



SHARDA ISPAT LIMITED

(CIN: L74210MH1960PLC011830)

Regd. Office: Kamptee Road, Nagpur -26 (Maharashtra)

Phone No.: (0712) 2640071/ 3 Lines Fax No. : 0712- 2641171

e-mail : silngp@rediffmail.com Website : www.shardaispat.com

POSTAL BALLOT NOTICE

NOTICE TO SHAREHOLDERS PURSUANT TO PROVISIONS OF SECTION 110 OF THE COMPANIES ACT, 2013

Dear Shareholders,

Notice is hereby given pursuant of Section 110 of the Companies Act, 2013, read with Rule 22 of Companies (Management and Administration) Rules, 2014, that the resolution appended below is proposed to be passed by postal ballot for the purpose of:

i) Creation of Security under Section 180(1) (a) of the Companies Act, 2013.

The Company seeks the consent of the Members for the aforesaid proposal through Special Resolution as specified herein. A statement explaining the reasons for passing of the said Resolution is also annexed.

Accordingly, draft of the proposed Resolution together with the Statement setting out material facts and reasons for the Resolution is being sent to you along with a Postal Ballot Form for your consideration.

The Company has appointed Mr. Vilas Nichat, Company Secretary in Practice, Nagpur as Scrutinizer for conducting the 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 form duly completed, in the attached self-addressed postage pre-paid envelope so as to reach the Scrutinizer on or before (6.00 p.m. IST) on Sunday, the 30th August, 2015.

E-voting option:

We are pleased to offer e-voting facility as an alternate for our Members which would enable you to cast your votes electronically, instead of physical Postal Ballot Form. E-voting is optional. Please carefully read and follow the instructions on e-voting printed in this Notice.

The Scrutinizer after completion of the scrutiny will submit his report to the Chairman & Managing Director of the Company. The result of the voting by postal ballot will be declared in accordance with the provisions of section 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014 on Monday, the 31st August, 2015 at the Corporate office of the Company at Plot No. 230, 7th Floor, 'DA-ROCK' Building, Hill Road, Shivaji Nagar, Nagpur 440010. The results of the postal ballot will be put on Company's website www.shardaispat.com and will be communicated to BSE Limited, Ahmadabad Stock Exchange and Calcutta Stock Exchange where the equity shares of the Company are listed. The result of postal ballot shall also be announced through newspaper advertisement.

ITEM NO. 1:

Creation of security under Section 180(1) (a) of the Companies Act, 2013

"RESOLVED THAT pursuant to the provisions of Section 180(1)(a) and all other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification or re-enactment thereof for the time being in force), subject to such approvals, consents, sanctions and permissions, as may be necessary, and the Articles of Association of the Company and all other provisions of applicable laws, consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "Board", which term shall include any Committee constituted by the Board or any person(s) authorized by the Board to exercise the powers conferred on the Board by this Resolution) to create charges, mortgages and/or hypothecations in addition to the existing charges, mortgages and hypothecations created by the Company, in such form and manner and with such ranking, whether exclusive, pari-passu, subservient or otherwise and at such time and on such terms as the Board may determine, on all or any of the moveable and/or immovable properties of the Company, both present and future and/or on the whole or any part of the undertaking(s) of the Company, in favour of the banks, non-banking financial companies, financial institutions and other lender(s), Agent(s) and Trustee(s), for securing the borrowings of the Company availed/ to be availed by way of loans(s) (in Foreign currency and/or rupee currency) and/or debentures (convertible / non-convertible / secured / unsecured) and/or securities in the nature of debts instruments issued/to be issued by the Company (hereinafter 'loans'), from time to time provided that the total amount of Loans, shall not, at any time exceed Rs. 200.00 Crores (Rupees Two Hundred Crores only).

