserve Bank of India (RBI) and any other competent authorities and subject to the approvals, permissions, sanctions and consents as may be necessary from any regulatory and other appropriate authorities (including but not limited to the SEBI, CDR EG, RBI, the Government of India, etc.), and all such other approvals (including approvals of the existing lenders of the Company, if required), and subject to such conditions and modifications as may be prescribed by any of them while granting such approvals, permissions, sanctions and consents, which may be agreed to by the Board of Directors (hereinafter referred to as the Board, which term shall be deemed to include any committee which the Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred hereunder or any person(s) authorized by the Board to exercise the powers conferred on the Board and in furtherance to the scheme of corporate debt restructuring(the CDR Package) by and between the Company and the lenders of the Company whose loans are restructured (the CDR Lenders) which has been approved by the Corporate Debt Restructuring Empowered Group (the CDR EG) on August 20, 2014, and further approved by CDR EG in their meeting held on June 22, 2016 and any modifications to the terms thereof, as approved by the CDR Lenders and the Company, and in terms of the Master Restructuring Agreement dated 20th September 2014 (the MRA) executed by and between the Company and the CDR Lenders, the consent of the Company be and is hereby accorded to the Board to create, offer, issue and allot, in one or more tranches, upto 55,13,97,849 fully paid-up equity shares of the Company, having face value of Rs.10/- (Rupees Ten Only) each, at a price of Rs. 23.25/- per equity share

(including a premium of Rs.13.25/- per share) being the price calculated in accordance with the provisions of Regulation 76A of the ICDR Regulations for an amount not exceeding Rs.1,282 crores in consideration of the amounts outstanding from the Company to the CDR Lenders under the Working Capital Term Loan, as and when approved by their individual sanctioning authority, by way of preferential allotment and in such manner and on such other terms and conditions, as the Board may, in its absolute discretion, think fit.”

“RESOLVED FURTHER THAT this resolution for issuance of 55,13,97,849 equity shares amends the earlier special resolution no.1 approved by the shareholders on February 11, 2016 for issuance of equity shares to the CDR lenders in lieu of the WCTL, to the extent applicable.”

“RESOLVED FURTHER THAT in accordance with Regulation 71(a) of the ICDR Regulations, the ‘Relevant Date’, for determining the price of the equity shares being allotted to the CDR Lenders, on a preferential basis, is June 22, 2016, being the relevant date noted by CDR EG for the aforesaid WCTL conversion”.

“RESOLVED FURTHER THAT the equity shares to be allotted in terms of this resolution within the period prescribed under the ICDR Regulations and shall be in dematerialized form, fully paid-up at the time of allotment and shall rank pari passu in all respects including as to dividend, with the existing equity shares of the Company and the same shall be subject to lock-in for such period that may be prescribed under the ICDR Regulations.”

“RESOLVED FURTHER THAT for the purpose of giving effect to the aforesaid resolution, the Board/Committee of the Board be and is hereby authorized on behalf of the Company to take all actions and to do all such acts, deeds, matters and things (including sub-delegating its powers to Authorised Representatives) as it may, in its absolute discretion, deem necessary, proper or desirable for such purpose, including negotiating the price in the best interests of the Company, deciding/revising the dates of allotment, deciding and/or finalizing other terms of issue and allotment in consonance with the ICDR Regulations, listing of the equity shares to be issued and allotted, and to modify, accept and give effect to any modifications to the terms and conditions of the issue as may be required by the statutory, regulatory and other appropriate authorities including but not limited to the SEBI, CDR EG, RBI, the Government of India, etc., and all such other approvals (including approvals of the existing lenders of the Company, if required) and as may be agreed by the Board, and to settle all questions, difficulties or doubts that may arise in the proposed issue, pricing of the issue, issue and allotment of the equity shares arising there from, including utilization of issue proceeds and to execute all such deeds, documents, applications, offer letters, forms, writings, agreements, and to appoint such consultants, advisors and all such agencies as may be required, in connection with the proposed issue as the Board may, in its absolute discretion, deem necessary or desirable without being required to seek any further consent or approval of the shareholders or otherwise with the intent that the shareholders shall be deemed to have given their approval thereto expressly by the authority of this resolution.”

“RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred to any other Committee of the Board to give effect to this resolution.”

RESOLVED FURTHER THAT all actions taken by the Board in connection with any matter(s) referred to or contemplated in any of the foregoing resolutions be and are hereby approved and confirmed in all respects.”

2. Issue of Equity shares on preferential basis to SVL Limited (formerly Shriram Industrial Holdings Limited), the Promoter of the Company

To consider and, if thought fit, to give assent/dissent to the following resolution, as a Special Resolution

:“RESOLVED THAT pursuant to the provisions of Section 62 and all other applicable provisions, if any, of the Companies Act, 2013 (the Act) and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and in accordance with the provisions of the Memorandum and Articles of Association of the Company, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the equity listing agreements entered into by the Company with BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE), together with the BSE, the Stock

Exchanges, provisions of Chapter VII – Preferential Issue and other applicable provisions, if any, of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended, from time to time (the ICDR Regulations), and subject to the provisions of the Foreign Exchange Management Act, 1999, the applicable rules, notifications, guidelines and circulars issued by various authorities including but not limited to the Government of India, the Securities and Exchange Board of India (SEBI), the Reserve Bank of India (RBI) and any other competent authorities and subject to the approvals, permissions, sanctions and consents as may be necessary from any regulatory and other appropriate authorities (including but not limited to the SEBI, RBI, the Government of India, etc.), and all such other approvals (including approvals of the existing lenders of the Company, if required), and subject to such conditions and modifications as may be prescribed by any of them while granting such approvals, permissions, sanctions and consents, which may be agreed to by the Board of Directors (hereinafter referred to as the Board, which term shall be deemed to include any committee which the Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred hereunder or any person(s) authorized by the Board to exercise the powers conferred on the Board), the consent of the Company be and is hereby accorded to the Board to create, offer, issue and allot, in one or more tranches, in proportion to the WCTL conversion, upto 11,39,78,495 fully paid-up equity shares of the Company, having face value of Rs.10/- each, at a minimum price of Rs. 23.25/- (including a premium of Rs.13.25/-) per equity share or such other higher price, as may be arrived at in accordance with Regulation 76 of the ICDR Regulations for an amount not exceeding Rs. 265 crores (Rupees Two Hundred and sixty five Crores only), to SVL Limited, the promoter of the Company, by way of preferential allotment and in such manner and on such other terms and conditions, as the Board may, in its absolute discretion, think fit.”

