

POSTAL BALLOT NOTICE
(Pursuant to Section 293(1)(a) and 192A of the Companies Act, 1956)

Dear Member(s),

Pursuant to the provisions of Section 293(1)(a) and other applicable provisions of the Companies Act, 1956, if any, the following resolutions are circulated to the shareholders' for obtaining their consent/ dissent for empowering the Board of Directors to take decisions with respect to the following:

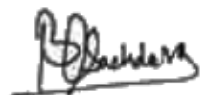
1. transfer, sell, lease, license or otherwise dispose of the business, in full or in part, of Swatantra Bharat Mills, Tonk, Rajasthan, a division/undertaking of the Company, to a subsidiary or any other person and in such manner on such terms and conditions as the Board may deem appropriate, and
2. transfer, sell, lease, license or otherwise dispose of the business, in full or in part, of Shriram PolyTech Business, Kota, Rajasthan, a division/undertaking of the Company, to a subsidiary or any other person and in such manner on such terms and conditions as the Board may deem appropriate.

As per the provisions of Section 192A of the Companies Act, 1956 read with the Companies (Passing of Resolution by Postal Ballot) Rules, 2011, the consent of the shareholders for the above purposes is required to be obtained by means of postal ballot.

Accordingly, a postal ballot form along with proposed Resolutions and explanatory statements is appended herewith for your consideration. The Company has appointed Shri T.V. Narayanaswamy, a practicing Company Secretary as Scrutinizer for conducting the postal ballot process in a fair and transparent manner.

Members are requested to read carefully the instructions appearing in the postal ballot form, record their assent or dissent to the above mentioned proposal(s) and return the duly completed form in original in the enclosed self addressed postage prepaid envelope, so as to reach the Scrutinizer on or before 25th January, 2013. The Scrutinizer will submit his report to the Chairman of the Board after completion of scrutiny and the results of the postal ballot will be announced at the Registered Office of the Company. The results shall also be published in the newspaper advertisement and will be displayed on the Company's website www.dscl.com.

By Order of the Board
For DCM Shriram Consolidated Limited



(B.L. Sachdeva)
Company Secretary

New Delhi
18th December, 2012

RESOLUTIONS :

1. To consider and, if thought fit, to pass the following Resolution as an Ordinary Resolution:

“Resolved that pursuant to Section 293(1)(a) and other applicable provisions of the Companies Act, 1956, and the Memorandum and Articles of Association of the Company and subject to such other permissions, consents and approvals, if any required from concerned authorities, bodies and agencies and subject to such conditions as may be prescribed by them and which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall be deemed to include any Committee thereof or any person to which all or any of the powers hereby conferred on the Board are or may hereafter be delegated), the consent, authority and approval of the Company be and is hereby accorded to the Board to transfer, sell, lease, licence or otherwise dispose of the business, in full or in part, of Swatantra Bharat Mills, Tonk, Rajasthan, a division/undertaking of the Company, to a subsidiary or any other person and in such manner/arrangements as the Board may consider appropriate for such consideration, on such terms and conditions and with effect from such date as may be decided by the Board and to finalise and execute all such documents including agreements, deeds of assignment/conveyance and other documents as the

Board may deem necessary or required and to do all such other acts, deeds, matters and things which are incidental and consequential thereto or which may be considered necessary by the Board.”

2. To consider and, if thought fit, to pass the following Resolution as an Ordinary Resolution:

“Resolved that pursuant to Section 293(1)(a) and other applicable provisions of the Companies Act, 1956, and the Memorandum and Articles of Association of the Company and subject to such other permissions, consents and approvals, if any required from concerned authorities, bodies and agencies and subject to such conditions as may be prescribed by them and which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall be deemed to include any Committee thereof or any person to which all or any of the powers hereby conferred on the Board are or may hereafter be delegated), the consent, authority and approval of the Company be and is hereby accorded to the Board to transfer, sell, lease, licence or otherwise dispose of the business, in full or in part, of Shriram PolyTech Business, Kota, Rajasthan, a division/undertaking of the Company, to a subsidiary or any other person and in such manner/arrangements as the Board may consider appropriate for such consideration, on such terms and conditions and with effect from such date as may be decided by the Board and to finalise and execute all such documents including agreements, deeds of assignment/conveyance and other documents as the Board may deem necessary or required and to do all such other acts, deeds, matters and things which are incidental and consequential thereto or which may be considered necessary by the Board.”

EXPLANATORY STATEMENT

(Pursuant to Section 173(2) of the Companies Act, 1956)

ITEM NO. 1

The Company has Swatantra Bharat Mills (SBM) as one of its business division/undertaking. SBM comprises a spinning unit at Tonk, Rajasthan with a capacity of 14544 spindles.

The Company has identified textiles as a non core business area for itself. It is, therefore, considering various options to rationalize/restructure this business including transfer, sale, lease, license or otherwise dispose of the whole or substantially the whole of this business of the Company to a subsidiary or any other person or in any manner as the Board may consider appropriate.

