



MONNET ISPAT & ENERGY LIMITED

Registered Office: Monnet Marg, Mandir Hasaud, Raipur-492101 (Chhattisgarh)
Corp. Office: Monnet House, 11, Masjid Moth, Greater Kailash-II, New Delhi-110048 (INDIA)
Phone : +91 11 29218542-46; Fax : +91 11 29218541.
Email: isc_miel@monnetgroup.com; Website : www.monnetgroup.com
CIN : L02710CT1990PLC009826

POSTAL BALLOT NOTICE

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

Sub. : Passing of Resolution by Postal Ballot

Dear Member(s)

NOTICE is hereby given to the members of Monnet Ispat & Energy Limited (hereinafter referred to as "the Company") pursuant to the provisions of Section 110 and other applicable provisions, if any, of the Companies Act, 2013 (hereinafter referred to as "the Act") read together with the Companies (Management and Administration) Rules, 2014 (hereinafter referred to as "the Rules"), including any statutory modification or re-enactment thereof for the time being in force, that the resolution appended is proposed to be passed as special resolution by way of postal ballot / e-voting.

The Explanatory Statement pertaining to the said Special Resolution setting out all material facts and the reasons thereof is annexed hereto along with a Postal Ballot Form ("the Form") for your consideration. The Board of Directors of the Company has, in compliance with Rule 22(5) of the said Rules, appointed Mr. Sanjay Grover of M/s Sanjay Grover & Associates, Practicing Company Secretaries (Membership Number. FCS No. 4223, CP No. 3850) having address at B-88, 1st Floor, Defense Colony, New Delhi- 110024, as a Scrutinizer for conducting the entire Postal Ballot process in a fair and transparent manner.

Members are, therefore, requested to carefully read the instructions printed on the Postal Ballot Form, record their assent (for) or dissent (against) therein and return the same in original duly completed in the attached self addressed pre-paid postage Business Reply Envelope (if posted in India) so as to reach the Scrutinizer on or before the close of working hours not later than 05:00 P.M. on Wednesday, 23rd March, 2016.

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

The Scrutinizer will submit his report to the Chairman or any other person authorized by the Board of the Company after completion of the scrutiny. The result of the Postal Ballot

(including e-voting) would be announced by any of the persons authorized by the Board/Committee of the Board or by the Company Secretary of the Company on Friday, March 25, 2016 at the Registered Office as well as Corporate office of the Company. The date of declaration of result of the Postal Ballot shall be deemed to be the date of the General Meeting and the date of passing of the proposed Special Resolution. The said results would be displayed at the Registered Office as well as the Corporate Office of the Company, intimated to the Stock Exchanges where the Company's equity shares are listed and displayed along with the Scrutinizer's report on the Company's website viz : www.monnetgroup.com and on the website of the NSDL, Agency appointed by the Company.

SPECIAL BUSINESS

1. Authority for Sale / Transfer of Shares in Subsidiary Company

To consider and if thought fit, to pass with or without modification, the following as a **Special Resolution through Postal Ballot** :

"RESOLVED THAT pursuant to the provisions of Section 180(1)(a), and other applicable provisions, if any, of the Companies Act, 2013 ("Act") as amended from time to time, Memorandum and Articles of Association of the Company, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and any other laws for the time being in force and subject to such other approval(s), consent(s), permission(s) and sanction(s) as may be necessary, 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 term shall be deemed to include any Committee which the Board may constitute for this purpose) to make divestment in the subsidiary of the Company **"M/s Monnet Power Company Limited"(MPCL)** by transferring or selling Company's 100% stake i.e. 88.31% Equity Shares in

MPCL to the potential buyer on terms and conditions as may be decided as part of restructuring package and with such modifications as may be required by any of the concerned authorities or as the Board of Directors of the Company may deem fit and appropriate in the interest of the Company”

“**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board be and is hereby authorized to do all such acts, deeds and such matters and things, as may be necessary, which may include finalizing, varying and settling any question arising along with terms and conditions related thereto and to enter into; sign and execute, file, submit and withdraw, any of such deeds, application, forms, documents, agreements that may be required on behalf of the Company.”

“**RESOLVED FURTHER THAT** the Board, be and is hereby authorized to delegate all or any of the powers herein conferred, to any Director(s) or any other Officer(s) of the Company to give effect to this Resolution.”

“**RESOLVED FURTHER THAT** all agreements, documents, deeds, papers etc. signed and executed for the purpose of this transaction, are under the authority of the Board and all acts, deeds and things done in this regard, be and are hereby ratified, approved and confirmed.”