“RESOLVED FURTHER THAT the “Relevant Date” for the purpose of determining the floor price of the equity shares in accordance with the provisions of Chapter VII of the SEBI (ICDR) regulations 2009 as amended from time to time under ICDR Regulations for the preferential allotment shall be Wednesday, July 27, 2016 i.e. 30 days prior to the date of declaration of results of postal ballot.

“RESOLVED FURTHER THAT the equity shares to be allotted in terms of this resolution within the period prescribed under the ICDR Regulations shall be in dematerialized form, fully paid-up at the time of allotment and shall rank pari passu in all respects including as to dividend, with the existing equity shares of the Company and the same shall be subject to lock-in for such period that may be prescribed under the ICDR Regulations.”

“RESOLVED FURTHER THAT for the purpose of giving effect to the aforesaid resolution, the Board/Committee of the Board be and is hereby authorized on behalf of the Company to take all actions and to do all such acts, deeds, matters and things (including sub-delegating its powers to Authorised Representatives) as it may, in its absolute discretion, deem necessary, proper or desirable for such purpose, including negotiating the price in the best interests of the Company, deciding/revising the dates of allotment, deciding and/or finalizing other terms of issue and allotment in consonance with the ICDR Regulations, listing of the equity shares to be issued and allotted, and to modify, accept and give effect to any modifications to the terms and conditions of the issue as may be required by the statutory, regulatory and other appropriate authorities including but not limited to the SEBI, RBI, the Government of India, etc., and all such other approvals (including approvals of the existing lenders of the Company if required) and as may be agreed by the Board, and to settle all questions, difficulties or doubts that may arise in the proposed issue, pricing of the issue, issue and allotment of the equity shares arising there from, including utilization of issue proceeds and to execute all such deeds, documents, applications, offer letters, forms, writings, agreements, and to appoint such consultants, advisors and all such agencies as may be required, in connection with the proposed issue as the Board may, in its absolute discretion, deem necessary or desirable without being required to seek any further consent or approval of the shareholders or otherwise with the intent that the shareholders shall be deemed to have given their approval thereto expressly by the authority of this resolution.”

“RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred to any other Committee of the Board to give effect to this resolution.”

RESOLVED FURTHER THAT all actions taken by the Board in connection with any matter(s) referred to or contemplated in any of the foregoing resolutions be and are hereby approved and confirmed in all respects.”

3. INCREASE OF THE AUTHORISED SHARE CAPITAL OF THE COMPANY AND APPROVAL FOR ALTERATION TO THE MEMORANDUM OF ASSOCIATION OF THE COMPANY

To consider and, if thought fit, to give assent/dissent to the following resolution, as a Ordinary Resolution:

RESOLVED THAT pursuant to Section 61 and other applicable provisions, if any, of the Companies Act, 2013, the Authorised Share Capital of the Company be increased from Rs.550 ,00,00,000/- (Rupees Five Hundred and Fifty Crores) divided into 55,00,00,000 Equity shares of Rs.10/- each to is Rs.1000,00,00,000 (Rupees Thousand Crores Only) divided into 100,00,00,000 (one hundred Crores) equity shares of Rs. 10/- (Rupees Ten Only) each aggregating to Rs.1000,00,00,000 (Rupees Thousand Crores Only) and pursuant to Section 13 of the Act, the existing Clause V of the Memorandum of Association of the Company is substituted by the following clause:

V. The Authorized Share Capital of the Company is Rs.1000,00,00,000 (Rupees Thousand Crores Only) divided into 100,00,00,000 (one hundred Crores) equity shares of Rs. 10/- (Rupees Ten Only) each aggregating to Rs.1000,00,00,000 (Rupees Thousand Crores Only) with power to increase or reduce the capital and to divide and subdivide the shares into several classes and to attach there to respectively such preferential qualified or special rights, privileges or conditions, as may be determined by or in accordance with the Articles of Association of the Company for the time being and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may be permitted by the Companies Act, 2013 or as provided by the Articles of Association of the Company for the time being.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the following officials of the Company, Mr. T Shivaraman, Managing Director & CEO and Mr. K Suresh, Vice President & Company Secretary be and are hereby severally authorised, on behalf of the Company, to do all such acts, deeds, matters and things as deemed necessary, proper or desirable and to sign and execute all necessary documents, applications and returns for the purpose of giving effect to the aforesaid resolution along with filing of necessary E-form(s) with the Registrar of Companies, Tamilnadu, Chennai.

By Order of the Board

Place: Chennai

Date: 26th July, 2016

Registered Office: Sigappi Achi Building, 4th Floor
18/3 Rukmini Lakshmi pathi Road,
Egmore, Chennai-600008.

K. Suresh

Vice President & Company Secretary

NOTES:

1. The explanatory statement pursuant to Section 102 of the Companies Act, 2013 read with Section 110 of the Companies Act, 2013 setting out all material facts is annexed hereto along with Postal Ballot Form for your consideration.
2. The Notice is being sent to all the Shareholders, whose names appear on the Register of Members / List of Beneficial Owners as received from the National Securities Depository Limited (NSDL) / Central Depository Services (India) Limited (CDSL) as on Friday, July 22, 2016.

The Board has appointed Mr. R. Sridharan of Messrs. R. Sridharan & Associates, Company Secretaries, Chennai, as the Scrutinizer for conducting the postal ballot voting process in accordance with the law and in a fair and transparent manner.

The shareholders of the Company are requested to carefully read the instructions printed in the attached postal ballot form. 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 05.00 P.M. on or before Thursday, August 25, 2016. Any postal ballot form received after this date shall be treated as if the reply from the shareholder of the Company has not been received.

The shareholders of the Company are required to exercise their voting rights by using the attached postal ballot form only. No other form or photocopy of the form is permitted. Shareholders who do not receive the postal ballot form may apply to the Company and obtain a duplicate thereof. Facility of voting through electronic mode is also provided by the Company.

The special resolutions mentioned above shall be declared as passed if the number of votes cast in favour of the resolutions is three times more than the votes, if any, cast against the said resolutions.

The Scrutinizer will submit their report to either Mr. T Shivaraman – Managing Director & CEO of the Company or Mr. K Suresh, Vice President & Company Secretary of the Company after completion of the scrutiny and the results of the postal ballot will be announced by Mr. T Shivaraman – Managing Director & CEO or Mr. K Suresh, Vice President & Company Secretary or any one of the Directors of the Company on Friday, August 26, 2016 at 11.00 A.M. at Sigappi Achi Building, 4th Floor,, 18/3 Rukmini Lakshmpathi Road,, Egmore, Chennai-600008. The date of declaration of the postal ballot result will be taken to be the date of passing of the resolutions. The results shall also be displayed on the website of the Company www.shriramepc.com.