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RESOLVED FURTHER THAT the charges, mortgages and/ or hypothecations created by the Company to secure the credit facilities, namely 1. Bank Guarantee Limit - Rs.150.00 Lacs, 2. Letter of Credit Limit - Rs.1,000.00 Lacs and 3. Cash Credit Limit - Rs. 500.00 Lacs, sanctioned to the Company by Nagpur Nagrik Sahakari Bank Limited, be and are hereby ratified.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of the Company be and is hereby authorised to finalize, settle and execute such documents, deeds, writings, papers, and/or agreements as may be required and do all such acts, deeds, matters and things, as it may in its absolute discretion deem fit, necessary or appropriate."

By Order of the Board of Directors,
For SHARDA ISPAT LIMITED

SD/-

N. K. Sarda

(DIN No: - 00229911)

Chairman & Managing Director

C/o. Sharda Ispat Compound,

Kamptee Road, Nagpur-440026

Place: Nagpur

Date: 15.07.2015

NOTES

1. **Voting period commences on and from Friday, 31st July, 2015 at 10.00 a.m. IST and ends on Sunday, the 30th August, 2015 by 6.00 p.m. IST.**
2. The explanatory statement for the proposed Special Resolution mentioned above pursuant to section 102 of the Companies Act, 2013 read with Rule 22 of Companies (Management and Administration) Rules, 2014 setting out material facts is annexed to the notice.
3. The Notice is being sent to all the members by Registered post (also electronically by email to those members who have registered their mail id with the company), whose names appear in the Register of Members/Record of Depositories as on Monday, the 27th July, 2015.
4. The members, whose names appear in the Register of Members/Record of Depositories as on Monday, the 27th July, 2015 will be considered for voting.
5. Resolution passed by members through postal ballot are deemed to have been passed as if the same has been passed in the general meeting of the members.
6. The Board of Directors of the Company, at its meeting held on 15th July, 2015, has appointed Mr. Vilas Nichat, Company Secretary In Practice, Nagpur as the Scrutinizer to conduct the postal ballot in a fair and transparent manner. The Postal Ballot Form and the Self-addressed postage prepaid envelope are enclosed for use by the members.
7. Members have the option either to vote through the e-voting process or through the Postal Ballot Form. The members who wish to vote through Postal Ballot Form can download Postal Ballot Form from the Company's website www.shardaispat.com or seek duplicate Postal Ballot Form from the Company's Registrar & Transfer Agent, 'Adroit Corporate Services Private Limited', 19/20, Jaferbhoy Industrial Estate, Makwana Road, Marol Naka, Marol, Andheri (E) Mumbai 400059 and fill in the requisite details and send the same to the Scrutinizer, Sharda Ispat Limited, Corporate Office at Plot No. 230, 7th Floor, 'DA-ROCK' Building, Hill Road, Shivaji Nagar, Nagpur 440010.
8. You are requested to carefully read the instructions printed in the Postal Ballot Form and return the Form duly completed with the Assent (For) or Dissent (Against) in the attached postage prepaid envelope so as to reach the Scrutinizer on or before Sunday, the 30th August, 2015, 6.00 p.m. IST to be eligible for being considered, failing which, it will be strictly treated as if no reply has been received from the member. Hence the members are requested to send the duly completed Postal Ballot Forms well before Sunday, the 30th August, 2015, 6.00 p.m. IST being the last date for receipt of Postal Ballot Form by Scrutinizer, providing sufficient time for postal transit.
9. The results of the Postal Ballot will be announced on Monday, the 31st August, 2015 and will also be informed to BSE Limited, Ahmadabad Stock Exchange and Calcutta Stock Exchange and will also be posted on the company's website www.shardaispat.com. The result of postal ballot shall also be announced through newspaper advertisement. The date of declaration of results of the postal ballot will be taken as the date of passing of the resolution.

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10. Members who are holding shares in electronic form are requested to notify any correction / change in their name / address including PIN CODE number immediately to the Depository Participant. In the event of non-availability of members' latest address either in the Company's records or in the Depository Participant's records, members are likely to miss notices and other valuable correspondence sent by the Company.
11. Members who holds shares in physical form are requested to notify any change in their particulars like change in address, bank particulars, etc., to our Registrar & Transfer Agent, 'Adroit Corporate Services Private Limited', 19/20, Jaferbhoy Industrial Estate, Makwana Road, Marol Naka, Marol, Andheri (E) Mumbai 400 059.
12. Members are requested to kindly mention their folio number/ Client ID Number (in case of Demat shares) in all their correspondence with the Company's Registrar & Transfer Agent in order to reply to their queries promptly.

