



Sir Shadi Lal Enterprises Limited

CIN: L51909DL1933PLC009509

Regd. Office:- 4-A, Hansalaya, 15 Barakhamba Road, New Delhi-110001

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Phone : 011-23316409, Fax 011-23322473

NOTICE OF POSTAL BALLOT

Pursuant to Section 110 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014

Dear Members,

Notice is hereby given pursuant to Section 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) ("the Rules"), and other applicable laws and regulations that the resolutions appended are proposed to be passed by way of Postal Ballot.

The Explanatory Statement pertaining to the Resolutions setting out the material facts and the reasons thereof is annexed hereto along with the Postal Ballot Form for your consideration.

In the event the draft resolutions as set out in the notice are assented to by the requisite majority by means of E-voting or Postal Ballot (whichever method the Shareholder opts for), they shall be deemed to have been passed as Special Business at a General Meeting. In terms of Clause 16.6.3 of Secretarial Standard-2, the resolutions shall be deemed to have been passed on the last date specified by the company for receipt of duly complete postal ballot forms or e-voting (i.e. 16th June, 2016).

The Board of Directors of the Company has appointed Sh. Sunil Kumar Jain, a Practising Company Secretary (FCS: 4089 CP No.: 4079) as the Scrutinizer for conducting the postal ballot and e-voting process thereto in accordance with the provisions of the Companies Act, 2013 and the Rules made thereunder in a fair and transparent manner. Members desiring to exercise their vote by postal ballot are requested to carefully read the instructions printed on the Postal Ballot Form and return the same duly completed. The duly completed Postal Ballot Form(s) should reach the Scrutinizer not later than 5:00 P.M. Thursday, on 16th June, 2016.

Members desiring to opt for e-voting as per the facilities arranged by the Company are requested to read the instructions in the Notes under the section 'Voting through electronic means' in this Notice.

The Scrutinizer will submit his report to the Chairman or any Director of the Company on or before Saturday, 18th June, 2016. The result of postal ballot (including e-voting) shall be declared on Saturday, 18th June, 2016 at the Company's registered office. In addition to the results being communicated to the BSE Limited, it shall also be displayed on the Notice Board at the Company's registered office and would also be displayed on the Company's website www.sirshadilal.com.

SPECIAL BUSINESS

Item No. 1 – To authorize the director(s)/officer(s) for execution of the Power Project Development MOU/Agreement and Lease Rent Agreement

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

"RESOLVED THAT pursuant to the provisions of Sections 180(1)(a), 188 of the Companies Act, 2013 and Section 110 of the Companies Act, 2013, read with rule 22 of the Companies (Management and Administration) Rules, 2014 as amended from time to time, and other applicable provisions, if any, of the Companies Act, 2013 (including any amendment thereto or re-enactment thereto for the time being in force), the Memorandum and Articles of Association of the Company and subject to the other applicable statutory provisions, rules, regulations, guidelines, and subject to the consents, approvals, sanctions and permissions as may be required from the concerned Statutory Authorities and subject to such terms and conditions as may be imposed by them; consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company(hereinafter referred to as "The Board" which expression shall also include a Committee thereof constituted by the Board in this regard), to enter into a Memorandum of Understanding/Agreement with M/s.VRD Power Projects Ltd. (CIN: U74999DL2016PLC289446) for installation of power project by M/s.VRD Power Projects Ltd., in the premises of Upper Doab Sugar Mills, a unit of the Company and for entering into related party transactions as detailed in annexed Explanatory Statement ."

"RESOLVED FURTHER THAT the Board be and is hereby authorized to enter into a lease rent agreement with M/s. VRD Power Projects Ltd., for such portion of the land as may be required by M/s. VRD Power Projects Ltd. for installation of power project in the premises of Upper Doab Sugar Mills on such terms and conditions and period as the Board may deem appropriate in the best interest of the Company."