By order of **the Board of Directors**
Monnet Ispat & Energy Limited

Date : 12.02.2016
Place : New Delhi

Sd/-
Hardeep Singh
Company Secretary
Membership Number: FCS-4967

Registered Office:

Monnet Marg, Mandir Hasaud,
Raipur-492101 (Chhattisgarh)

Corporate Office:

Monnet House, 11, Masjid Moth
Greater Kailash-II, New Delhi-110048

NOTES

1. The relative Explanatory Statement pursuant to Section 102(1) giving reasons for the proposed Special Resolution pursuant to Section 180(1)(a) of the Companies Act, 2013 setting out all material facts are enclosed hereto.
2. The Notice is being sent to all the Members, whose names appear in the Register of Members / Record of Depositories as at Friday, 12th February, 2016. Accordingly, the reckoning of voting rights shall be based on the beneficiary position at the close of Friday, 12th February, 2016.
3. Voting period commences on and from 9.00 A.M. Tuesday, February 23, 2016 and ends at 5.00 P.M. on Wednesday, March 23, 2016.
4. Pursuant to the provisions of Section 110 of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014, the assent or dissent of the members in respect of the Special Resolution contained in this notice dated Friday, 12th February, 2016 is being determined through postal ballot (Including e-voting).
5. Mr. Sanjay Grover of M/s Sanjay Grover & Associates, Company Secretary in whole-time practice, has been appointed as Scrutinizer for conducting the Postal Ballot voting process in a fair and transparent manner and in accordance with the said rules. He will submit his report to the Chairman or any other person authorised by the Board of Directors of the Company on or before Friday, 25th March, 2016.
6. Members desiring to exercise their vote by postal Ballot are requested to carefully read the instructions printed on the Postal Ballot Form before casting their vote and return the Ballot Form, duly completed in all respect and signed, in the enclosed self-addressed Pre-paid Postage Business Reply Envelope to the Scrutinizer. However, envelopes containing Postal Ballots, if deposited in person or 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. However the envelopes containing the Postal Ballot should reach the Scrutinizer not later than the close of working hours i.e. 5:00 P.M. on Wednesday, March 23, 2016. If the ballots are received thereafter they shall be deemed to be not received.
7. The Board of Directors has appointed Mr. J.P. Lath, Director and Mr. Hardeep Singh, Company Secretary as the persons responsible for the entire postal ballot process.
8. For Members who have registered their e-mail Ids for receipt of documents in electronic mode under the Green Initiative of Ministry of Corporate Affairs, the Notice of Postal Ballot along with other papers are being sent through e-mail and for others are sent by post along with Postal Ballot Form. Members who have received Postal Ballot Notice by e-mail and who wish to vote through Postal Ballot Form can download Postal Ballot Form from the link www.evoting.nsdl.com or seek duplicate Postal Ballot Form from M/s MCS Ltd. F-65, Okhla Industrial Area, Phase-I, New Delhi-110020. Fill in the details and send the same to the Scrutinizer.
9. As per Rule 22 of the Companies (Management and

Administration) Rules, 2014, *inter-alia* details of dispatch of Notice and Postal Ballot Form to the Members will be published in at least one English language and one vernacular language Newspaper.

10. Pursuant to Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in terms of Section 108 of the Act, read with the Companies (Management and Administration) Rules, 2014, the Company is providing the facility to its members holding shares in dematerialized or physical form as on cut-off date, being Friday, 12th February, 2016 to exercise their right to vote on the businesses specified in the accompanying notice by e-voting process through e-voting services provided by NSDL.

(a) In case of Members receiving e-mail from NSDL:

- (i) Open e-mail and open PDF file viz; MIEL e-Voting.pdf with your Client ID or Folio No. as password. The said PDF file contains your user ID and password for 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 noted in step (i) above. Click Login.
- (v) You will reach the Password change menu. Change the password with new password of your choice with minimum 8(eight) characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (like*,#,@ etc.) The system will prompt you to change your password and update your contact details like mobile, e-mail etc. on first login. You may also enter the secret question and answer of your choice to retrieve your password in case you forget it. 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) Homepage of e-Voting opens. Click on e-Voting : Active Voting Cycles.
- (vii) Select EVEN (E-Voting Even Number) of Monnet Ispat & Energy Limited.
- (viii) Now you are ready for 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) Voting has to be done for each item of the Notice separately for each demat accounts/ folios.
- (xi) 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: monnetscrutinizer@gmail.com or isc_miel@monnetgroup.com with a copy marked to evoting@nsdl.co.in.