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Voting in Electronic Form (E-Voting)

In compliance with the provisions of Section 110 of the Companies Act, 2013, read with Rule 22 of Companies (Management and Administration) Rules, 2014 and Clause 35B of the Equity Listing Agreement with the Stock exchanges, the Company is pleased to offer e-voting facility for the members to enable them to cast their votes electronically. Members have option to vote either through E-voting or through the Postal Ballot Form. If a member has opted for E-voting, then he/she should not vote by Postal Ballot also and vice-versa. For the purpose of e-voting, the company has signed an agreement with the Central Depository Services (India) Limited (CDSL) for facilitating E-voting.

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on Friday, 31st July, 2015 at 10.00 a.m. IST and ends on Sunday, the 30th August, 2015 by 6.00 p.m. IST. 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 27th July, 2015 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iv) Click on Shareholders.
- (v) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) 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.
- (viii) If you are a first time user follow the steps given below:

| For Members holding shares in Demat Form and 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) <ul style="list-style-type: none">● Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN Field.● 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 in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN Field. |
| Dividend Bank Details OR Date of Birth (DOB) | Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none">● If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v). |

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- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xiii) 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.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) 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.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xviii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) **Note for Non Individual Shareholders and Custodians**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporate.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

Members may alternatively cast their votes using the Postal Ballot Form which is sent along with this Notice and is also available on the website of the Company.

Pursuant to clause 35B of the listing agreement, members may fill in the Postal Ballot Form enclosed with the Notice (a copy of the same is also part of the soft copy of the Notice) and submit the same in a sealed envelope to the Scrutinizer, Sharda Ispat Limited, Corporate Office at Plot No. 230, 7th Floor, 'DA-ROCK' Building, Hill Road, Shivaji Nagar, Nagpur 440010, so as to reach by 6.00 p.m. IST on 30th August, 2015. Unsigned, incomplete or incorrectly ticked forms are liable to be rejected and the decision of the Scrutinizer on the validity of the forms will be final.

In the event member casts his votes through both the processes i.e. E-voting and Postal Ballot Form, the votes in the electronic system would be considered and the Postal Ballot Form would be ignored.

The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date (record date) i.e. 27th July, 2015.

The Scrutinizer will within a period of not exceeding two (2) working days from the conclusion of the e-Voting period unlock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.

The Results will be declared on Monday, the 31st August, 2015 at the Corporate office of the Company at Plot No. 230, 7th Floor, 'DA-ROCK' Building, Hill Road, Shivaji Nagar, Nagpur 440010.

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- 10) To promote green initiative, members are requested to register their e-mail addresses through their Depository Participants for sending the future communications by e-mail. Members holding the shares in physical form may register their e-mail addresses through the RTA, giving reference of their Folio Number.
- 11) Mr. Vilas Nichat, Company Secretary in Practice, Nagpur has been appointed as the Scrutinizer to scrutinize the e-voting process and physical ballot, in a fair and transparent manner.
- 12) The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.shardaispat.com and on the website of CDSL www.evoting.cdsl.com on 31st August, 2015 and communicated to the BSE Limited, Ahmadabad Stock Exchange and Calcutta Stock Exchange, where the shares of the Company are listed.