"RESOLVED FURTHER THAT the Board be and is hereby authorized to do and perform all such acts, matters, deeds and things, as may be necessary without further referring to the Members of the Company including finalizing the terms and conditions, methods and modes in respect thereof, determining the effective date, and finalizing and executing necessary documents including agreements, deeds of assignments, and such other documents as may be

necessary or expedient, in its own discretion and in the best interest of the Company including the power to delegate, to give effect to this Resolution.”

Item No. 2 – To authorize the director(s)/officer(s) for sale of surplus land of the Company

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

“**RESOLVED THAT** pursuant to the provisions of Section , 180(1)(a) of the Companies Act, 2013 and Section 110 of the Companies Act, 2013, read with rule 22 of the Companies (Management and Administration) rules 2014 as amended from time to time, and other applicable provisions, if any, of the Companies Act, 2013 (including any amendment thereto or re-enactment thereto for the time being in force), the Memorandum and Articles of Association of the Company and subject to the other applicable statutory provisions, rules, regulations, guidelines, and subject to the consents, approvals, sanctions and permissions as may be required from the concerned Statutory Authorities and subject to such terms and conditions as may be imposed by them; consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter refer to as “The Board” which expression shall also include a Committee thereof constituted by the Board in this regard), for sale/ transfer of Surplus land of the Company situated at Shamli, on such price and on such other terms and conditions as may be decided by the Board of Directors, and as the Board may deem fit in the best interest of the Company.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do and perform all such acts, matters, deeds and things, as may be necessary without further referring to the Members of the Company including finalizing the terms and conditions, methods and modes in respect thereof, determining the effective date, and finalizing and executing necessary documents including sale deeds or assignments, and such other documents as may be necessary or expedient in its own discretion and in the best interest of the Company including the power to delegate, to give effect to this Resolution.”

By Order of the Board
For Sir Shadi Lal Enterprises Ltd.

Place : New Delhi

Date : 16th May, 2016

Akhilesh Kumar Singh
Company Secretary
(Membership No. ACS 21730)

Notes:

1. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of the business specified above is annexed.
2. In terms of Section 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014, the items of business as set out in the Notice are sought to be passed by E- voting & Postal Ballot.
3. Sh. Sunil Kumar Jain, Practising Company Secretary (FCS: 4089 CP No. : 4079) has been appointed as Scrutinizer for conducting the E-voting/Postal Ballot in accordance with the law in a fair and transparent manner.
4. The Company has engaged National Securities Depositories Limited to offer E-voting facility to all its members to enable them to cast their votes electronically. This notice is being sent to all the members, whose names appear in the Register of Members/Records of Depositories as on the close of working hours on 10th May, Tuesday, 2016 i.e. “the cut-off date”. Voting Rights shall be reckoned on the paid-up value of the shares registered in the name of the members as on the cut-off date. E-voting is optional for members. The Postal Ballot Notice is sent electronically to all the shareholders who have registered their email addresses with the Company /Depositories and to other shareholders by Speed Post/ Registered Post/ Courier.
5. The Postal Ballot form together with the self-addressed business reply envelope is enclosed for the use of the members. Please read carefully the instructions printed on the enclosed Postal Ballot form before exercising your vote and return the same duly completed, signifying your assent/dissent, in the attached self-addressed business reply envelope, so as to reach the Scrutinizer on or before 5:00 P.M on Thursday, 16th June, 2016.
6. The shareholders are requested to exercise their voting rights by using the attached original Postal Ballot form only.
7. Members desiring to exercise their vote by using E-voting facility, should carefully follow the instructions for E-voting printed in this notice. A Member can log in any number of times till the votes are cast on both the resolutions or till the end of the Voting Period, whichever is earlier.
8. Members have an option to request for physical copy of the Postal Ballot form from the Company's Registrars and Transfer Agent viz Alankit Assignments Limited, Alankit Heights, 1E/13, Jhandewalan Extension, New Delhi - 110055, INDIA. Request can be sent through an e-mail to rta@alankit.com by mentioning their Folio / DPID and Client ID No. However, the duly completed Ballot Forms should reach the Scrutinizer not later than 5:00 P.M. on Thursday, 16th June, 2016. Postal Ballot forms received after this date will be strictly treated as if the reply from the Members has not been received.
9. Members in case of any grievances relating to E-Voting may contact to Sh. Akhilesh Kumar Singh, Company Secretary, Sir Shai Lal Enterprises Limited, 4-A, Hansalaya, 15 Barakhamba Road, New Delhi Ph. No.: 011-23316409 email- csakhileshsingh@gmail.com
10. All the documents referred to in the Notice and Explanatory Statement are open for inspection by the shareholders on all the working days during from 11 AM to 1 PM at the Registered Office of the Company up to the date of declaration of results of Postal Ballot.

