LLOYD ELECTRIC & ENGINEERING LIMITED

CIN: L29120RJ1987PLC012841
Regd. Office: A-146 (B & C), RIICO Industrial Area, Bhiwadi, Distt. Alwar, Rajasthan-301019.
Tel. No.: 01493-220724,221348, **Fax:** 01493-220543
Corp. Office: 159, Okhla Industrial Estate, Phase-III, New Delhi-110020, **Tel. No.** 011-40627200, **Fax:** 011-41609909
website: www.lloydengg.com, **E-mail:** investor.relation@lloydengg.com

NOTICE OF POSTAL BALLOT

(Pursuant to Section 110 of the Companies Act, 2013)

Dear Member,

Notice is hereby given pursuant to Section 110 and other applicable provisions of the Companies Act, 2013, (the "Act") if any, read together with the Companies (Management and Administration) Rules, 2014, including any statutory modification or re-enactment thereof for the time being in force, that the Resolutions appended below are proposed to be passed as Special Resolutions by way of Postal Ballot/ e-voting. The Explanatory Statement pertaining to the said Resolutions setting out the material facts and the reasons thereof is annexed hereto alongwith a Postal Ballot form for your consideration.

The Board of Directors has appointed Mr. Sanjay Chugh, Practicing Company Secretary (Membership No. 3754), as the Scrutinizer for conducting the Postal Ballot process in a fair and transparent manner You are requested to carefully read the instructions printed on the Form, record your assent or dissent therein and return the same in original duly completed in the attached self-addressed, postage pre-paid envelope (if posted in India) so as to reach the Scrutinizer not later than the close of working hours i.e. 5:00 p.m. (IST) on Tuesday, December 27, 2016, failing which it will be strictly treated as if no reply has been received from the member. No other form thereof shall be permitted.

Members desiring to opt for e-voting as per facilities arranged by the Company are requested to read the notes to the Notice of the Postal Ballot.

The Scrutinizer shall submit his report to the Chairman after completion of scrutiny of Forms and e-Voting. The results of voting by Postal Ballot (i.e. through the Postal Ballot Form and e-Voting) will be declared on Wednesday, December 28, 2016 at 5:00 P.M. (IST) at the Corporate Office at 159, Okhla Industrial Estate, Phase-III, New Delhi-110020,India. The results along with the Scrutinizer's Report will be displayed at the Registered Office and the Corporate Office of the Company.The results shall be communicated to the Stock Exchanges and the same alongwith the Scrutinizer's Report will be displayed on the Company's website www.lloydengg.com as well as on National Securities Depository Limited's website- www.evoting.nsdl.com.

Members may please note that resolutions if assented to by the requisite majority of the shareholders by means of postal ballot including voting by electronic means, will be taken as passed effectively on the last date specified by the Company for receipt of duly completed postal ballot forms or e-voting i.e. December 27, 2016.

PROPOSED RESOLUTIONS

1. Shifting of Registered Office of the Company from the State of Rajasthan to the State of Uttar Pradesh

To consider and, if deemed fit, to pass through Postal Ballot, the following Resolution as a **Special Resolution**:

"**RESOLVED THAT** pursuant to provisions of Section 12, 13 and other applicable provisions, if any, of the Companies Act, 2013 read with Rule 30 of the Companies (Incorporation) Rules, 2014 and subject to approval of the Central Government (Regional Directors) or any other competent authority and such other approvals as may be required, the registered office of the Company be shifted from its present location at Rajasthan to the State of Uttar Pradesh and that Clause II of the Memorandum of Association be altered and substituted by the following:

"II. The Registered Office of the Company will be situated in the State of Uttar Pradesh."

RESOLVED FURTHER THAT the aforesaid resolution becoming effective, the Registered Office of the Company be shifted from the State of Rajasthan to such place in the State of Uttar Pradesh as may be determined by the Board of Directors of the Company.

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include any person(s) authorised and/or Committee which the Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred by this Resolution) or any officer so authorised by the Board, be and is hereby authorised on behalf of the Company to make any modifications, changes, variations, alterations or revisions stipulated by any one of the authorities, statutory or otherwise, while according approval, consent as may be considered necessary and to appoint counsels and advisors, file applications/petitions, issue notices, advertisements, obtain orders for shifting of registered office from the concerned authorities and to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary and with power on behalf of the Company to settle any questions, difficulties or doubts that may arise in this regard without requiring the Board to secure any further consent or approval of the Shareholders of the Company."