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ANNEXURE TO THE NOTICE

Explanatory Statement as required by Section 102 of the Companies Act, 2013 and Explanation about reasons for the passing of the resolution as required under Rule 22 (1) of Companies (Management and Administration) Rules, 2014

ITEM NO. 1:

The Company had earlier passed the ordinary resolution under section 293(1)(a) of the Companies Act, 1956 for creation of mortgage, charge, hypothecation, lien, and other encumbrances, if any, by the Company, as the Board may deem fit, on the assets of the Company, both present and future for securing the sum or sums of money. In terms of Ministry of Corporate Affairs General Circular No. 04/2014 dated 25.03.2014 the said resolution passed in past was valid for one year from 12.09.2013 till 11.09.2014. Section 180(1) (a) of the newly enacted Companies Act, 2013 (corresponding section 293(1) (a) of the Companies Act, 1956) requires the Company to obtain an approval of the members of the Company authorizing the Board of Directors of the Company to create any security as aforesaid on its all or any of the assets or for disposal of the assets of the Company, by way of special resolution.

As regards to total borrowing (apart from the temporary loans raised from the bankers' in the ordinary course of business) by the Company in excess of the aggregate of the paid up capital and free reserves, not exceeding Rs. 200.00 Crores (Rupees Two Hundred Crores only), the necessary approval of the members as required under section 180(1) (c) of the Companies Act, 2013 has already been obtained by the Company passing special resolution in the annual general meeting held on 29.09.2014.

Accordingly, the approval of the members by way of special resolution is sought under section 180(1) (a) of the Companies Act, 2013 to enable the Board of Directors to secure the sum or sums of moneys borrowed to the extent of Rs. 200.00 Crores. (Rupees Two Hundred Crores only).

Further, as a matter of abundant precaution approval is also being sought by way of ratification for the charges/mortgages and /or hypothecations as the Board of Directors has created to secure the existing working capital facilities sanctioned to the Company.

Your Directors recommend the resolution as set out under item No. 1 in this notice for your approval. None of the Directors or Key Managerial Personnel of the Company or their relatives is, in any way concerned or interested in the said resolution. The proposed resolution does not relate to or affect any other company.

Your approval is sought by voting through Postal Ballot or through e-voting as the case may be, pursuant to the provisions of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014 for passing the resolution item 1 as set in this notice.

By Order of the Board of Directors
For SHARDA ISPAT LIMITED

SD/-

N. K. Sarda

(DIN No: - 00229911)

Chairman & Managing Director
C/o. Sharda Ispat Compound,
Kamptee Road, Nagpur-440026

Place: Nagpur

Date: 15.07.2015

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SHARDA ISPAT LIMITED

(CIN: L74210MH1960PLC011830)

Regd. Office: Kamptee Road, Nagpur -26 (Maharashtra)

POSTAL BALLOT FORM

(Please read carefully the instructions printed overleaf before exercising the vote)

| | | |
|---|---|--|
| 1 | Name of the sole/first named shareholder (in block letters) | |
| 2 | Registered address of the sole/ First named shareholder | |
| 3 | Name of the joint holder(s),if any (in block letters) | |
| 4 | Registered Folio number/ DP ID No./Client ID No.* (*Applicable to shareholders holding shares in dematerialized form) | |
| 5 | No of shares held | |

I/We hereby exercise my/our vote in respect of the following Resolution to be passed through postal Ballot for the business stated in the notice dated 15th July, 2015 of Sharda Ispat Limited ("the Company") by sending my / our assent (FOR) or dissent (AGAINST) to the said Resolution(s) placing the tick (✓) mark in the appropriate column below:

| Brief Description | No. of shares held | I/We assent to the Resolution (FOR) | I/We dissent to the Resolution (AGAINST) |
|---|--------------------|-------------------------------------|--|
| 1. Special Resolution for Creation of security under Section 180(1)(a) of the Companies Act, 2013 | | | |

Place:

Date:

(Signature of the shareholder)

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ELECTRONIC VOTING PARTICULARS

| EVEN (E. VOTING EVENT NO.) | USER ID | PASSWARD |
|----------------------------|---------|----------|
| | | |

Notes:

1. If you opt to cast your vote by e-voting, there is no need to fill up and sign this form.
2. For e-voting, please refer the instruction under "E-Voting" in the notice attached herewith.
3. Last Date for the receipt of Postal Ballot Forms by Scrutinizer is Sunday, the 30th August, 2015 (6.00 p.m. IST)

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← Please cut the form and send it to us.