The results of the postal ballot will be published in one English Newspaper with nationwide circulation and in one Tamil Newspaper for the information of members, and will also be informed to the stock exchanges where the equity shares of the Company are listed.

In compliance with the Listing Agreement entered into with the Stock Exchanges and the provisions of Section 110 of the Companies Act 2013, read with Rule 22 of the Companies (Management and Administration) Rules, 2014, the Company is also extended e-voting facility as an alternate, for all Members to enable them to cast their votes electronically instead of dispatching Postal Ballot Form. E-voting is optional.

The instructions for e-voting are as under:-

In case of members receiving e-mail:

- (i) Log on to the e-voting website www.evotingindia.com
- (ii) Click on "Shareholders" tab
- (iii) Now, select the "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 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.
- (vi) Now, fill up the following details in the appropriate boxes:

	For Members holding shares in Demat Form	For Members holding shares in 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)	
DOB#	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or 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.	

*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 sequence number in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name.

Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.

please enter any one of the details in order to login. In case, both the details are not recorded with the depository and company please enter the member id / folio number 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 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.
- (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 EVSN for the relevant <Company Name> 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.

In case of members receiving the physical copy:

- a) Please follow all steps from sl. no. (i) to sl. no. (xvii) above to cast vote.
 - b) The voting period begins on 10.00 a.m. on July 27, 2016 and ends on 05.00 p.m. on August 25, 2016. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of July 22, 2016, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
 - 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 or rsaevoting@gmail.com.
- (xviii) Mr. R Sridharan, Practicing Company Secretary (Membership No. FCS 4775) of R Sridharan & Associates, Company Secretaries has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

Members who have registered their e-mail ids for receipt of documents in electronic mode under the Green Initiatives of Ministry of Corporate Affairs are being sent Notice of Postal Ballot by e-mail and others are sent by post along with Ballot Form. Members have option to vote either through e-voting or through Postal Ballot Form. Members who have received Postal Ballot Notice by e-mail and who wish to vote through Postal Ballot Form can download Postal Ballot Form from the link [https:// www.evotingindia.com](https://www.evotingindia.com) / or www.shriramepc.com or seek duplicate Postal Ballot Form from M/s. Cameo Corporate Services Limited fill in the details and send the same to the Scrutinizer.

Kindly note that the Members can opt only one mode of voting, i.e. either by Physical Ballot or e-Voting. If you are opting for e-Voting, then do not vote by Physical Ballot also and vice versa.

EXPLANATORY STATEMENT UNDER SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 1

As per the CDR EG approval dated August 20, 2014 and the Master Restructuring Agreement dated 20th September 2014 executed by the Company, the CDR Lenders have an option for converting the entire Working restructured facilities into equity shares of the Company during the period of the loan repayment. CDR EG in their meeting held on June 22, 2016, further noted the proposed corrective action plan under JLF for conversion of WCTL of Rs 1,282 crore into equity shares to CDR Lenders in terms of the CDR Package.

Global growth continued to remain weak, moderating to 2.4% during the last year amidst the growing uncertainties in several economies across the world. The GDP growth in India dipped marginally this year as expansion in public investments weakened under fiscal constraints. Private sector and public sector capex continued to be very limited. This, in turn, has led to slowing down of order inflows in the Company and strained the cash flows.

Due to the above reasons, the Company submitted a Corrective Action Plan (CAP) to the joint lenders at their meeting held on June 17, 2016 detailing the plan of the Company for the next 5 years and the growth prospects. During the discussions, it was felt that based on the existing turnover and the strained cash flows of the Company, it will be in the best interest of the CDR Lenders and the Company to convert the WCTL into equity shares. This will

sustain the Company's cash flows. Hence, the CAP was presented to the CDR EG at their meeting held on June 22, 2016, where the same was taken on record. It was further noted that the promoters would bring in funds amounting to approximately Rs 265 crore i.e. 20% of the WCTL getting converted into equity shares, out of which around Rs. 65 crore has already been infused in the Company. This infusion will help the Company to accelerate its on-going projects. In the meantime, the CDR Lenders would obtain approvals from their respective sanctioning authorities.

Further, reference was drawn to the earlier shareholders' approval on February 11, 2016 vide postal ballot for issuance of equity shares to the CDR lenders in lieu of the WCTL for an amount not exceeding Rs.491.84 crores. Out of this, 3 CDR lenders converted a part of the WCTL amounting to Rs.78.40 crores into equity shares before March 31, 2016 and the Company has obtained necessary listing approvals from the stock exchanges for the allotments made in this regard. Hence, the earlier resolution stands amended and is applicable to the extent of Rs. 78.40 crore only. The balance WCTL conversion being part of the earlier resolution, would be carried out in accordance to the resolution no. 1 mentioned in this notice.

The Equity Shares that are to be issued shall be listed at BSE Limited (the BSE) and the National Stock Exchange of India Limited (the NSE), together referred to as the Indian Stock Exchanges. The consent of the shareholders is also being sought pursuant to the provisions of Section 62, Section 42 and other applicable provisions of the Companies Act, 2013 and rules thereunder and in terms of the provisions of the listing agreement executed by the Company with the Indian Stock Exchanges. The said equity shares shall rank pari passu with the then existing equity shares of the Company in all respects.

The following details of the proposed preferential issue of equity shares are disclosed in accordance with the provisions of 'Chapter VII – Preferential Issue' of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended, from time to time (the ICDR Regulations) and under the applicable provisions of the Companies Act, 2013 and Rules made thereunder:

i. Objects of the preferential issue

To improve the networth of the Company which would provide better opportunities for quoting larger orders, substantial reduction in debt, savings in interest and improved financial ratios of the Company.

ii. The total number of equity shares to be issued

The Board intends to offer, issue and allot up to 55,13,97,849 fully paid-up equity shares of the Company, having face value of Rs. 10/- (Rupees Ten Only) each, at a minimum price of Rs. 23.25/- per equity share, being the price calculated in accordance with Regulation 76A of the ICDR Regulations.

iii. The price at which the allotment is proposed

The Offer Price of Rs.23.25/- (Rupees Twenty Three & Twenty Five Paise Only) per fully paid-up equity share has been determined in accordance with Regulation 76A of the ICDR Regulations by an independent merchant banker vide their report dated July 9, 2016.

iv. Basis on which the price has been arrived at along with report of the registered valuer

The same is not applicable in the present case since the Company is a listed Company, the pricing is as per Regulations.

