



## SARDA ENERGY & MINERALS LIMITED

Regd. Off: 73-A, Central Avenue, Nagpur (MH.) 440018  
Ph: +91-712-2722407; Fax: +91-712-2722107 Email: [cs@seml.co.in](mailto:cs@seml.co.in)  
URL: [www.seml.co.in](http://www.seml.co.in) CIN: L27100MH1973PLC016617

### Notice

Dear Member,

#### Notice of Postal Ballot Pursuant to Section 110 of the Companies Act, 2013

**Notice** is hereby given pursuant to Section 110 and other applicable provisions of the Companies Act, 2013, (the "Act"), including any amendment thereto or re-enactment thereof, if any, read with the Companies (Management and Administration) Rules, 2014, including any statutory modification(s) or re-enactment(s) thereof, for the time being in force, Regulation 44 of Securities & Exchange Board of India (Listing Obligations & Disclosure Requirements), Regulations, 2015 and other applicable laws and regulations that the Company is seeking your consent by way of Special Resolution on the matter given in the notice of postal ballot dated 10<sup>th</sup> September, 2016 through Postal Ballot including voting by electronic means.

The Explanatory Statement under Section 102 of the Companies Act, 2013 read with rules made thereunder, setting out the material facts and the reasons for the Resolution, is also appended herewith. Mr. Kamlesh Ojha, Practicing Company Secretary of M/s. S.G. Kankani & Associates (PCS No.: 14660) has been appointed by the Board of Directors of your Company as the Scrutinizer for conducting the Postal Ballot process in a fair and transparent manner.

The Scrutinizer will submit report within 2 days from the last date of receipt of postal ballot/e-voting, to the Chairman & Managing Director or in his absence, to the Dy. Managing Director of the Company, upon completion of scrutiny of the Physical Postal Ballots Forms and E-voting data provided by National Securities Depository Limited ('NSDL') in a fair and transparent manner. The results will be announced by the Chairman & Managing Director of the Company or in his absence by the Dy. Managing Director of the Company on 27<sup>th</sup> October, 2016. The results of the Postal Ballot will also be displayed on the Company's website [www.seml.co.in](http://www.seml.co.in) & NSDL e-voting website [www.evoting.nsdl.com](http://www.evoting.nsdl.com) besides communicating to the Stock Exchanges where the Company's shares are listed.

The resolution, if passed by requisite majority, shall be deemed to have been passed on the last date specified by the Company for receipt of duly completed postal ballot forms or e-voting. The Resolutions, if passed by the requisite majority of the shareholders by means of Postal Ballot including e-voting, shall be deemed to have been duly passed at a general meeting of members convened in that behalf.

**Special Resolution** to approve dilution of Company's holding in its wholly owned subsidiary

To consider and, if thought fit, to pass the following resolution as a **Special Resolution**:

"RESOLVED that pursuant to Regulation 24(5) of the SEBI ( Listing Obligations & Disclosure Requirements) Regulations, 2015 and in terms of Section 180(1)(a) and all other applicable provisions of the Companies Act, 2013, if any, and the relevant rules made thereunder (including any amendment thereto or re-enactment thereof) the consent of the Company be and is hereby accorded to sell, transfer or otherwise dispose of the whole or substantially the whole of the undertaking(s)/ investments/ shares in the name of the Company held in Sarda Metals & Alloys Ltd. [SMAL], a wholly owned subsidiary of the Company, in case any loan(s) taken by SMAL from any scheduled commercial bank, financial institution or non-banking finance company is / are converted into equity, subject to happening of events specified in the loan agreements entered into with such bank, financial institution or Non-Banking Finance Company.

RESOLVED FURTHER that the Board of Directors of the company be and is hereby authorised to do all such acts, deeds, matters and things and to execute all such documents and writings as it may consider necessary, for the purposes of giving effect to this Resolution."

Raipur  
10<sup>th</sup> September, 2016

By Order of the Board  
For Sarda Energy & Minerals Ltd.