(b) In case of share holders other than in (a) above

- (i) Initial password is mentioned in the letter from Registrar MCS Share Transfer Agents Ltd attached with the Notice as below :

EVEN (E Voting Event Number)	User ID	Password/ PIN

- (ii) Please follow all steps from Sl. No. (ii) to Sl. No.(x) as mentioned in (a) above, to cast vote.

- (c) 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.
- (d) If you are already registered with NSDL for e-voting then you can use your existing User ID and Password for casting your vote.
- (e) 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).

11. The scrutinizer will submit his report to the Chairman or any other person authorised by the Board of Directors of the Company after completion of the scrutiny of the Postal Ballots(including E-voting). The results of the Postal Ballot will be declared by the Chairman or in his absence by any other person, so authorized by the Chairman on Friday, March 25, 2016 at 05:00 P.M. at the Registered Office as well as the corporate office of the Company. The result shall also be announced to the Stock Exchanges where shares of the Company are listed. The result along with Scrutinizer's report will also be put on the Company's website www.monnetgroup.com and on the website of NSDL, the agency appointed by the Company. The Resolution, if approved, will be taken as passed effectively on the date of declaration of result.
12. Kindly note that the Members can opt only one mode of voting, i.e., either by Physical Ballot or e-voting. If Members are opting for e-voting, then do not vote by Physical Ballot or vice versa. However, in case Members cast their vote by Physical Ballot and e-voting both, then voting done through valid Physical Ballot shall prevail and voting done by e-voting will not be considered.
13. Once the vote on the resolution(s) is cast by a member, he shall not be allowed to change it subsequently.
14. The date of declaration of result shall be deemed to be the date of passing of the said resolution.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 TO THE ACCOMPANING NOTICE DATED 12TH FEBRUARY, 2016 ANNEXED TO AND FORMING AN INTEGRAL PART OF THE NOTICE OF POSTAL BALLOT

Over past few years, the Power Sector is facing multiple challenges which resulted in time and cost over-runs in most of the projects. "M/s Monnet Power Company Limited" ('MPCL') too has faced similar challenges of delayed disbursements, late approvals and issues with respect to land acquisition in the beginning, resulting in time & cost over-run of the project.

The Project was funded by a consortium of 27 Banks who had disbursed 85% of their sanctioned amount. There was a cost overrun in the project and the lenders were not keen to expand/enhance further credit to the Company.

Further, MPCL approached Power Finance Corporation (PFC) and they agreed to take an exposure covering the debt portion for the entire cost over-run. However, MPCL could not implement the sanction of PFC as the Coal Block allocated to MPCL for power plant was cancelled by supreme court along with all other coal blocks in the Country. The loss of time while awaiting the process of the reallocation of the Coal Blocks through the bidding process require further assessment of cost and time.

Under above circumstances, Board of Directors of **Monnet Ispat & Energy Limited ('the Company')** in their meeting held on **Friday, February 12, 2016** has, subject to the approval of Members and other requisite approvals, decided to make divestment in its subsidiary MPCL by transferring or selling Company's 100% stake to the potential buyer, based on the restructuring packages currently under consideration of the lenders of MPCL.

Further, the Company had entered into a share subscription and shareholders agreement dated July 1, 2010 (SSHA), as amended from time to time, with Blackstone FP Partners (Mauritius) V Limited ("Blackstone") that governs the *inter se* rights of the Company and Blackstone in the affairs of MPCL. For sale and divestment of its stake, the Company also needs to be in compliance with the said agreements & seek appropriate approvals from Blackstone.

Section 180(1)(a) of the Companies Act, 2013 (**'the Act'**) provides that the Board of Directors of a Company shall not, except with the consent of the Members by way of a Special Resolution through postal ballot, sell, lease or otherwise dispose of the whole, or substantially the whole, of the undertaking [*"undertaking" for the purpose of Section 180(1)(a) of the Act shall mean an undertaking in which the investment of a company exceeds twenty percent of its net worth as per the audited balance sheet of the preceding*

financial year or an undertaking which generates twenty percent of the total income of the company during the previous Financial Year] of the Company. Since the proposed transfer of 100% stake of the Company in its subsidiary MPCL, exceeds the specified limits mentioned above, the resolution in the accompanying notice is proposed to seek Members' approval through Special Resolution.

The proposed resolution provides adequate flexibility and discretion to the Board to finalize the terms and conditions for the sale of undertaking in consultation with advisors, experts or other authorities as may be required.

Hence, the same is being forwarded to the shareholders for their assent or dissent, as the case may be. The Board recommends the passing of above resolution as Special Resolution.

None of the Director, Key Managerial Personnel and relatives except Mr. Sandeep Jajodia, Mr. J.P. Lath & Mr. Amit Dixit are in any way concerned or interested in the said resolution.