11. The Scrutinizer will submit his report on the votes polled through E-voting/ Postal Ballot, to the Chairman or any Director. The Chairman will, or in his absence, any Director will announce the results of Voting by Postal Ballot on Saturday, 18th June, 2016. The Scrutinizer's decision on the validity of the votes cast through E-voting/Postal Ballot shall be final. The Results of the E-voting/Postal Ballot will be displayed on the Notice Board at the Registered Office, displayed on the website of the Company and intimated to the Bombay Stock Exchange on which the shares of the Company are listed and to NSDL for display on their websites <https://www.evoting.nsdl.com>.

Instructions for e-voting:

- (i) The notice of the Postal Ballot of the Company inter alia indicating the process and manner of e-voting is being sent to all the Members.
- (ii) NSDL shall be sending the User-ID and Password; to those members whose shareholding is in the dematerialized format and whose email addresses are registered with the Company/Depository Participants(s). Members who have not registered their email address, can use the details as provided in this document.
- (iii) Open the internet browser and type the following URL:<https://www.evoting.nsdl.com>
- (iv) Click on Shareholder-Login
- (v) Put User ID and Password as provided in this document and click Login. If you are already registered with NSDL for e-voting then you can use your existing User ID and Password for the Login.
- (vi) If you are logging in for the first time, the Password change menu will appear, Change the Password to 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.
- (vii) Once the e-voting home page opens click on e-Voting>Active Voting Cycles.
- (viii) Select "EVEN (Electronic Voting Event Number)" of Sir Shadi Lal Enterprises Limited (as provided in this document).
- (ix) Once you enter the number. Cast Vote page will open. Now you are ready for e-voting.
- (x) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
- (xi) Upon confirmation, the message "Vote cast successfully" will be displayed.
- (xii) Once you have voted on the resolution, you will not be allowed to modify your vote.
- (xiii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send a scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with the attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail at : sunil.jain.sk@gmail.com with a copy marked to evoting@nsdl.co.in.

General Instructions:

1. 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. You can also contact NSDL via email at evoting@nsdl.co.in.
2. 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).
3. The e-voting period commences on Wednesday, 18th May, 2016 (9.00 A.M. IST) and ends on Thursday, 16th June, 2016 (5.00 P.M. IST). During this period, shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 10th May, 2016 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.
4. The voting rights of Shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date i.e. 10th May 2016.
5. Sh. Sunil Kumar Jain, Proprietor of Sunil K Jain & Associates, Company Secretaries (Membership No. FCS- 4089 CP No.: 4079) has been appointed as the Scrutinizer to scrutinize the Postal Ballot and e-voting process in a fair and transparent manner.
6. The Scrutinizer shall within a period of not exceeding two (2) working days from the conclusion of the Postal Ballot / e-Voting period unlock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
7. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.sirshadilal.com and on the website of NSDL within two (2) days of passing of the resolutions and communicated to the BSE Ltd.

EXPLANATORY STATEMENT PURSUANT TO SECTIONS 102(1) AND 110 OF THE COMPANIES ACT, 2013

Item No.1.