v. Relevant date with reference to which the price has been arrived at

The "Relevant Date" in terms of Regulation 71(a) of the ICDR Regulations for determination of issue price for allotment of equity shares is June 22, 2016, being the relevant date on which the CDR EG noted the aforesaid WCTL conversion.

vi. The class or classes of persons to whom the allotment is proposed to be made

The allotment is proposed to be made to the CDR Lenders in terms of the CDR Package for the WCTL portion.

vii. The intention / proposal of the Promoters, Directors and Key Managerial Personnel of the Company to subscribe to the proposed preferential issue

None of the Promoters, Directors or Key Managerial Personnel of the Company intends to subscribe to the proposed preferential issue.

viii. Proposed time within which the allotment shall be completed

The Company will issue and allot equity shares to the CDR Lenders within the time limit specified under the ICDR Regulations.

ix. The identity of the proposed allottee, maximum number of equity shares proposed to be issued and the percentage of post issue capital that may be held by the proposed allottee

Details of proposed Allottees:

Particulars	Present shareholding as on 30.6.2016 (i)		Pre issue shareholding as on 30.6.2016 (ii)		Post issue holding (iii)	
	No of shares	% holding	No of shares	% holding	No of shares	% holding
Oriental Bank of Commerce	1,20,45,407	4.16%	3,20,26,835	9.69%	7,68,98,472	7.72%
AXIS Bank Ltd	48,00,392	1.66%	59,16,845	1.79%	3,56,11,395	3.58%
Yes bank	-	-	-	-	26,01,969	0.26%
Bank of India	41,36,262	1.43%	47,95,717	1.45%	2,77,99,489	2.79%
IDBI Bank	84,69,764	2.92%	1,04,57,293	3.17%	5,86,44,408	5.89%
Punjab National Bank	88,61,749	3.06%	1,05,31,423	3.19%	5,41,90,436	5.44%
Allahabad Bank	36,75,786	1.27%	43,11,651	1.31%	2,24,95,867	2.26%
State Bank of Travancore	-	-	-	-	3,75,84,936	3.77%
IndusInd Bank	53,77,779	1.86%	56,48,942	1.71%	2,25,70,189	2.27%
State Bank of Patiala	98,20,870	3.39%	1,19,40,459	3.61%	6,45,88,093	6.49%
Federal Bank Limited	17,46,271	0.60%	20,15,926	0.61%	1,46,96,302	1.48%
Lakshmi Vilas Bank Limited	44,35,648	1.53%	1,00,61,475	3.05%	2,39,23,394	2.40%
ICICI Bank Limited	5,99,717	0.21%	17,12,063	0.52%	45,43,012	0.46%
Central Bank of India	1,70,44,746	5.88%	1,75,06,860	5.30%	9,07,97,062	9.12%
Dena bank	-	-	27,63,781	0.84%	1,57,82,074	1.58%
South Indian Bank	58,00,106	2.00%	69,78,193	2.11%	3,96,42,197	3.98%
Bank of Maharashtra	46,65,604	1.61%	51,19,669	1.55%	2,39,41,704	2.40%
State Bank of Mysore	32,14,146	1.11%	34,57,913	1.05%	1,64,76,206	1.65%
Corporation Bank	38,66,178	1.33%	39,44,858	1.19%	1,83,61,287	1.84%
DBS	-	-	-	-	3,66,04,974	3.68%
IFCI factors	-	-	-	-	28,86,022	0.29%
Total	9,85,60,425	33.99%	13,91,89,903	42.10%	69,06,39,488	69.36%

Notes:

- (i) Present shareholding pattern based on listing & trading approvals received from the stock exchanges.
- (ii) The pre issue holding of banks is based on the issue & allotment of shares to banks in lieu of the FITL & sacrifice made for the quarter ended March 31, 2016 for which trading approvals are yet to be received.
- (iii) The post issue capital is based on the entire conversion of the WCTL of upto Rs.1,282 crore and also the promoters' infusion of upto Rs. 265 crores as proposed under this postal ballot notice. In the event for any reason, the proposed allottee(s) approve or do not approve, partially approve or approve with variation in the

amount and /or does not or is unable to subscribe to and/or is not allotted the equity shares, the shareholding pattern in the above table would undergo corresponding changes.

x. The change in control, if any, in the Company that would occur consequent to the preferential offer

The Company believes the allotment proposed to be made to the CDR Lenders will not trigger any change in control post allotment, as no individual CDR Lender will hold more than 25% equity shares of the Company. The existing promoters of the Company will continue to be in control of the Company and there will not be any change in the management or control of the Company as a result of the proposed preferential allotment, except a corresponding change in shareholding pattern as well as voting rights.

xi. The number of persons to whom allotment on preferential basis has been made in terms of number of securities as well as price

Post March 31, 2014 and up to the date of this Notice, the following preferential allotments have been made:

Date of allotment	No. of securities allotted	Issue Price	No. of allottee(s)	Remarks
14.11.2014	3,20,00,000	Rs.50 per share	one(1)	As per the CDR scheme, preferential issue to the Promoter, Shriram Industrial Holdings Ltd (SIHL) for the capital infusion made by them
15.11.2014	1,00,00,000	Rs.50 per share	one(1)	Fresh infusion by the promoters, SIHL
26.6.2015	2,29,26,016	Rs.32.98	Eleven(11)	To various bankers who had opted to convert their FITL into equity based on the CDR scheme
	2,29,83,770	Rs.40.05	Nine(9)	To various bankers who had opted to convert their FITL into equity based on the CDR scheme
	10,50,78,336	Rs.37.02	One (1)	Fresh infusion by the promoters
09.7.2015	85,02,122	Rs.32.98	Twelve(12)	To various bankers who had opted to convert their FITL into equity based on the CDR scheme
	16,52,934	Rs.40.05	One (1)	Corporation bank who had opted to convert their sacrifice amtnto equity based on the CDR scheme
31.7.2015	17,07,095	Rs.37.02	One (1)	Indusind bank who had opted to convert their FITL into equity based on the CDR scheme
26.8.2015		Rs.32.98	one(1)	Central bank of India who had opted to convert their FITL into equity based on the CDR scheme
		Rs.40.05	one(1)	Central bank of India who had opted to convert their sacrifice amt into equity based on the CDR scheme
30.9.2015		Rs.32.98	Fourteen(14)	To various bankers who had opted to convert their FITL into equity based on the CDR scheme
		Rs.40.05	One (1)	Central bank of India who had opted to convert their sacrifice amt into equity based on the CDR scheme
27.10.2015		Rs.32.98	One (1)	Bank of India who had opted to convert their FITL into equity based on the CDR scheme
		Rs.40.05	One (1)	Bank of India who had opted to convert their sacrifice amt into equity based on the CDR scheme