2. Borrowing Powers of the Board

To consider and, if deemed fit, to pass through Postal Ballot, the following Resolution as a **Special Resolution**:

"**RESOLVED THAT** pursuant to the provisions of section 180(1)(c) and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) and Memorandum and Articles of Association of the Company and subject to such approvals, consents, sanctions and permissions, as may be necessary and provisions of other applicable laws and in supersession of Resolution No.1 passed vide Postal Ballot conducted by the Company on October 01, 2014, the consent of the Company be and is hereby accorded to 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 by this resolution and with the power to delegate such authority to any person or persons) to borrow monies in excess of the aggregate of the paid-up share capital and free reserves of the Company, provided that the total amount borrowed and outstanding at any point of time, apart from temporary loans obtained / to be obtained from the Company's Bankers in the ordinary course of business, shall not be in excess of Rs.2,500 Crores (Rupees Two Thousand Five Hundred Crores).

RESOLVED FURTHER THAT the Board be and is hereby authorized for borrowing from time to time as it may think fit, any sum or sums of money but not exceeding Rs.2,500 Crores (Rupees Two Thousand Five Hundred Crores), in aggregate or equivalent thereto in any foreign currency (including the monies already borrowed by the Company), on such security and on such terms and conditions as the Board may deem fit, by way of loans from, or issue of Bonds, Debentures or other Securities whether Convertible into Equity/Preference Shares and/or Securities with or without detachable warrants with a right exercisable by the warrant holder(s) to convert or subscribe to Equity/Preference Shares (hereinafter referred to as "securities"), to Bank(s), Financial or other Institution(s), Mutual Fund(s), Non-Resident Indians (NRIs), Foreign Institutional Investors (FIIs) or any other person(s), body(ies) corporate, etc., whether shareholder of the Company or not.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do or cause to be done all such acts, matters, deeds and other things as it may in its absolute discretion deem fit, required or considered necessary or incidental thereto, for giving effect to the aforesaid resolution."

3. Creation of Charges/Mortgages on the Company's properties both present and future, in respect of borrowings

To consider and, if deemed fit, to pass through Postal Ballot, the following Resolution as a **Special Resolution**:

"**RESOLVED THAT** in pursuant to the provisions of section 180(1)(a) and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) and Memorandum and Articles of Association of the Company and subject to such approvals, consents, sanctions and permissions, as may be necessary and provisions of other applicable laws and in supersession of Resolution No.2 passed vide Postal Ballot conducted by the Company on October 01, 2014, the consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter called "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 by this resolution and with the power to delegate such authority to any person or persons), to mortgage and/or charge any of its movable and/or immovable properties wherever situated, both present and future, or the whole, or substantially the whole, of the undertaking or undertakings of the Company on such terms and in such manner as the Board may think fit, together with power to take over the management of the business or concern of the Company in certain event(s), for securing any loan(s) obtained/to be obtained from, or Securities issued/ to be issued to, Bank(s), Financial or other Institution(s), Mutual Fund(s), Non-Resident Indians (NRIs), Overseas Corporate Bodies (OCBs), Foreign Institutional Investors (FIIs) or any other person(s), body(ies) corporate, etc., whether shareholder of the Company or not (hereinafter collectively referred to as "lenders"), for an amount not exceeding Rs.2,500 Crores (Rupees Two Thousand Five Hundred Crores) and/or equivalent thereto in any foreign currency, together with interests, compound/ additional interest, commitment charges, costs, expenses and all other monies payable by the Company to the concerned lenders.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds and things and to sign all such documents as may be necessary, expedient and incidental thereto to give effect to this resolution."

By order of the Board
For Lloyd Electric & Engineering Ltd.