Sd/-  
(Manish Sethi)  
Company Secretary

#### **Registered Office**

Sarda Energy & Minerals Ltd.  
CIN: L27100MH1973PLC016617  
73-A, Central Avenue,  
Nagpur (M.H.) 440018  
Ph: +91-712-2722407; Fax: +91-712-2722107  
Email: [cs@seml.co.in](mailto:cs@seml.co.in); URL: [www.seml.co.in](http://www.seml.co.in)

## Notes - General

1. Explanatory Statement and reasons for the proposed Special Resolution mentioned above as required under Section 102 of the Companies Act, 2013, setting out the material facts is appended herein below.
2. All relevant documents referred to in the accompanying Explanatory Statement are open for inspection at the Registered Office of the Company on all working days (Monday to Friday) between 11:00 A.M. to 1:00 P.M. up to the date of declaration of the Postal Ballot Result.
3. You are requested to carefully read the instructions before exercising your vote.
4. The Postal Ballot Notice is being sent to all the Equity Shareholders, whose names would appear in the Register of Equity Shareholders / List of beneficial owners as received from National Securities Depository Limited (NSDL)/Central Depository Services (India) Limited (CDSL) as on the cutoff date 16<sup>th</sup> September, 2016. The Postal Ballot Notice is being sent to Equity Shareholders in electronic form to the e-mail addresses registered with their Depository Participants (in case of electronic shareholding)/email addresses registered with the Company's registrar and share transfer agents (in case of physical shareholding). For Equity Shareholders whose email IDs are not registered, physical copies of the Postal Ballot Notice are being sent by permitted mode along with postage pre-paid self-addressed envelope.

## Notes - Voting / E-voting - General

5. There will be one Postal Ballot Form/e-voting for every Client ID No. /Folio No., irrespective of the number of joint holders.
6. 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 both by Postal Ballot and e-voting, the votes cast through e-voting shall prevail and the votes cast through postal ballot form shall be considered invalid.
7. Voting rights in the Postal Ballot / e-voting cannot be exercised by a proxy.

## Notes - Voting

8. Members are requested to refer to the instructions printed behind the Postal Ballot Form for exercising their vote in physical form.

## Notes – E-Voting

9. In compliance with Regulation 44 of the Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Sections 108, 110 and other applicable provisions, if any, of the Companies Act, 2013, read with the related Rules and SEBI Circulars, the Company is pleased to provide e-voting facility to all its Shareholders, to enable them to cast their votes electronically. The Company has engaged the services of National Securities Depository Limited [NSDL] for the purpose of providing e-voting facility to all its Shareholders. The instructions for e-voting are as under:
  - (i) **In case of Shareholders receiving e-mail from NSDL:**
    - (i) Open e-mail and open PDF file viz. "Sarda Energy & Minerals Limited Company – Postal Ballot - e-Voting.pdf" with your Client ID or Folio No. as password containing your user ID and Password for e-voting. Please note that the password is an initial password.
    - (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
    - (iii) Click on Shareholder – Login.
    - (iv) If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.
    - (v) Password change menu appears. Change the password with new password of your choice with minimum 8 digits/characters or combination thereof. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
    - (vi) Home page of e-Voting opens. Click on e-Voting: Active Voting Cycles.
    - (vii) Select EVEN of Sarda Energy & Minerals Ltd.
    - (viii) Now you are ready for e-Voting as Cast Vote page opens.
    - (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
    - (x) Upon confirmation, the message "Vote cast successfully" will be displayed

- (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
- (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/Authority Letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorised to vote, to the Scrutinizer through e-mail: [kamal@sgkindia.net](mailto:kamal@sgkindia.net) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).