28.12.2015		Rs.32.98	One (1)	Allahabad Bank who had opted to convert their FITL into equity based on the CDR scheme
		Rs.40.05	One (1)	Allahabad Bank who had opted to convert their sacrifice amt into equity based on the CDR scheme
28.01.2016		Rs.32.98	Sixteen(16)	To various bankers who had opted to convert their FITL into equity based on the CDR scheme
14.03.2016		Rs.32.98	One (1)	Dena Bank who had opted to convert their FITL into equity based on the CDR scheme
14.03.2016		Rs.40.05	One (1)	Dena Bank who had opted to convert their sacrifice amt into equity based on the CDR scheme
30.03.2016		Rs.32.98	Seventeen (17)	To various bankers who had opted to convert their FITL into equity based on the CDR scheme
30.03.2016		Rs.32.98	Three(3)	To 3 bankers who had opted to convert their WCTL into equity based on the CDR scheme

xii. The justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer

The allotment is proposed to be made to the CDR Lenders in terms of the CDR Package for the WCTL portion. The Company being a listed company; the pricing is in terms of ICDR Regulations.

xiii. The pre issue and post issue shareholding pattern of the Company

Particulars	Present share holding as on 30.06.2016 (i)		Pre issue share holding as on 30.06.2016 (ii)		Post issue share holding (iii)	
	No. of Shares	%	No. of Shares	%	No. of Shares	%
A. Promoters/ Promoter Group:						
a. Indian Promoters	16,54,12,862	57.09%	16,54,12,862	50.07%	27,93,91,357	28.06%
b. Foreign Promoters						
Total for Promoter Group (A)	16,54,12,862	57.09%	16,54,12,862	50.07%	27,93,91,357	28.06%
B. Public Shareholdings:						
i Institutional						
Financial Institutions / Banks	9,85,60,425	34.02%	13,91,89,903	42.13%	69,06,39,488	69.36%
Insurance Companies	3,17,646	0.11%	3,17,646	0.10%	3,17,646	0.03%
Foreign Institutional Investors	11,23,624	0.39%	11,23,624	0.34%	11,23,624	0.11%
Others						
Sub-total B 1	10,00,01,695	34.51%	14,06,31,173	42.57%	69,20,80,758	69.50%
ii Non Institutional						
- Bodies Corporate	49,90,226	1.72%	49,90,226	1.51%	49,90,226	0.50%
- Individuals	60,47,668	2.09%	60,47,668	1.83%	60,47,668	0.61%

Particulars	Present share holding as on 30.06.2016 (i)		Pre issue share holding as on 30.06.2016 (ii)		Post issue share holding (iii)	
	No. of Shares	%	No. of Shares	%	No. of Shares	%
	iii Any Other					
- Directors & their Relatives & Friends	14,120	0.00%	14,120	0.00%	14,120	0.00%
- NRIs	61,259	0.02%	61,259	0.02%	61,259	0.01%
- Clearing Shareholders	14,468	0.00%	14,468	0.00%	14,468	0.00%
- HUFs	2,66,474	0.09%	2,66,474	0.08%	2,66,474	0.03%
- Trusts	27,62,779	0.95%	27,62,779	0.84%	27,62,779	0.28%
- Foreign Corporate Bodies	1,01,66,290	3.51%	1,01,66,290	3.08%	1,01,66,290	1.02%
Sub-total B 2	2,43,23,284	8.39%	2,43,23,284	7.36%	2,43,23,284	2.44%
Total Public Shareholdings (B)	12,43,24,979	42.91%	16,49,54,457	49.93%	71,64,04,042	71.94%
GRAND TOTAL (A) + (B)	28,97,37,841	100.00%	33,03,67,319	100%	99,57,95,399	100.00%

Notes:

- (i) Present shareholding pattern based on listing & trading approvals received from the stock exchanges.
- (ii) The pre issue holding of banks is based on the issue & allotment of shares to banks in lieu of the FITL & sacrifice made for the quarter ended March 31, 2016 for which trading approvals are yet to be received.
- (iii) The post issue capital is based on the entire conversion of the WCTL of upto Rs.1,282 crore and also the promoters' infusion of upto Rs. 265 crores as proposed under this postal ballot notice. In the event for any reason, the proposed allottee(s) approve or do not approve, partially approve or approve with variation in the amount and /or does not or is unable to subscribe to and/or is not allotted the equity shares, the shareholding pattern in the above table would undergo corresponding changes.

The Company will ensure compliance with all applicable laws and regulations including the ICDR Regulations at the time of allotment of equity shares of the Company.

xiv. Undertaking to recomputed price

Not Applicable

xv. Undertaking to put under lock-in till the recomputed price is paid

Not Applicable

xvi. Certificate from Statutory Auditor

M/s Deloitte Haskins & Sells, Statutory Auditor of the Company, have certified that the issue of securities is being made in accordance with the ICDR Regulations. A copy of the said certificate is open for inspection at the Registered Office of the Company between 2.00 p.m. to 5.00 p.m. on all working days (except Saturdays, Sundays and holidays) up to the date of announcement of the result of Postal Ballot.

xvii. Lock-in Period

The securities allotted shall be locked in as per Regulation 78 and other applicable provisions of ICDR Regulations.

The Board of Directors of the Company has at its meeting held on July 11, 2016 has approved the creation, offer, issuance and allotment of the above mentioned equity shares of the Company on preferential basis. Pursuant to the provisions of Section 62 of the Companies Act, 2013 and Regulation 72(1) (a) of the ICDR Regulations, the preferential issue requires approval of the shareholders by way of a special resolution. The Board recommends passing of the resolution under Item (1) as a special resolution.

The consent of the shareholders is sought for the issue of equity shares in terms of Section 62 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and in terms of the provisions of the ICDR Regulations and the listing agreements entered into by the Company with the stock exchanges, where the Company's equity shares are listed.

None of the Directors and Key Managerial Personnel of the Company and their relatives has any concern or interest, financial or otherwise, in the proposed resolution. Further the Promoters or Directors or Key Managerial Personnel of the Company do not have any shareholding interest in the proposed allottee.

In light of above, you are requested to accord your approval to the Special Resolution as set out at Agenda Item No1 of the accompanying Notice.

