



HSIL Limited

Registered Office : 2, Red Cross Place, Kolkata - 700 001

Phone : 91-33-2248 7406 / 07, Fax : 91-33-2248 7045

E-mail : hsilinvestors@hindware.co.in, Website : www.hindwarehomes.com

CIN : L51433WB1960PLC024539

NOTICE OF POSTAL BALLOT

Dear Shareholder(s),

NOTICE is hereby given pursuant to Section 110 of the Companies Act, 2013, (Act) read with Rule 22 of Companies (Management and Administration) Rules, 2014, to transact the following special business by the Members of HSIL Limited by passing the Resolutions through Postal Ballot:

1. Increase in the Borrowing powers of the Board of Directors.
2. Creation of Charge on Movable and Immovable properties of the Company, both present and future.

Members' consent is sought for the Resolutions appended below. The Statement pertaining to the said Resolutions under Section 102 (1) of the Act setting out the material facts and reasons for the Resolutions is also annexed herewith and is being sent to you along with a Postal Ballot Form for your consideration.

The Company has appointed **Mr. Pravin Kumar Drolia**, Practicing Company Secretary, as Scrutinizer for conducting the Postal Ballot in a fair and transparent manner.

You are requested to carefully read the instructions printed on the Postal Ballot Form and the Notice and return the Postal Ballot Form duly completed in all respects in the enclosed self-addressed pre-paid postage envelope (if posted in India), so as to reach the Scrutinizer **on or before the close of business hours on Saturday, the 20 September 2014**, the last date for receipt of the completed Postal Ballot Forms. The postage on the enclosed self-addressed pre-paid postage envelope shall be borne and paid by the Company.

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

The Scrutinizer will submit his report to the Chairman and Managing Director of the Company or in his absence to any other Director of the Company, after completion of scrutiny of postal ballots in a fair and transparent manner and **the result of the postal ballot will be announced on 24 September, 2014** at the Registered Office of the Company. The date of announcement of the result of postal ballot shall be taken to be the date of passing of the resolution. The result of the postal ballot will also be displayed at the said address and posted on the Company's website www.hindwarehomes.com, besides communicating to the National Stock Exchange of India Limited and BSE Limited. The result of the postal ballot shall also be announced through newspaper advertisement.

Proposed Resolutions:

Special Business

1. Increase in the Borrowing powers of the Board of Directors

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

"RESOLVED THAT in supersession of the earlier resolutions passed, the consent of the Company be and is hereby accorded in terms of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013, read with the relevant Rules thereof (including any statutory modification(s) or re-enactment thereof for the time being in force), to the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include any Committee thereof) for borrowing from time to time any sum or sums of monies which together with the monies already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business) may exceed the aggregate of the paid up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose, provided that the total amount so borrowed by the Board shall not at any time exceed Rs.1500 Crore (Rupees One Thousand Five Hundred Crores Only)."

"RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to take such steps as may be necessary for obtaining approvals, statutory, contractual or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto, and to sign and to execute deeds, applications, documents and writings that may be required, on behalf of the Company and generally to do all such acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this resolution."

2. Creation of Charges on Movable and Immovable properties of the Company, both present and future u/s 180(1)(a) of the Companies Act, 2013

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

"RESOLVED THAT pursuant to Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013, consent of the Company be and is hereby given to the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include any Committee thereof) to create such charges, mortgages and hypothecations in addition to the existing charges, mortgages and hypothecations created by the Company, on such movable and immovable properties, both present and future, and in such manner as the Board may deem fit, together with power to take over the substantial assets of the Company in certain events in favour of banks/financial institutions, other investing agencies and trustees for the holders of debentures/ bonds/other instruments to secure rupee/foreign currency loans and/or the issue of debentures whether partly/fully convertible or non-convertible and/or securities linked to equity shares and/or rupee/ foreign currency convertible bonds and/or bonds with share warrants attached and/or Working Capital facilities from Banks/Financial Institutions (hereinafter collectively referred to as "Loans")."

"RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board or any Committee thereof be and is hereby authorized to finalize, settle and execute such documents /deeds / writings / papers / agreements as may be required and to do all such acts, deeds, matters and things, as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in regard to creating mortgage / charge as aforesaid."

By order of the Board of Directors
HSIL Limited

Payal M Puri
Company Secretary

Place: Gurgaon

Date: 11 August, 2014

NOTES:

1. The Board of Directors has appointed Mr. Pravin Kumar Drolia, Practicing Company Secretary, as the Scrutinizer to conduct the postal ballot process in a fair and transparent manner.
2. The Statement as required under Section 102 of the Companies Act, 2013 is appended to this Notice. A Postal Ballot Form is also enclosed.
3. The Notice is being sent to all the Members by post (and electronically by email to those Members who have registered their email IDs with the Company), whose names appear in the Register of Members/Record of Depositories as on 8 August, 2014. The voting shall be reckoned in proportion to the shares held by a Member in the paid up equity share capital of the Company as on 8 August, 2014.
4. The Notice is also being published in Financial Express, Kolkata (English Edition) and Kalantar, Kolkata (Bengali Edition).
5. The Notice has also been made available on the website of the Company i.e. www.hindwarehomes.com
6. In compliance with the provisions of Section 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014, the Company has also extended e-voting facility as an alternate, for its Members to enable them to cast their votes electronically instead of dispatching Postal Ballot Form/s.

Instructions for Voting:

Voting through Physical Postal Ballot Form

1. A member desiring to exercise vote by Postal Ballot shall complete the enclosed Postal Ballot Form with assent (for) or dissent (against) and send it to the Scrutinizer in the enclosed self-addressed Business Reply Envelope. Postage will be borne and paid by the Company. However, envelopes containing Postal Ballots, if sent by courier or by Registered Post at the expense of the Registered Member will also be accepted. The envelopes may also be deposited personally at the address given thereon. 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 before the close of working hours on or before Saturday, the 20 September, 2014 to be eligible for being considered, failing which, it will be strictly treated as if no reply has been received from the Member/s.
2. The members are requested to exercise their voting rights by using the attached Postal Ballot Form only. No other form or photocopy of the form is permitted.

E-Voting Facility

1. The Company is pleased to offer e-voting facility for the members to enable them to cast their votes electronically instead of dispatching Postal Ballot Form. Members have an option to vote either through e-voting or through Ballot Form. If a

member has opted for e-voting, then he/she should not vote by Postal Ballot also and vice-a-versa. However, in case members cast their vote both via physical ballot and e-voting, then voting through physical ballot shall prevail and voting done by e-voting shall be treated as invalid. The instructions for members for e-voting are as under:

- (a) Shareholders should log on to the e-voting website www.evotingindia.com
- (b) Click on "Shareholders" tab.
- (c) Now, select the "HSIL Limited" from the drop down menu and click on "SUBMIT".
- (d) Now Enter your User ID.
 - (i) For CDSL: 16 digits beneficiary ID,
 - (ii) For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - (iii) For Physical Form : Member should enter Folio Number registered with the Company.
- (e) Next enter the Image Verification as displayed and Click on Login.
- (f) 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.
- (g) 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)

- 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 last 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.

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.

- Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id/ folio number in the Dividend Bank details field.

- (h) After entering these details appropriately, click on "SUBMIT" tab.
- (i) 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.
- (j) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (k) Click on the EVSN for the relevant "HSIL Limited" on which you choose to vote.
- (l) 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.
- (m) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (n) 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.
- (o) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (p) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (q) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(r) Note for Institutional Shareholders

- 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.
 - 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 they have to create a user who would be able to link the account(s) which they wish to vote on.
 - The list of accounts 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, in PDF format in the system for the scrutinizer to verify the same.
- (s) 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.
- (t) The voting rights of shareholders shall be in proportion to their share in the paid up equity share capital of the Company.
- u) In case of members receiving the physical copy they are advised to follow all the steps from serial no. (a) to (p)

General

1. **The e-voting period commences on Friday, 22 August, 2014 (9.00 a.m. IST) and ends on Saturday, 20 September, 2014 (5.00 p.m. IST). During this period, members of the Company, holding shares in physical form or in dematerialised form, as on the cut-off date i.e. 8 August, 2014, may cast their vote electronically.**
2. The shareholders are requested to carefully read the instructions printed on the backside of the attached Postal Ballot Form before exercising their vote.
3. Shareholders who do not receive the Postal Ballot Form may apply to the Company and obtain a duplicate thereof.