Anita K. Sharma
Company Secretary
M. No.: FCS 7373

Date: November 23, 2016
Place: New Delhi

NOTES:

1. The Explanatory Statement and reasons for the proposed Special Resolutions pursuant to Section 102 of the Act setting out material facts are appended to the Notice.
2. The Postal Ballot Notice is being sent to all the Members, whose names appear in the Register of Members/list of Beneficial Owners, received from National Securities Depository Limited ("NSDL")/ Central Depository Services (India) Limited ("CDSL") as on November 24, 2016.
3. In compliance with the provisions of Sections 108 and 110 and other applicable provisions of the Act, read with the Companies (Management and Administration) Rules, 2014, (hereinafter the "CMA Rules") and the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Company is pleased to offer e-voting facility as an option to all the Members of the

Company. The Company has entered into an agreement with NSDL for facilitating e-voting to enable the Members to cast their votes electronically instead of dispatching Postal Ballot Form. Please note that E-voting is optional.

4. As per CMA Rules, Notice of Postal Ballot may be served on the Members through electronic transmission. Members who have registered their e-mail IDs with depositories or with the Company are being sent Notice of Postal Ballot by e-mail and Members who have not registered their e-mail IDs will receive Notice of Postal Ballot alongwith Postal Ballot Form through post.

   Members who have received Postal Ballot Notice by e-mail and who wish to vote through physical Postal Ballot Form may download the Postal Ballot Form from the link www.evoting.nsdl.com or from the 'Investor Relations' section on the Company's website www.lloydengg.com or may send a request to the Company on investor.relation@lloydengg.com for obtaining the Notice and Postal Ballot in physical form. On receipt of such requests, the Company will dispatch the same in physical form to enable the Members to send back the Postal Ballot. However, the postal ballot should reach to scrutinizer by 5:00 P.M. (IST) December 27, 2016.

5. 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.

   The notice of Postal Ballot / e-voting is dispatched / emailed to the members whose names appear on the Register of Members as on November 24, 2016 and voting rights shall be reckoned on the basis of paid up value of the shares registered in the name of the members as on the said date.

6. **The e-voting commences on November 28,2016 (09:00 A.M.) (IST) and ends on December 27, 2016 (05:00 P.M.) (IST)**. E-voting shall be disabled by NSDL at 5.00 P.M. on December 27, 2016. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

7. 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 as explained in point no. 8A(xii) below.

8. The instructions for e-voting are as under:

   A. In case a member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participants(s)]:

      i. Open email and open PDF file viz; "LEEL remote e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote 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. Put user ID and password as initial password/PIN noted in step (i) above. Click Login.

      v. Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/ characters or combination thereof. Note new password. 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 remote e-voting opens. Click on remote e-voting: Active Voting Cycles.

      vii. Select "REVEN" of Lloyd Electric & Engineering Limited.

      viii. Now you are ready for remote 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 authorized to vote, to the Scrutinizer through e-mail to **schughpcs@gmail.com** or with a copy marked to **evoting@nsdl.co.in**.

   B. In case of Members receiving Postal Ballot Form by Post [for members whose email IDs are not registered with the Company/ Depository Participants(s) or requesting physical copy] :

      i. User ID and initial password is provided in the Postal Ballot Form.

      ii. Please follow all steps from Sr. No. 8A (ii) to (xi) above, to cast your vote.

   C. 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.

9. In case of queries or grievances connected with the facility of e-voting by electronic means the members may refer to the Frequently Asked Questions (FAQs) for members and e-voting user manual for members at the Downloads section of www.evoting.nsdl.com or call toll free no: 1800222990 or contact the Company's RTA viz. Mr. Viren Rana, Vice President, Skyline Financial Services Pvt. Ltd., D-153 A, 1st Floor, OkhlaIndl. Area, Phase-I, New Delhi – 110020, Tel. 011-26812682, e-mail at admin@skylinerta.com or may write to Ms. Anita K. Sharma, Company Secretary at corporate office at 159, Okhla Industrial Estate, Phase III, New Delhi- 110020, Tel: 011-40627200, 40627300 or e-mail at investor.relation@lloydengg.com.

10. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).

Explanatory Statement pursuant to the Section 102 of the Companies Act, 2013

Item No. : 1

The Company is one of the India's largest manufacturers of evaporator and condenser coils for air conditioners and heat exchangers/ Radiators serving the entire spectrum of Heating, Ventilation, Air Conditioning and Refrigeration (HVAC&R) Industry. The Company is also an 'original equipment manufacturer' (OEM) supplier to manufacturers of air-conditioners in India, and provides customized air-conditioning solutions for institutional clients like Railways, Metro Rail etc. Since 2011, the Company has also ventured into Consumer Durable Business, under "Lloyd Brand".