In the present scenario the business module has been completely changed and the growth of the Company is possible when we move towards an integrated business model i.e. Sugar, Co-gen and Distillery. In the present circumstances the Co-gen plant cannot be taken up in the existing Company because of losses during the last 5-6 years and negative net worth of the Company facing financial problems in getting funds from banks and financial institutions. The promoters of the Company have formed a separate SPV Company/ Joint Venture Company namely VRD Power Projects Ltd for taking up of power project. In VRD Power Projects Ltd. 50% equity Shares are held by Mr. Dilip Sitaram Bhamare and Associates (DSB). DSB are into the business of installing Power Projects. The approx. cost of the power project is Rs.175 Crores and the project is expected to be commissioned within eighteen months from the date of execution of the Agreement. Funds for the power project will be raised from IREDA. The Company has entered into an MOU with VRD Power Projects Ltd. on 08.04.2016 after the approval of Board in their meeting held on 05.04.2016. Earlier Audit Committee at its meeting held on 02.04.2016 has unanimously approved the MOU.

EXPECTED BENEFITS TO THE COMPANY'S SUGAR UNIT:

1. Overall saving due to improved quality and availability of steam and power from M/s.VRD Power Projects Ltd. to Sugar Unit.
2. Saving in maintenance cost of Boiler and Turbines D.G. Set of the sugar unit.
3. Saving in manpower by creating surplus manpower pool from the existing manpower.
4. Net cash accruals received from M/s.VRD Power Projects Ltd will improve the cash inflow of the sugar unit.

The proposed power project will improve the financial position of the company.

Your Company's Management is of the opinion that considering the cyclicity of the sugar industry and the losses suffered by the Company in the past five years, there is an increasing need to de-risk the business strategy of the Company to meet the challenging times.

As a part of the Company's business strategy, the board assessed various re-structuring options to optimise and streamline the operations for effective Management of the Company. It has been decided by the Board to consolidate, expand and integrate operations of the sugar and distillery units by entering into agreement with VRD Power Projects Ltd. in power sector also.

Your directors are of the view that it would be in the best interest of the Company to enter into a MOU/Agreement with M/s. VRD Power Projects Ltd. for setting up of the power project by M/s.VRD Power Projects Ltd in the premises of Upper Doab Sugar Mills, Shamli.

In view of the Board of Directors of the Company, the implementation of this resolution along with Resolution No. 2 as given below, would make the net worth of the Company exceed the accumulated losses within a period of 3 to 5 years.

For setting up of power project by M/s. VRD Power Projects Ltd our Company shall provide land to M/s.VRD Power Projects Ltd on lease rent basis. Therefore lease rent agreement with M/s. VRD Power Projects Ltd for setting up of power project by M/s.VRD Power Projects Ltd. is proposed to be executed. The approval of the shareholders is required by way of postal ballot in terms of section 110 of the Companies Act, 2013 read with rule 22 of the (Management and Administration) Rule, 2014.

Since both the companies have common directors, therefore the approval is required for related party transactions under Section 188 of the Companies Act, 2013 by passing a Resolution, for entering into the MOU and Agreements with M/s. VRD Power Projects Ltd. Further the proposed transaction

to provide 3.63 acres of land to M/s. VRD Power Project Ltd., on lease rent basis for setting up power project is covered under Section 180(1)(a) of the Companies Act 2013 requiring consent of the shareholders by a special resolution . Therefore, the consent of the shareholders is required to be obtained by way of Special Resolution to be passed by Postal Ballot.

Shri Vivek Viswanathan, Shri Rahul Lal and Shri Ajit Hoon, directors of the Company are common directors, hold 19,000 Equity Shares of Rs.10/- each in M/s.VRD Power Projects Ltd constituting 38% shareholding in VRD Power Projects Ltd.