By order of **the Board of Directors**
Monnet Ispat & Energy Limited

Sd/-

Hardeep Singh

Company Secretary

Membership Number: FCS-4967

Date : 12.02.2016

Place : New Delhi

Registered Office:

Monnet Marg, Mandir Hasaud

Raipur-492101 (Chhattisgarh)

Corporate Office:

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Email: isc_miel@monnetgroup.com; Website : www.monnetgroup.com

CIN : L02710CT1990PLC009826

POSTAL BALLOT FORM

Sr. No.	Particulars	Details
1	Name and Registered address of the sole/first Shareholder	
2	Name(s) of the Joint Member(s), if any	
3	Registered Folio No. /*DP ID No./Client ID No.* (*Applicable to investors holding shares in dematerialized form)	
4	Number of Equity Shares held	

I / We, hereby exercise my / our vote in respect of the following Special Resolution to be passed through Postal Ballot, for the business stated in postal ballot notice by sending my/ our assent (FOR) or dissent (AGAINST) to the said resolution by placing the tick mark (✓) at the appropriate column below :

Sr. No.	Description of the Resolution (Special Resolution)	No. of Equity Shares Held	I/We assent to the Resolution (FOR)	I/We dissent from the Resolution (AGAINST)
1	Approval under section 180(1)(a) of the Companies Act, 2013 for sale/transfer of the stake of Company in its subsidiary, Monnet Power Company Limited.			

Place :

Date :

Signature of Shareholder

Or Authorised Representative

Particulars for voting through Electronic means

For those opting to vote through electronic means, instead of voting by the above postal ballot, facility is available at the web link: www.evoting.nsdl.com. Particulars for electronic voting are as under:

EVEN (E-Voting Event Number)	User ID	Password

Note : Please read the instructions given overleaf carefully before exercising your vote.

The facility to exercise vote by postal ballot including voting through electronic means will be available during the following period:

Commencements of e-voting	End of e-voting
Tuesday, February 23, 2016 at 9.00 A.M.	Wednesday, March 23, 2016 at 5.00 P.M.

The facility for voting through electronic means will be disabled for voting by NSDL upon expiry of the aforesaid voting period.

INSTRUCTIONS:

- i) A Member desiring to exercise vote by Postal Ballot may complete this Postal Ballot Form and send it to the Scrutinizer in the attached self-addressed pre-paid postage Business Reply Envelope. Postage charges will be borne and paid by Monnet Ispat & Energy Limited ("The Company").

However, envelopes containing Postal Ballot Form(s), if deposited in person or sent by courier or registered/ speed post at the expense of the Member will also be accepted.
- ii) This Form should be completed and signed by the Member (as per the specimen signature registered with the Company/ Depository Participants). In case of joint holding, this Form should be completed and signed by the first named Member and in his/ her absence, by the next named Member.
- iii) In case of shares held by companies, trusts, societies, etc., the duly completed Postal Ballot form should be accompanied by the relevant Board Resolution/Authority Letter duly certified/ attested by Authorised Signatory(ies).
- iv) There will be only one Postal Ballot Form for every Registered Folio No. / Client ID No. / DP ID No. irrespective of the number of joint members. The right of voting by postal ballot shall not be exercised by a proxy.
- v) Incomplete, unsigned or incorrect Postal Ballot Form will be rejected. The Scrutinizer's decision on the validity of the Postal Ballot form will be final and binding.
- vi) A Member need not use all his/her votes nor cast all the votes in the same way. The voting rights of the Members shall be in proportion to their shares in the total paid-up equity share capital of the Company as on Friday, February 12, 2016.
- vii) Duly completed and signed Postal Ballot Form should reach the Scrutinizer before the close of working hours i.e. 5:00 P.M. on Wednesday, March 23, 2016. All Postal Ballot Forms received after this date will be strictly treated as if the reply from the Member has not been received.
- viii) A Member may request for a duplicate Postal Ballot Form, if so required. However, the duly filled in duplicate Postal Ballot Form should reach the Scrutinizer before the close of working hours i.e. 5:00 P.M. on Wednesday, March 23, 2016.
- ix) Member(s) are requested not to send any other paper along with the Postal Ballot Form, other than as required, in the enclosed Envelope as such Envelopes will be sent to the Scrutinizer and any extraneous paper found in such Envelope would be destroyed by the Scrutinizer.
- x) The Company is also offering e-Voting facility as an alternate, for all its Members to enable them to cast their votes electronically instead of using the Postal Ballot Form. The detailed procedure for e-Voting has been enumerated in the Notes to the Postal Ballot Notice dated Friday, February 12, 2016.