Presently, the Company's Registered Office is located at A-146, B and C, RIICO Industrial-Area, Bhiwadi, Alwar-301019, Rajasthan.

The Board of Directors of the Company at their meeting held on November 23, 2016 has decided to shift the Registered Office from the "State of Rajasthan" to the "State of Uttar Pradesh" to carry on the business of the Company more efficiently as the corporate office is situated in Delhi.

The shifting of the registered office will enable the Company to exercise better administrative and economic control thus bringing greater efficiencies. It will also enable the streamlining of various corporate functions, assessments, and statutory approvals relating to regulatory bodies. There would be no impact on employees, creditors or other stakeholders located at Bhiwadi, Rajasthan due to the change in the registered office. Further, the shifting of registered office to National Capital Region (NCR) of Delhi would provide majority of shareholders residing in the nearby vicinity, an ease of access to participate in general meetings and approach the registered office.

As per provisions of Section 12, 13 and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder, such shifting of Registered Office requires the Company to alter Memorandum of Association of the Company and to obtain necessary approval of the Shareholders by way of special resolution through Postal Ballot and approval of Central Government. Necessary application will be submitted to the Central Government (Regional Director) after obtaining approval from Members.

The proposed change will in no way be detrimental to the interest of any member of public, employees or any other person in any manner whatsoever.

The proposed altered copy of the Memorandum of Association of the Company will be available for inspection at the registered office of the Company to any member during any working day between 10 A.M. and 5:00 P.M. and shall also be posted on the website of the Company.

In light of the above facts, the Board recommends the Resolution as set out above for approval of the members as Special Resolution.

None of the Director, Key Managerial Personnel of the Company and their relatives is concerned or interested in the resolution except as members of the Company.

Item No. : 2 and 3

The Company already had accorded the approval of the shareholders of the Company by way of Ordinary Resolutions under Section 293(1)(d) and 293(1)(a) of the erstwhile Companies Act, 1956 through Postal Ballot Process dated 16th October, 2008 to raise/borrow money on behalf of the Company up to a limit of Rs.2000 crores and to create charge/mortgage on the assets of the Company to secure the borrowing up to the limit of Rs.2000 crores, which were again ratified by the shareholders by way of special resolutions under section 180 (1) (c) and 180(1) (a)respectively through postal ballot process dated October 01, 2014 in accordance with provisions of the new Companies Act, 2013.

Keeping in view, the growth in the turnover and increase in overall business activities of the Company and to meet capital expenditure requirements and for additional working capital needs, the Board of Directors had, in its meeting held on November 23, 2016, considered and approved subject to the approval of the shareholdersincrease in the Company's existing borrowing limit of Rs. 2,000 Crores to Rs.2,500 Crores. Accordingly, it is necessary to obtain fresh approval of the Members by means of special resolutions, to enable the Board of Directors of the Company to: a) borrow moneys, apart from temporary loans obtained from the Company's Bankers in the ordinary course of business, in excess of the aggregate of paid-up share capital and free reserves of the Company upto Rs.2,500 Crores; and b) create charge/ mortgage/ hypothecation on the Company's assets, both present and future, in favour of the Banks/Financial Institutions, other investing agencies/ trustees for the holders of debentures/ bonds, etc. to secure the repayment of moneys borrowed by the Company (including temporary loans obtained from the Company's Bankers in the ordinary course of business)for an amount not exceeding Rs.2,500 Crores.

In view of the proposed increase in the limits as referred above, the members' approval is required pursuant to Section 180(1)(c) and 180(1)(a) of the Companies Act, 2013 by way of special resolutions. Your Directors, therefore, recommend the resolutions as set out in item nos. 2 & 3 of the Notice for your approval.

None of the Director, Key Managerial Personnel of the Company and their relatives is concerned or interested in the resolution except as members of the Company.

By order of the Board
For Lloyd Electric & Engineering Ltd.

Anita K. Sharma
Company Secretary
M. No.: FCS 7373

Date: November 23, 2016
Place: New Delhi