ANNEXURE TO THE NOTICE

(Statement under Section 102 of the Companies Act, 2013)

ITEM NO. 1 & 2

Members of the Company by way of an ordinary resolution passed at the Annual General Meeting held on 22.09.2010 had accorded its consent to the Board of Directors to borrow funds to the extent of Rs.1000 crore in excess of the paid up capital and free reserves of the Company and an ordinary resolution was passed at the Annual General Meeting held on 23.08.1993 to mortgage and / or create charge on all or anyone of the moveable / immovable properties or such other assets of the Company.

In view of Company's consistent requirements for financing the capital expenditure on expansion and modernization programmes and partly to augment the long term capital requirements for Company's growing activities and operations, it is necessary to raise the existing borrowing limit of Rs. 1000 Crore to Rs. 1500 Crore.

Consequently, the proposed borrowings by the Company, if required, is to be secured by mortgage or charge on all or any of the movable or immovable or any other tangible and intangible assets / properties of the Company (both present & future), in favour of any lender including the financial institutions / banks / debenture trustees etc. in such form, manner and ranking as may be determined by the Board of Directors of the Company from time to time, in consultation with the lender(s). Thus, pursuant to provisions of Section 180 of the Companies Act, 2013 consent of the members is required by way of a special resolution to borrow funds in excess of the paid up capital and free reserves of the Company and to create security for the same. Accordingly, item nos. 1 & 2 have been put forward for your approval.

The Board of Directors recommends the Resolutions at item nos. 1 & 2 for your approval as Special Resolutions by way of Postal Ballot.

None of the Directors or Key Managerial Personnel or their relatives, except to the extent of their shareholdings, are interested in these resolutions.



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CIN : L51433WB1960PLC024539

POSTAL BALLOT FORM

1.	Name(s) & Registered Address of the sole/first named member (in block letters)
2.	Name(s) of the Joint-Holder(s), if any
3.	Registered Folio Number/DP ID No. & Client ID No.* *(Applicable to investors holding Shares in dematerialized form)
4.	Number of Equity Share(s) held

I/We hereby exercise my/our vote in respect of the following Special Resolutions to be passed through Postal Ballot / e-voting, by conveying my /our assent or dissent to the said Resolutions by placing tick (✓) mark in the appropriate box below:

Resolution Number	Description of Resolution	No. of shares	I / We assent to the Resolutions (FOR)	I/We dissent to the Resolutions (AGAINST)
1	Increase in the Borrowing powers of the Board of Directors.			
2	Creation of Charge on Movable and Immovable properties of the Company, both present and future			

Place :

Date :

Signature of the Member or the Authorised Representative (as per instructions overleaf)

E-VOTING PARTICULARS

E-Voting Sequence No. (EVSN)	USER ID (16 Digit Demat Account/Folio No.)	Password/PIN (Permanent Account Number (PAN)/ As per point no. (g) of instructions)

Note :

1. Last date for receipt of Postal Ballot Forms by Scrutinizer is Saturday, 20 September, 2014
2. Please read the instructions printed overleaf carefully before exercising your vote.