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INSTRUCTIONS

1. A Member desirous of exercising vote by Postal Ballot should complete the Postal Ballot Form in all respects and send it after their signature to the Scrutinizer, Sharda Ispat Limited, Corporate Office at Plot No. 230, 7th Floor, 'DA-ROCK' Building, Hill Road, Shivaji Nagar, Nagpur 440010 in the attached self-addressed postage pre-paid envelope which shall be properly sealed with adhesive or adhesive tape. However, envelopes containing Postal Ballot Form, if sent by courier at the expense of the Member but using the postage pre-paid envelope will also be accepted.
2. The self-addressed envelope bears the name of the Scrutinizer appointed by the Board of Directors of the Company.
3. The Postal Ballot Form should be signed by the Member as per specimen signature registered with the Company/Depository Participant. In case, shares are jointly held, this Form should be completed and signed (as per specimen signature registered with the Company) by the first named member and in his/her absence, by the next named member. Holders of Power of attorney (POA) on behalf of the member may vote on the Postal Ballot mentioning the registration No. of the POA or enclosing an attested copy of POA. Unsigned Postal Ballot Form will be rejected.
4. Duly completed Postal Ballot Form should reach the scrutinizer not later than the close of working hours (6.00 p.m. IST) on 30th August, 2015. Postal Ballot Forms received after that date will be strictly treated as if reply from such member has not been received. The Members are requested to send the duly completed Postal Ballot Forms well before 29th August, 2015 providing sufficient time for postal transit.
5. The voting shall be reckoned in proportion to a Member's share of the paid up equity share capital of the Company as on 27th July, 2015.
6. In case of shares held by Companies, Trusts, Societies, etc., the duly completed Postal Ballot Form should be accompanied by a certified copy of the Board resolution/Authority and preferably with attested specimen signature(s) of the duly authorized signatory(s) giving requisite authority to the person voting on the Postal Ballot Form.
7. Members are requested not to send any paper (other than the resolution/authority as mentioned under item Nos. 3 & 6 above) along with the Postal Ballot Form in the enclosed self-addressed postage pre-paid envelope as all such envelopes will be sent to the Scrutinizer and if any extraneous paper is found in such envelope the same would not be considered and would be destroyed by the Scrutinizer.
8. The exercise of vote by Postal Ballot is not permitted through proxy.
9. There will be only one Postal Ballot Form for every folio / client ID irrespective of the number of Joint Member(s).
10. Incomplete, improperly or incorrectly tick marked Postal Ballot Forms will be rejected.
11. Members from whom no Postal Ballot Form is received or received after the aforesaid stipulated period shall not be counted for the purposes of passing of the resolution.
12. The Scrutinizer's decision on the validity of a Postal Ballot shall be final.
13. The result of the voting on the resolution will be declared at the Corporate office of the Company on 31st August, 2015. The results will be informed to the stock exchanges and hosted on the Company's website www.shardaispat.com on the very day itself.
14. The Company is pleased to offer e-voting facility as an alternative, for all the shareholders of the Company to enable them to cast their votes electronically instead of dispatching Postal Ballot Form. E-voting is optional. The detailed Procedure of e-voting is enumerated in the Postal Ballot Notice.
15. Members can opt for only one mode of voting i.e. either by Postal Ballot or through e-voting. In case you are opting for voting by Postal Ballot, then please do not cast your vote by e-voting and vice versa. In case Members cast their votes through both the modes, voting done by e-voting shall prevail and votes cast through physical postal ballot form will be treated as invalid.
16. The items of business covered by this Postal Ballot will not be transacted at any General Meeting even though Members who have not exercised their franchise through Postal Ballot might be present in person or through proxy at the meeting.
17. Any query in relation to the resolution proposed to be passed by Postal Ballot may be addressed to The Company Secretary, Sharda Ispat Limited, Corporate Office at Plot No. 230, 7th Floor, 'DA-ROCK' Building, Hill Road, Shivaji Nagar, Nagpur 440010.

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