In terms of second provision to Section 188(1) of the Companies Act, 2013 read with regulation 23 of the SEBI (Listing Obligations And Disclosures Requirements) Regulations, 2015 no member(s) of the Company being a related party shall be entitled to vote on this Resolution.

The disclosures required to be provided under the provisions of the Companies Act, 2013 and the Companies (Meetings of Board and its Power(s) Rules, 2014 are given below for perusal of the members:

Sr. No.	Particulars	Disclosures	
1.	Name of the related party	VRD Power Projects Ltd. Sh. Vivek Viswanathan and Sh. Rahul Lal are Common Directors	
2.	Name of the Directors or Key Managerial Personnel who is related, if any	Name of the Directors who are related Sh. Vivek Viswanathan Smt. Radhika Viswanathan Hoon Sh. Ajit Hoon Sh. Rahul Lal Sh. Rajat Lal	
3.	Nature of Relationship	Name of the Related Party Sh. Vivek Viswanathan Smt. Radhika Viswanathan Hoon Sh. Ajit Hoon Sh. Rahul Lal Sh. Rajat Lal	Nature of Interest Common Director/ Shareholding in VRD Power Projects Ltd Sister of Sh. Vivek Viswanathan Holds more than 2% of shares in VRD Power Projects Ltd Common Director / Shareholding in VRD Power Projects Ltd Father of Sh Rahul Lal
4.	Nature, Material Terms, Monetary Value and particulars of the MOU	<ol style="list-style-type: none"> 1. Our Company, SSLEL will supply bagasse to VRD Power Projects Ltd. from unit Upper Doab Sugar Mills and shall raise invoices @ Rs. 2000 PMT, which is at an arm length basis. 2. Our Company will charge lease rent from VRD Power Projects Ltd for the space provided for setting up of the power project @ Rs. 2 Crore per annum which is at an arm length basis. 3. M/s.VRD Power Projects Ltd will supply steam and power to the sugar unit of our company during the season and power to distillery and colony during off season. VRD shall raise invoices @ Rs. 6 per unit of power and @ Rs. 600/- per MT of Steam which are at arm length basis. 	
5.	Any other information relevant or important for the member to take a decision on the proposed resolution	Prices given at Point No.4 for bagasse , steam and electricity are subject to change from time to time based on the then prevailing market conditions.	

The Board recommends the Resolution, as a Special Resolution to the shareholders for approval. Sh. Rajat Lal, Sh. Rahul Lal, Sh. Vivek Viswanathan , Sh. Ajit Hoon and Smt. Radhika Viswanathan Hoon being related are deemed to be concerned or interested in this resolution. None of the other directors, Key Managerial Personnel or their relatives are concerned or interested in this resolution.

Item No.2

Currently the Company is facing serious financial problems due to continuous losses during the last 5-6 years, which is largely due to higher price of sugar cane in U.P..

The net worth of the Company has been completely eroded and in the present circumstances, the Company is facing problem in getting funds from the Banks and Financial Institutions. Due to non availability of adequate funds there are cane price arrears for the last two to three years even after the start of the next crushing season.

There is a surplus land of about 6.823 acres located outside factory premises which can be monetized. The management of the Company is discussing in this regard with prospective buyers.

The funds available from the sale of land will be utilized for payments of cane price arrears, bank dues and towards modernization of sugar mill plant and distillery depending upon the availability of the funds.

In view of the Board of Directors, the implementation of this resolution would substantially reduce the amount of the accumulated losses instantly & would drive the Company on way to recovery and further implementation of Resolution No. 2 as above would make the net worth of the Company exceed the accumulated losses within a period of 3 to 5 years.

The Board recommends the Resolution, as a Special Resolution to the shareholders for approval.

None of the directors, Key Managerial Personnel or their relatives is concerned or interested in this resolution.

By Order of the Board
For Sir Shadi Lal Enterprises Limited

Place : New Delhi

Date : 16th May, 2016

Akhilesh Kumar Singh
Company Secretary
(Membership No. ACS 21730)