Accordingly, in terms of Section 293(1)(a) and other applicable provisions of the Companies Act, 1956, consent of the Members is being sought through postal ballot for passing Ordinary Resolution as set out in the Notice. This will enable the Board of Directors to take and implement appropriate decision at opportune occasion and in the best interest of the Company.

None of the Directors is concerned or interested in the Resolution, except to the extent of their respective interest as shareholders of the Company.

ITEM NO. 2

The Company has Shriram PolyTech (Polytech) as one of its business division/undertaking which is engaged in PVC Compounding business for various applications. Polymer Compounding is technology intensive business. The growth of this business is greatly dependent on developing a new products and offering strong value proposition to its customers which essentially comprises of manufacture of various industrial and consumer products. The Company is, therefore, of the view that the business requires strong association from a global player which has requisite technology in the area.

The Company is pursuing/evaluating various options including transfer, sale, lease, joint venture, license or otherwise dispose of the whole or substantially the whole of this business to a subsidiary or any other person or in any manner as the Board may consider appropriate.

Accordingly, in terms of Section 293(1)(a) and other applicable provisions of the Companies Act, 1956, consent of the Members is being sought through postal ballot for passing the Ordinary Resolution as set out in the Notice. This will enable the Board of Directors to take and implement appropriate decision at opportune occasion and in the best interest of the Company.

None of the Directors is concerned or interested in the Resolution, except to the extent of their respective interest as shareholders of the Company.

POSTAL BALLOT FORM

(To be returned to the Company)

S. No.:

1. Name(s) of Shareholder(s) :
 (Including joint holder(s), if any)

2. Registered address of the sole /
 First Named Shareholder :

3. Folio No. /DP ID No. and Client ID No. :

4. Number of share(s) held :

5. I / We hereby exercise my / our vote in respect of the Ordinary Resolution(s) to be passed through postal ballot as detailed in the Notice of the Company dated 18th December, 2012 by conveying my / our assent or dissent to the said Resolution(s) by placing the tick (√) mark in the appropriate box below :

Item No.	Brief Description of the Resolution(s)	No. of Share(s)	Please Tick (√) in the appropriate box below	
			I / We assent to the Resolution	I / We dissent to the Resolution
(1)	Ordinary Resolution for consent for the Board of Directors to take decisions to transfer, sell, lease, licence or otherwise dispose of the business, in full or in part, of Swatantra Bharat Mills, Tonk, Rajasthan, a division/undertaking of the Company, to a subsidiary or any other person and in such manner/arrangements as the Board may consider appropriate for such consideration, on such terms and conditions and with effect from such date as may be decided by the Board.			
(2)	Ordinary Resolution for consent for the Board of Directors to transfer, sell, lease, licence or otherwise dispose of the business, in full or in part, of Shriram PolyTech Business, Kota, Rajasthan, a division/undertaking of the Company, to a subsidiary or any other person and in such manner/arrangements as the Board may consider appropriate for such consideration, on such terms and conditions and with effect from such date as may be decided by the Board.			

Place :

Date :

Signature of the Shareholder(s)

Note : Please read the instructions printed overleaf before filling the form.

INSTRUCTIONS

1. A Member desiring to exercise his vote by postal ballot may complete this postal ballot form and send it to the Scrutinizer in the attached self-addressed envelope. Envelope containing postal ballot if deposited in person or sent by courier at the expense of the Member will also be accepted.
2. The self-addressed envelope bears the address of the Scrutinizer appointed by the Board of Directors of the Company.
3. The postal ballot form should be duly completed and signed by the Member(s). Unsigned postal ballot forms will be rejected.
4. Where the postal ballot form is signed by an authorised representative of a Body Corporate, a certified copy of the relevant authorisation to vote on the postal ballot should accompany the postal ballot form. A Member may sign the form through an Attorney appointed specifically for this purpose, in which case an attested true copy of the Power of Attorney should be attached to the postal ballot form.
5. A Member need not use all his votes nor he needs to cast all his votes in the same way.
6. **Duly completed postal ballot form should reach the Scrutinizer not later than the close of working hours on 25th January, 2013. Any postal ballot form received after this date will be treated as if the same has not been received.**
7. Members may request for duplicate postal ballot form, if so required. However, the duly filled in duplicate postal ballot form should reach the Scrutinizer not later than the date specified at item no. 6 above.
8. Voting rights shall be reckoned on the paid up value of shares registered in the names of the Members on the cut-off date, which is the date of completion of despatch of the Notice. This date shall be announced through advertisement in newspaper(s).
9. Members are requested not to send any other paper along with the postal ballot form in the enclosed self-addressed postage prepaid envelope as all such envelopes will be received by Scrutinizer and any extraneous paper found in such envelope would be destroyed by the Scrutinizer.
10. The Scrutinizer's decision on the validity of the Postal Ballot will be final.