INSTRUCTIONS

1. GENERAL INFORMATION

- a) There will be one Postal Ballot Form / e-voting for every Client ID No. / Folio No., irrespective of the number of joint holders.
- b) 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 Postal Ballot shall prevail and the votes cast through e-voting form shall be considered invalid.
- c) Voting rights in the Postal Ballot / e-voting cannot be exercised by a proxy. However, corporate and institutional shareholders shall be entitled to vote through their authorised representatives accompanied by a certified copy of the relevant board resolution with the specimen signature(s) of the authorized signatory(ies) duly attested.
- d) **The e-voting period commences on Friday, 22 August, 2014 (9.00 a.m. IST) and ends on Saturday, 20 September, 2014 (5.00 p.m. IST). During this period, members of the Company, holding shares in physical form or in dematerialised form, as on the cut-off date i.e. 8 August, 2014, may cast their vote electronically.**
- e) The Board of Directors has appointed Mr. Pravin Kumar Droliya, Practicing Company Secretary, Kolkata as the Scrutinizer to conduct the voting process (voting through Postal Ballot as well as e-voting) in a fair and transparent manner.

2. PROCESS FOR MEMBERS OPTING FOR VOTING BY POSTAL BALLOT

- a) Members desiring to cast their vote by Postal Ballot should complete and sign this Postal Ballot Form and send it to the Scrutinizer in the enclosed postage prepaid self-addressed envelope. Postal Ballot Forms deposited in person or sent by post or courier at the expense of the Member will also be accepted.
- b) In case of joint holding, this Postal Ballot Form should be completed and signed by the first named Member and in his absence by the next named Member.
- c) The signature of the Member on this Postal Ballot Form should be as per the specimen signature furnished by National Securities Depository Limited (NSDL) / Central Depository Services (India) Limited (CDSL) or registered with the Company, in respect of shares held in dematerialised form or in physical form, respectively.
- d) Completed Postal Ballot Forms should reach the Scrutinizer at the Registered Office of the Company at 2, Red Cross Place, Kolkata - 700 001 not later than the close of working hours i.e. at 5.00 p.m. on Saturday, 20 September, 2014. Postal Ballot Forms received after this date will be considered invalid.
- e) Postal Ballot Forms which are incomplete or unsigned or defective in any manner are liable to be rejected. The Scrutinizer's decision in this regard shall be final and binding.
- f) A Member seeking duplicate Postal Ballot Form or having any grievance pertaining to the Postal Ballot process can write to the Company's Registrar-Maheshwari Datamatics Pvt. Ltd. at 6, Mangoe Lane, Kolkata -700 001 or to the e-mail id:mdpl@cal.vsnl.net.in. Duly completed and signed duplicate Postal Ballot Forms should, however, reach the Scrutinizer not later than the close of working hours i.e. 5.00. p.m. on Saturday, 20 September, 2014.
- g) Members are requested not to send any paper (other than the resolution/authority as mentioned under "Process for Members opting for voting by Postal Ballot" point 1.c 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.

3. PROCESS FOR MEMBERS OPTING FOR E-VOTING

- (a) Shareholders should log on to the e-voting website www.evotingindia.com
- (b) Click on "Shareholders" tab.
- (c) Now, select the "HSIL Limited" from the drop down menu and click on "SUBMIT".
- (d) Now Enter your User ID.
 - (i) For CDSL: 16 digits beneficiary ID,
 - (ii) For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - (iii) For Physical Form: Members should enter Folio Number registered with the Company.
- (e) Next enter the Image Verification as displayed and Click on Login.
- (f) 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.
- (g) 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 last 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.
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. <ul style="list-style-type: none">• Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id/ folio number in the Dividend Bank details field.

- (h) After entering these details appropriately, click on "SUBMIT" tab.
- (i) 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.
- (j) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (k) Click on the EVSN for the relevant "HSIL Limited" on which you choose to vote.
- (l) 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.
- (m) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (n) 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.
- (o) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (p) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (q) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (r) Note for Institutional Shareholders
 - 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.
 - 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 they have to create a user who would be able to link the account(s) which they wish to vote on.
 - The list of accounts 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, in PDF format in the system for the scrutinizer to verify the same.
- (s) 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.
- (t) The voting rights of shareholders shall be in proportion to their share in the paid up equity share capital of the Company.
- (u) In case of members receiving the physical copy they are advised to follow all the steps from serial no. (a) to (p)