**(II) In case of Shareholders receiving by Post:**

- (i) Initial password is provided at the bottom on the postal ballot form.
  - (ii) Please follow all steps from Sl. No. 9(I)(ii) to Sl. No. 9(I)(xii) as mentioned above, to cast vote.
- (III) If you are already registered with NSDL for e-voting then you can use your existing User ID and Password for casting your vote.
- (IV) In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-Voting User Manual for Shareholders, available at the downloads section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- (V) The Board of Directors has appointed Dy. Managing Director, Chief Financial Officer and Company Secretary as the persons responsible for the entire postal ballot process.
- (VI) The E-voting period begins on 26<sup>th</sup> September, 2016 at 9:00 a.m. and ends on 25<sup>th</sup> October, 2016 at 5:30 p.m. During this period, the Members of the Company, holding shares in physical form or in demat form, as on the cut-off date viz. 16<sup>th</sup> September, 2016 may cast their vote electronically. The E-Voting module shall be disabled by NSDL for voting after 5:30 p.m. on 25<sup>th</sup> October, 2016. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently.
- (VII) Any query in relation to the resolutions proposed to be passed by Postal Ballot may be addressed to Mr. Manish Sethi, Company Secretary, Sarda Energy & Minerals Ltd., 3rd Floor, Vanijya Bhawan, Sai Nagar, Devendra Nagar Road, Raipur – 492001, Telephone No. (0771) 2214200, Fax No. (0771) 2214250 or email to [cs@seml.co.in](mailto:cs@seml.co.in).

**Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 accompanying the Postal Ballot Notice dated 10<sup>th</sup> September, 2016**

**Item No.1**

Sarda Metals & Alloys Ltd. (SMAL) is a wholly owned subsidiary of Sarda Energy & Minerals Ltd. (SEML). SMAL has availed term loans from L & T Infrastructure Finance Company Ltd. [L&T] and IDFC Bank Ltd. [IDFC].

As per the terms of sanction, if SMAL commits a default of payment of whether principal and/or interest as the case may be on any two occasions/dates, then the IDFC/L&T shall have right to convert at its option all outstanding loan dues either in part or full and whether the same is due or not into fully paid up equity shares of SMAL at par or fair valuation whichever is lower. IDFC/L&T shall also have the right to convert all outstanding loan dues either in part or full and whether the same is due or not into fully paid up equity shares of SMAL in accordance with the Strategic Debt Restructuring Scheme framed by the Reserve Bank of India. SMAL may also avail new loans / have its existing loans refinanced from existing lenders / new lenders terms of which may also contain similar stipulation.

As per Regulation 24(5) of Securities & Exchange Board of India (Listing Obligations & Disclosure Requirements), Regulations, 2015, a listed entity shall not dispose of shares in its material subsidiary resulting in reduction of its shareholding (either on its own or together with other subsidiaries) to less than fifty percent or cease the exercise of control over the subsidiary without passing a special resolution in its General Meeting except in cases where such divestment is made under a scheme of arrangement duly approved by a Court/Tribunal.

Further, in terms of Section 180(1)(a), the Board of Directors shall exercise the power to sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the company or where the company owns more than one undertaking, of the whole or substantially the whole of any of such undertakings only under the authority of special resolution passed by the members of the Company.

Furthermore, in terms of Section 110 and other applicable provisions of the Companies Act, 2013, (the "Act"), including any amendment thereto or re-enactment thereof, if any, read with the Companies (Management and Administration) Rules, 2014, including any statutory modification(s) or re-enactment(s) thereof, for the time being in force, Regulation 44 of Securities & Exchange Board of India (Listing Obligations & Disclosure Requirements), Regulations, 2015 and other applicable laws and regulations, the Company is required to pass the resolution u/s 180 of the Companies Act, 2013 mandatorily through postal ballot/e-voting.

Since the conversion of loans of SMAL by the lenders into equity may result in dilution of Company's holding in SMAL to below 50% (from the present 100%), the Board of Directors recommend the **ENABLING** Special Resolution as per the Notice of Postal Ballot for the approval of the shareholders in terms of Section 180(1)(a) of the Companies Act, 2013 and Regulation 24(5) of Securities & Exchange Board of India (Listing Obligations & Disclosure Requirements), Regulations, 2015.

None of the Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested, whether financially or otherwise, in the resolution in any manner.

Raipur  
10<sup>th</sup> September, 2016

By Order of the Board  
For Sarda Energy & Minerals Ltd.  
Sd/-  
(Manish Sethi)  
Company Secretary

**Registered Office**

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Encl:-

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