

ECE INDUSTRIES LTD.

[CIN-L31500DL1945PLC008279]

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NOTICE OF POSTAL BALLOT

PURSUANT TO SECTION 110 OF THE COMPANIES ACT, 2013 AND RULE 22 OF THE COMPANIES (MANAGEMENT AND ADMINISTRATION) RULES, 2014 READ WITH REGULATION 44 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 ("LISTING REGULATIONS"), INCLUDING ANY STATUTORY MODIFICATIONS OR AMENDMENTS THEREOF.

To,
The Members,

NOTICE is hereby given that approval of the members of ECE Industries Limited ('the Company') is sought for the following resolution through voting by postal ballot in accordance with Section 110 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, as amended, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable laws and regulations.

SPECIAL BUSINESS:

To sell / transfer / relocate / dispose-off the whole or substantially the whole of the Transformer unit / undertaking of the Company situated at Fatehnagar Village, Telangana

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a *Special Resolution*:

"RESOLVED THAT pursuant to the provisions of section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013, and the relevant Rules framed there under (including any statutory modification(s) or re-enactment thereof, for the time being in force), applicable provisions in the SEBI (Listing Obligations & Disclosure Requirement) Regulations, 2015, enabling provisions in the Memorandum of Association and Articles of Association of the Company, approval and consent of the Members of the Company be and is hereby granted to the Board of Directors to sell / transfer / relocate / dispose-off the whole or substantially the whole of the Transformer unit / undertaking of the Company under Survey Nos. 74, 75 & 76 situated at Fatehnagar Village, Telangana."

RESOLVED FURTHER THAT the Board be and is hereby authorised to take such steps as may be necessary to give effect to this resolution."

By Order of the Board
For ECE INDUSTRIES LTD.

Date: 9th February, 2019
Place: New Delhi

PIYUSH AGARWAL
COMPANY SECRETARY

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 FORMING PART OF THE NOTICE

Members of the Company are requested to note that the Board of Directors of the Company have accorded their approval to sell / transfer / relocate / dispose-off the whole or substantially the whole of the Transformer unit / undertaking of the Company situated at Fatehnagar Village, Telangana in view of the fact that the industrial lands under Survey Nos. 74, 75 & 76 on which Company's Transformer unit at Fatehnagar Village, Telangana is situated, falling under Urban Land Ceiling Act (ULC) and also under process of acquisition by Government of Telangana by order passed in the year of 2007. The Company is protesting the said order in the High Court since 2007, however, without any considerable progress till date. The Company is not allowed to do any expansion or extension or modernization on the said unit as no construction is allowed by the Government in their aforesaid order until the case is settled and status quo is maintained. In view of this uncertainty and also considering the eventuality of sudden closure of the unit in the event the case will decide against the Company, the existing plant should be relocated at another location, at an appropriate time, and the new unit can be modernized thereafter.

Section 180 (1)(a) of the Companies Act, 2013 mandates that the Board of Directors of a company shall exercise the power to sell, lease or otherwise dispose of the whole or substantially the whole of any undertaking(s) of the company, only with the approval of the members of the Company by way of a special resolution.

In view of the above, your approval is sought u/s 180(1)(a) of the Companies Act, 2013 and rules made thereunder, to sell / transfer / relocate / dispose-off the whole or substantially the whole of the Transformer unit / undertaking of the Company situated at Fatehnagar Village, Telangana

Notes:

1. An explanatory statement as required under Section 102 of the Companies Act, 2013 in respect of the business specified above is annexed hereto.
2. In compliance with the provisions of Section 110 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is providing facility to the members to exercise votes through electronic voting system ('remote e-voting') on the e-voting platform provided by National Securities Depository Limited ('NSDL').
3. The voting rights of the members (through postal ballot or e-voting) shall be reckoned on the equity shares held by them as on 8th February, 2019 (End of Day), being the 'cut-off date' fixed for this purpose.

4. The Board of Directors at its meeting held on 9th February, 2019 has appointed Mr. B L Khandelwal, Practising Chartered Accountant (Membership No. 012331), as Scrutiniser to receive and scrutinise the postal ballot forms received from the members and for conducting the postal ballot process in a fair and transparent manner.
5. The shareholders who are voting through Postal Ballot Form (i.e. Physical Ballot), are requested to carefully read the instructions printed on the Form enclosed herewith and return it, duly completed and signed along with their assent (FOR) or dissent (AGAINST) in the attached self-addressed postage pre-paid business reply envelope, so as to reach the Scrutinizer on or before the close of working hours i.e. by 05.00 P.M. on Thursday, 21st March, 2019. Please note that any Postal Ballot Form(s) received after that date will be treated as not having been received.
6. The shareholders 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. Shareholders who do not receive the Postal Ballot Form may apply to the Company and obtain a duplicate thereof. Facility of voting through electronic mode is being provided by the Company.

7. VOTING THROUGH ELECTRONIC MEANS

- A. In compliance with provisions of Section 110 read with Section 108 of the Companies Act, 2013, Rule 22 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI (LODR) Regulation, 2015, the Company is pleased to provide e-voting facility to its shareholders to enable them to cast their vote electronically. As an alternative to vote through postal ballot, the business may be transacted through e-voting services provided by National Securities Depository Limited (NSDL).

The instructions for members for voting electronically are as under:-

- I. **In case of Members receiving e-mail from NSDL (For those members whose e-mail addresses are registered with Company/Depositories):**
 - a. Open e-mail and open PDF file viz. "ECE-remote e-Voting.pdf" with your client ID or Folio No. as password containing your user ID and password for remote e-voting. Please note that the password is an initial password.
 - b. Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>.
 - c. Click on Shareholder-Login.
 - d. Put user ID and password as initial password noted in step (i) above. Click Login.
 - e. Password change menu appears. Change the password 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.
 - f. Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
 - g. Select "EVEN" of "ECE Industries Limited".
 - h. Now you are ready for remote e-voting as Cast Vote page opens.
 - i. Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
 - j. Upon confirmation, the message "Vote cast successfully" will be displayed.
 - k. Once you have voted on the resolution, you will not be allowed to modify your vote.
 - l. 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 duly attested specimen signature of the authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to blkhandelwal@yahoo.com with a copy marked to evoting@nsdl.co.in.
- II. **In case of Members receiving Physical copy of Notice of Postal Ballot (for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy)**
 - a. Initial password is provided in the letter attached with this Notice.
 - b. Please follow all steps from Sl. No. (b) to Sl. No. (l) above, to cast vote.
- B. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of www.evoting.nsdl.com or call on toll free no.:1800-222-990.
- 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.
- D. 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).
- E. The voting period begins on 20th February, 2019 (09.30 am) and ends on 21st March, 2019 (05.00 pm). During this period, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 8th February, 2019, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- F. 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 of 8th February, 2019.
- G. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only, shall be entitled to avail the facility of remote e-voting as well as through physical ballot paper.
- H. Mr. B L Khandelwal, Practising Chartered Accountant has been appointed as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- I. The Scrutinizer shall after the closure of e-voting as well as voting through physical postal ballot, will count the votes cast through physical postal ballot as well as through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than 23rd March, 2019, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him, who shall countersign the same and declare the result of the voting forthwith.
- J. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company www.eceindustriesltd.com and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing and communicated to the National Stock Exchange of India Limited (NSE).

By Order of the Board
For ECE INDUSTRIES LTD.

PIYUSH AGARWAL
COMPANY SECRETARY

Date: 9th February, 2019
Place: New Delhi