Item No. 2

The following details of the proposed preferential issue of equity shares are disclosed in accordance with the provisions of 'Chapter VII – Preferential Issue' of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended, from time to time (the ICDR Regulations) and under the applicable provisions of the Companies Act, 2013 and Rules made thereunder:

i. Objects of the preferential issue

Towards long term working capital, operational requirements thereby improving the networth and the financial ratios of the Company.

ii. The total number of equity shares to be issued

The Board intends to issue and allot, in one or more tranches and in proportion to the WCTL conversion, up to 11,39,78,495 fully paid-up equity shares of the Company, having face value of Rs. 10/- each, at a minimum price of approximately Rs. 23.25/- per equity share (including premium of Rs.13.25/- per equity share) for an amount not exceeding Rs.265crores (Rupees Two Hundred and Sixty Five Crore), to be arrived in accordance with the minimum issue price requirement set out in Regulation 76 of the ICDR Regulations.

iii. The price or price band at / within which the allotment is proposed

The issue price is minimum price of approximately Rs.23.25/- per equity share (including premium of Rs.13.25/- per equity share) to be arrived in accordance with the minimum issue price requirement set out in Regulation 76 of the ICDR Regulations.

iv. Basis on which the price has been arrived at along with report of the registered valuer

The same is not applicable in the present case since the Company is a listed Company: the pricing is as per regulations.

v. Relevant date with reference to which the price has been arrived at

The "Relevant Date" in terms of Regulation 71 of the ICDR Regulations for determination of issue price for allotment of equity shares, shall be July 27, 2016, being 30 days prior to the date of the shareholders' approval.

vi. The class or classes of persons to whom the allotment is proposed to be made

The allotment is proposed to be made to SVL Limited, the promoter of the Company.

vii. The intention / proposal of the Promoters, Directors and Key Managerial Personnel of the Company to subscribe to the proposed preferential issue

Except the Promoter, none of the Directors or Key Managerial Personnel of the Company intends to subscribe to the proposed preferential issue.

viii. Proposed time within which the allotment shall be completed

The Company will issue and allot equity shares to the Promoter within the time limit specified under the ICDR Regulations.

ix. The identity of the proposed allottee, maximum number of equity shares proposed to be issued and the percentage of post issue capital that may be held by the proposed allottee

Details of proposed allottee:

SINo	Proposed Allottee - Promoter	Pre issue as of 31.5.2016		Post Issue	
		No. of Shares	% of share capital	No. of Shares	% of share capital
1	SVL Limited	16,54,12,862	50.07%	279391357	28.06%
	Total	16,54,12,862	50.07%	279391357	28.06%

Name of the proposed allottee	Category (Promoter/ Non-Promoter)	Identity of the natural persons who are the ultimate beneficial owners of the Equity Shares proposed to be allotted and /or who ultimately control SVL.	No. of Equity Shares to be allotted																																																		
SVL Limited CIN: U74900TN1986PLC013431	Promoter	<p>Shareholding of SVL</p> <p>The shares of SVL are held by the following persons/entities:</p> <table border="1"> <thead> <tr> <th>Sr. No</th> <th>Name of Shareholder</th> <th>No. of shares held</th> <th>Shareholding (%)</th> </tr> </thead> <tbody> <tr> <td>1.</td> <td>G V RAMAN</td> <td>10</td> <td></td> </tr> <tr> <td>2</td> <td>R KANNAN</td> <td>10</td> <td></td> </tr> <tr> <td>3</td> <td>T JAYARAMAN</td> <td>10</td> <td></td> </tr> <tr> <td>4</td> <td>S. SRINIVASAN</td> <td>10</td> <td></td> </tr> <tr> <td>5</td> <td>R VASUDEVAN</td> <td>10</td> <td></td> </tr> <tr> <td>6</td> <td>S NATARAJAN</td> <td>10</td> <td></td> </tr> <tr> <td>7</td> <td>S VENKATAKRISHNAN</td> <td>10</td> <td></td> </tr> <tr> <td>8</td> <td>R THYAGARAJAN-TRUSTEE-SVL TRUST</td> <td>10,50,000</td> <td>100.00</td> </tr> <tr> <td colspan="3">TOTAL</td> <td>100%</td> </tr> </tbody> </table> <p>LIST OF PREFERENCE SHAREHOLDER</p> <table border="1"> <thead> <tr> <th>1</th> <th>Mr.R.Thyagarajan, C/O SVL TRUST</th> <th>1,91,495</th> <th>10</th> <th>100.00%</th> </tr> </thead> <tbody> <tr> <td></td> <td>TOTAL</td> <td>1,91,495</td> <td></td> <td></td> </tr> </tbody> </table>	Sr. No	Name of Shareholder	No. of shares held	Shareholding (%)	1.	G V RAMAN	10		2	R KANNAN	10		3	T JAYARAMAN	10		4	S. SRINIVASAN	10		5	R VASUDEVAN	10		6	S NATARAJAN	10		7	S VENKATAKRISHNAN	10		8	R THYAGARAJAN-TRUSTEE-SVL TRUST	10,50,000	100.00	TOTAL			100%	1	Mr.R.Thyagarajan, C/O SVL TRUST	1,91,495	10	100.00%		TOTAL	1,91,495			11,39,78,495
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		<p>Details of SVL Trust</p> <p>The details of SVL Trust are as follows:</p> <table border="1"> <tr> <td colspan="2">SVL Trust</td> </tr> <tr> <td>Settlor</td> <td>Mr. R. Thyagarajan</td> </tr> <tr> <td rowspan="3">Trustees</td> <td>Mr. R. Thyagarajan</td> </tr> <tr> <td>Mr. M. Murali</td> </tr> <tr> <td>Mr. S. Bapu</td> </tr> </table> <p>There is no individual who has beneficial interest of more than 15%. The control is effected through Trustees.</p>	SVL Trust		Settlor	Mr. R. Thyagarajan	Trustees	Mr. R. Thyagarajan	Mr. M. Murali	Mr. S. Bapu	
SVL Trust											
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Note:

The Company will ensure compliance with all applicable laws and regulations including the ICDR Regulations at the time of allotment of equity shares of the Company.

x. The change in control, if any, in the Company that would occur consequent to the preferential offer:

The existing Promoter of the Company will continue to be in control of the Company and there will not be any change in the management or control of the Company as a result of the proposed preferential allotment, except a corresponding change in shareholding pattern as well as voting rights.

xi. The number of persons to whom allotment on preferential basis has been made in terms of number of securities as well as price:

Post March 31, 2014 and up to the date of this Notice, the following preferential allotments have been made:

Date of allotment	No. of securities allotted	Issue Price	No. of allottee(s)	Remarks
14.11.2014	3,20,00,000	Rs.50 per share	one(1)	As per the CDR scheme, preferential issue to the Promoter, Shriram Industrial Holdings Ltd (SIHL) for the capital infusion made by them
15.11.2014	1,00,00,000	Rs.50 per share	one(1)	Fresh infusion by the promoters, SIHL
26.6.2015	2,29,26,016	Rs.32.98	Eleven(11)	To various bankers who had opted to convert their FITL into equity based on the CDR scheme
	2,29,83,770	Rs.40.05	Nine(9)	To various bankers who had opted to convert their FITL into equity based on the CDR scheme
	10,50,78,336	Rs.37.02	One (1)	Fresh infusion by the promoters
09.7.2015	85,02,122	Rs.32.98	Twelve(12)	To various bankers who had opted to convert their FITL into equity based on the CDR scheme
	16,52,934	Rs.40.05	One (1)	Corporation bank who had opted to convert their sacrifice amtnto equity based on the CDR scheme

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28.1.2016		Rs.32.98	Sixteen(16)	To various bankers who had opted to convert their FITL into equity based on the CDR scheme
14.3.2016		Rs.32.98	One (1)	Dena Bank who had opted to convert their FITL into equity based on the CDR scheme
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30.3.2016		Rs.32.98	Seventeen(17)	To various bankers who had opted to convert their FITL into equity based on the CDR scheme
30.3.2016		Rs.32.98	Three(3)	To 3 bankers who had opted to convert their WCTL into equity based on the CDR scheme

xii. The justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer

Not applicable

xiii. The pre issue and post issue shareholding pattern of the Company

Particulars	Present share holding as on 30.06.2016 (i)		Pre issue share holding as on 30.06.2016 (ii)		Post issue share holding (iii)	
	No. of Shares	%	No. of Shares	%	No. of Shares	%
	A. Promoters/ Promoter Group:					
a. Indian Promoters	16,54,12,862	57.09%	16,54,12,862	50.07%	27,93,91,357	28.06%
b. Foreign Promoters						
Total for Promoter Group (A)	16,54,12,862	57.09%	16,54,12,862	50.07%	27,93,91,357	28.06%
B. Public Shareholdings:						
i Institutional						
Financial Institutions / Banks	9,85,60,425	34.02%	13,91,89,903	42.13%	69,06,39,488	69.36%
Insurance Companies	3,17,646	0.11%	3,17,646	0.10%	3,17,646	0.03%
Foreign Institutional Investors	11,23,624	0.39%	11,23,624	0.34%	11,23,624	0.11%
Others						
Sub-total B 1	10,00,01,695	34.51%	14,06,31,173	42.57%	69,20,80,758	69.50%
ii Non Institutional						
- Bodies Corporate	49,90,226	1.72%	49,90,226	1.51%	49,90,226	0.50%
- Individuals	60,47,668	2.09%	60,47,668	1.83%	60,47,668	0.61%
iii Any Other						
- Directors & their Relatives & Friends	14,120	0.00%	14,120	0.00%	14,120	0.00%
- NRIs	61,259	0.02%	61,259	0.02%	61,259	0.01%
- Clearing Shareholders	14,468	0.00%	14,468	0.00%	14,468	0.00%
- HUFs	2,66,474	0.09%	2,66,474	0.08%	2,66,474	0.03%
- Trusts	27,62,779	0.95%	27,62,779	0.84%	27,62,779	0.28%
- Foreign Corporate Bodies	1,01,66,290	3.51%	1,01,66,290	3.08%	1,01,66,290	1.02%
Sub-total B 2	2,43,23,284	8.39%	2,43,23,284	7.36%	2,43,23,284	2.44%
Total Public Shareholdings (B)	12,43,24,979	42.91%	16,49,54,457	49.93%	71,64,04,042	71.94%
GRAND TOTAL (A) + (B)	28,97,37,841	100.00%	33,03,67,319	100%	99,57,95,399	100.00%

Notes:

- (i) Present shareholding pattern based on listing & trading approvals received from the stock exchanges.
- (ii) The pre issue holding of banks is based on the issue & allotment of shares to banks in lieu of the FITL & sacrifice made for the quarter ended March 31, 2016 for which trading approvals are yet to be received.
- (iii) The post issue capital is based on the entire conversion of the WCTL of upto Rs.1,282 crore and also the promoters' infusion of upto Rs. 265 crores as proposed under this postal ballot notice. In the event for any reason, the proposed allottee(s) approve or do not approve, partially approve or approve with variation in the amount and /or does not or is unable to subscribe to and/or is not allotted the equity shares, the shareholding pattern in the above table would undergo corresponding changes.

The Company will ensure compliance with all applicable laws and regulations including the ICDR Regulations at the time of allotment of equity shares of the Company.

xiv. Undertaking to recomputed price:

Not Applicable

xv. Undertaking to put under lock-in till the recomputed price is paid

Not Applicable

xvi. Certificate from Statutory Auditor

M/s Deloitte Haskins & Sells, Statutory Auditor of the Company, have certified that the issue of securities is being made in accordance with the ICDR Regulations. A copy of the said certificate is open for inspection at the Registered Office of the Company between 2.00 p.m. to 5.00 p.m. on all working days (except Saturdays, Sundays and holidays) up to the date of announcement of the result of Postal Ballot.

xvii. Lock-in Period

The securities allotted shall be locked in as per Regulation 78 and other applicable provisions of ICDR Regulations.

xviii. Miscellaneous

- (a) The Company is in compliance with the conditions for continuous listing of equity shares as specified in the Listing Agreement with the Stock Exchanges;
- (b) The Company has obtained the Permanent Account Number of the Allottee;
- (c) The Allottee has not sold Equity Shares of the Company during the 6 (six) months preceding the Relevant Date, i.e. June 22, 2016;
- (d) The entire pre-Preferential Allotment shareholding of the Allottee, if any, in the Company shall be locked-in from the Relevant Date, i.e. June 22, 2016, up to a period of 6 months from the date of trading approval for Preferential Allotment;
- (e) The Equity Shares to be allotted to the Allottee pursuant to the Preferential Allotment shall be locked-in accordance with the provisions of the ICDR Regulations; and
- (f) All the Equity Shares, if any, held by the Allottee in the Company prior to the Preferential Allotment are in dematerialized form.

The Board of Directors of the Company has at their meeting held on July 11, 2016 has approved the creation, offer, issuance and allotment of the above mentioned equity shares of the Company on preferential basis. Pursuant to the provisions of Section 62 of the Companies Act, 2013 and Regulation 72(1) (a) of the ICDR Regulations, the preferential issue requires approval of the shareholders by way of a special resolution. The Board recommends passing of the resolutions under Item 2 as a special resolution.

