



PENNAR INDUSTRIES LIMITED

Regd. Office: Floor No. -1 DHFLVC Silicon Towers Kondapur, Hyderabad 500084

NOTICE FOR VOTING BY POSTAL BALLOT
(Pursuant to Section 192A of the Companies Act, 1956)

Dear Members,

Notice is hereby given pursuant to Section 192A of the Companies Act, 1956 read with the Companies (Passing of the Resolutions by Postal Ballot) Rules, 2011, that the resolution appended below is proposed to be passed as Special Resolutions by Postal Ballot for the purpose of:

1. Providing Corporate Guarantee/ security to the Subsidiary Companies Pennar Engineered Building Systems Limited and Pennar Enviro Limited and making Loans/Investment in Pennar Engineered Building Systems Limited and Pennar Enviro Limited.
2. Alteration of Main objects in the Memorandum of Association of the Company.
3. Alteration of Ancillary objects in the Memorandum of Association of the Company.
4. Alteration of Articles of Association of the Company.

The Company seeks the shareholders' consent 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 there for is annexed. The said Special Resolutions and the Explanatory Statement are being sent to you along with a Postal Ballot Form for your consideration.

The Company has appointed Sri S. Chidambaram, a Practicing Company Secretary, as Scrutinizer for conducting the postal ballot process in a fair and transparent manner.

You are requested to carefully read the instructions printed on the Postal Ballot Form and return the same duly completed, in the enclosed postage pre-paid envelope so as to reach the Scrutinizer not later than the close of working hours i.e, on Wednesday the 3rd April, 2013. Upon completion of the scrutiny of the Postal Ballot Forms, the Scrutinizer will submit his report to the Chairman or a director of the company. The result of the Postal Ballot will be announced by way of display at the Company's website by Monday the 8th April, 2013. The results of the Postal Ballot will also be noted at the next General Meeting of the Company.

The Members are requested to consider and, if thought fit, to pass the following resolution:

Item-No. 1: Special Resolution

Providing Corporate Guarantee/security to the Subsidiary Companies Pennar Engineered Building Systems Limited and Pennar Enviro Limited and making Loans/Investment in Pennar Engineered Building Systems Limited and Pennar Enviro Limited:

RESOLVED THAT pursuant to the provisions of Sections 372A, 192A, and other applicable provisions, if any, of the companies Act, 1956 (the Act) read with the Companies (Passing of the Resolutions by Postal Ballot) Rules, 2011 and subject to such other approvals, consents, sanctions and permissions as may be necessary in that behalf, and subject to such conditions as may be prescribed while granting such approvals, consents, sanctions and permissions, the consent of the Company be accorded to the Board of Directors of the company (hereinafter referred to as 'the Board', which term shall be deemed to 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 invest/acquire from time to time by way of subscription, conversion or otherwise Equity shares and to make /give from time to time any loan or loans not exceeding ₹. 22.5 crores in Pennar Engineered Building Systems Limited, the subsidiary of Pennar Industries Limited (including the existing investment of ₹. 18.50 crores and Fixed Deposit of ₹. 2.00 crores), and to invest/acquire from time to time by way of subscription, conversion or



otherwise Equity shares and to make / give from time to time any loan or loans not exceeding ₹.7.5 crores in Pennar Enviro Limited, the subsidiary of Pennar Industries Limited (including the existing investment of ₹. 4.27 crores) and give from time to time any corporate guarantee(s)and/or provide any security in favour of various banks, institutions, persons/entities in connection with various facilities (including but not limited to term loan, cash credit, overdraft, bank guarantees, letter of credits etc.,) availed / to be availed by Pennar Engineered Building Systems Limited, the subsidiary company, not exceeding ₹. 250 crores (including existing guarantee of ₹. 175.12 crores) and give from time to time any corporate guarantee(s)and/or provide any security in favour of various banks, institutions, persons/entities in connection with various facilities (including but not limited to term loan, cash credit, overdraft, bank guarantees, letter of credits etc.,) availed / to be availed by Pennar Enviro Limited, the subsidiary company, not exceeding ₹. 30 crores (existing Guarantee NIL).

“RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution, the Board be and is hereby authorized on behalf of the Company to do all such acts, deeds, matters and things and to settle any question, difficulty or doubt that may arise with regard to such loan, guarantee or investments or otherwise reconsider the matter due to change in circumstances as it may in its absolute discretion deem fit, without being required to seek any further consent or approval of the members or otherwise to the end and intent that the members shall be deemed to have given their approval thereto expressly by the authority of this Resolution and to finalise and execute all the documents and writings as may be necessary or expedient to give effect to this Resolution.”

Item-No. 2: Special Resolution

Alteration of the Main Objects in the Memorandum of Association of the Company:

“RESOLVED THAT pursuant to the provisions of Section 17 and other applicable provisions, if any, of the Companies Act, 1956, including any statutory modifications or reenactment thereof, for the time being in force read with section 192A of the Act and the Companies (passing of resolutions by postal ballot) Rules 2011 and subject to approvals, permissions and sanctions from the appropriate authorities, if any, clause III(A) of object clause of Memorandum of Association of the company is hereby altered by inserting the following new sub-clause 12 after the existing sub-clause 11 of the Memorandum of Association of the company.

12. *To carry on the Business of and Generate, develop, accumulate, distribute and supply Electricity by setting up Thermal Hydel power plants , by use of liquid, gaseous or solid fuels and other products and others to be used as fuels for the purpose of light heat motive power and for all other purposes for which Electric Energy can be employed;*
- To carry on and Generate power supply either by Hydro, Thermal, Gas, Air, Diesel Oil Atomic or through Renewable energy sources such as Solar, Photovoltaic, Windmill and/or any other means;*
- To transmit, distribute, supply and sell such power either directly or through transmission lines and facilities of state/central governments or private companies or Electricity Boards to Industries, to central and state Governments, other consumers of Electricity including for captive consumption for any industrial projects promoted by this company or promoter, engage in the business of supply and distribution of electricity, purchasing, selling, importing, exporting, wheeling, and trading of electrical energy, operation of distribution system including finalization of tariff, billing and collection thereof and to enter into any agreements for the carrying on of such business.*

“RESOLVED FURTHER THAT for giving effect to this resolution, the board of directors, be and is hereby authorized to do all such acts, matters, deeds and things as the board may, in its absolute discretion, consider necessary, expedient, usual or proper including settling any difficulty or question raised by registrar of companies Hyderabad or other authorities and to agree to the same if found reasonable, and without limitation to delegate any or all such powers, to any committee of the board or to any one or more directors or officers of the company”