Mr. T Shivaraman, Director of the Company, is deemed to be interested in the passing of this Resolution as set out in the accompanying Notice pursuant to Section 110 of the Companies Act, 2013, since he is also a Director of the Allottee.

Apart from Mr. T Shivaraman, none of the other Directors / Key Managerial Personnel of the Company or their relatives is concerned or interested. Further, except the Promoter, the Directors or Key Managerial Personnel of the Company do not have any shareholding interest in the proposed allottee.

In light of above, you are requested to accord your approval to the Special Resolution as set out at Agenda Item No 2 of the accompanying Notice.

Item No. 3

The present Authorized Share Capital of the Company is Rs.550,00,00,000/- (Rupees five Hundred and fifty Crores Only) comprising of 55,00,00,000 (Fifty five Crores), of Equity shares of Rs. 10/- (Rupees ten Only) each aggregating to Rs. 550,00,00,000/- (Rupees Five Hundred and fifty Crores Only). Since the lenders have decided to convert Rs.1282 crs of the WCTL into equity amounting to 55,13,97,849 Equity shares of Rs.10/- each at a premium of Rs.13.25 per equity share and the Promoter of the Company, SVL Limited, have decided to infuse fresh equity upto Rs.265 crores, it has become necessary that the Authorised capital be increased from Rs.550, 00,00,000/- (Rupees Five Hundred and fifty Crores Only) divided into 55,00,00,000 (Fifty five Crores) equity shares of Rs. 10/- (Rupees Ten Only) each aggregating to Rs. 550,00,00,000/- (Rupees Five hundred fifty Crores Only) to Rs.1000,00,00,000/- (Rupees one thousand Crores Only) divided into 100,00,00,000 (one hundred Crores) equity shares of Rs. 10/- (Rupees Ten Only) each aggregating to Rs.1000,00,00,000/- (Rupees one thousand Crores Only).

The Board of Directors, at their meeting held on July 11, 2016, subject to approval of the shareholders, approved the increase of the authorized share capital of the Company.

The necessary amendments in the Memorandum of Association are proposed to reflect the increased authorised share capital. As per the provisions of Section 13, Section 61 and other applicable provisions, the alteration to the authorised share capital of the Company requires approval of the shareholders.

The copy of Memorandum & Articles of Association of the Company is open for inspection of the shareholders at the Registered Office of the Company between 2.00 p.m. to 5:00 p.m. on all working days (except Saturdays, Sundays and holidays).

Your Directors recommend passing of the special resolution at Item No. 3 of the Notice.

None of the Directors of the Company are interested or concerned in the passing of the above resolution.

By Order of the Board

Place: Chennai

Date: 26th July, 2016

Registered Office: 4th Floor,
Sigappi Achi Building,
18/3 Rukmini Lakshmi pathi Salai,
Egmore, Chennai-600008.

K. Suresh

Vice President & Company Secretary

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Shriram EPC Limited

Regd. Office: Sigappi Achi Building, 4th Floor, 18/3, Rukmini Lakshmi pathi Road,
Egmore, Chennai-600 008.

Ph.: 044-49015678 Fax: 044-49015655 Email: suresh@shriramepc.com

website: www.shriramepc.com

CIN: L74210TN2000PLC045167

POSTAL BALLOT FORM

(To be returned to the Scrutinizer appointed by the Company)

1. Name(s) of Member(s) :
(Including joint holders, if any)
2. Registered Address of the sole/
First Named member :
3. Registered Folio No. :
DP ID No/Client ID No*
*Applicable to Members holding
Shares in Demat Form

I/We hereby exercise my/our vote in respect of the resolutions to be passed under applicable provisions of the Companies Act, 2013 through Postal Ballot for the business stated in the Notice of the Company dated 26th July 2016 by sending my/our assent or dissent to the Ordinary / Special Resolutions contained therein by placing the tick (√) mark at the appropriate box below

S. No.	Particulars	I/We assent to the resolution (FOR)	I/We dissent to the resolution (AGAINST)
1	Issue of equity shares on preferential basis in terms of ICDR Regulations on conversion of the Working Capital Term Loan to CDR Lenders		
2	Issue of equity shares on preferential basis to SVL Limited(formerlyShriram Industrial Holdings Limited)		
3	Increase of the Authorised Share Capital of the Company and approval for alteration to the Memorandum of Association of the Company		

Place:

Date:

Signature (s) of Member (s) / Shareholder (s)

INSTRUCTIONS

Please read the following instructions carefully

- 1 Please complete this postal ballot form and send it to the Scrutinizer in the attached pre-paid self-addressed envelope. You may also deliver the envelope containing postal ballot form, personally to the registered office of the Company or send it by courier at your expense.
- 2 The self-addressed, postage prepaid envelope bears the address of the Scrutinizer appointed by the Board of Directors of the Company.
- 3 The postal ballot form should be completed and signed by the sole/first named shareholder. In the absence of first named shareholders, in case of joint holding, the form may be completed and signed by the next named shareholder. However where the form is sent separately by the first named shareholder and the joint holder(s) the vote of the first named shareholder will be valid.
- 4 In case of equity 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/authority, with signature/s of authorised signatory (ies) duly attested.
- 5 Unsigned postal ballot forms will be rejected.
- 6 The votes should be cast either in favour or against the Resolution(s) 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.
- 7 A member need not use all the votes nor cast all the votes in the same way.
- 8 The right of voting by postal ballot shall be exercised only by the members.
- 9 There will be one postal ballot form for every Folio/Client ID irrespective of the number of joint holders.
- 10 The notice of postal ballot is being dispatched to the members whose names appear on the Register of Member as on July 22, 2016 and voting rights shall be reckoned on the paid up value of the equity shares registered in the name of shareholders as on the same date.
- 11 Duly completed postal ballot forms should reach the Scrutinizer in the enclosed self-addressed postage prepaid envelope not later than 05.00 P.M. on or before Thursday, August 25, 2016. Any postal ballot form received after this date and time will be strictly treated as if the reply from the shareholder has not been received.
- 12 The result of the postal ballot will be announced by Mr. T Shivaraman – Managing Director & CEO or Mr. K Suresh, Vice President & Company Secretary or any one of the Directors of the Company on Friday, August 26, 2016 at 11.00 A.M. at Sigappi Achi Building 4th Floor, 18/3 Rukmini Lakshmi pathi Road, Egmore, Chennai-600008.
- 13 You are requested not to send any other paper along with the postal ballot form. All envelopes will be sent to the Scrutinizer and the Scrutinizer will destroy any irrelevant paper found in the envelope.
- 14 The Scrutinizer's decision on the validity of postal ballot will be final.