

POSTAL BALLOT NOTICE

Notice issued to the members pursuant to Section 110 of Companies Act 2013

Dear Members

Notice is hereby given pursuant to Section 110 of the Companies Act, 2013, ("the Act") read with 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 by members as Special Resolutions by way of postal ballot by giving their assent/dissent. The Explanatory Statement to be annexed to Notice under Section 102 (1) of the act setting out the material facts and reasons for the Resolutions is also appended herewith and is being sent to you along with a Postal Ballot Form for your consideration. Mr. Pradeep Pincha, Practicing Company Secretary has been appointed as scrutinizer by the Board of Directors of your Company.

You are requested to carefully read the instructions printed on the Postal Ballot Form and the Notice and return the completed Form in the enclosed self-addressed postage pre-paid envelope (if posted in India), so as to reach the Scrutinizer on or before the close of business hours on 10th July 2014 the last date for receipt of the completed Postal Ballot Forms. The postage on the enclosed self-addressed postage pre-paid envelope shall be borne and paid by the Company.

E-Voting Option

We are pleased to offer e-voting facility also as an alternate for our Members which would enable you to cast your votes electronically, instead of physical postal ballot form. Please carefully read and follow the instructions on e-voting printed in this notice. The Scrutinizer will submit his report to the Chairman of the Company, upon completion of scrutiny of postal ballots in a fair and transparent manner and the result of the postal ballot will be announced on 11th July 2014 at the Corporate Office of the Company. The result of the postal ballot will be posted on the Company's website www.gravitaindia.com besides communicating the same to the National Stock Exchange of India Limited and BSE Limited.

SPECIAL BUSINESS :

1. Alteration in Object Clause

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 Sections 13, 110 and other applicable provisions, if any, of the Companies Act, 2013 read with Rule 22 of Companies (Management and Administration) Rules, 2014 (including any statutory modification or re-enactment thereof for the time being in force) and subject to the approval of concerned authorities, the Main Object Clause of Memorandum of Association of the company be and is hereby altered by adding new sub-clause 4 after existing sub-clause 3 in Clause III (A) as under:

"To Design, develop, host, promote, provide consultancy, purchase and sale, manufacture, trade within & Outside India all the services and material relating to All kind of Software, Web & Mobile Applications, IT Hardware and peripheral devices & related accessories; Domain Names, Hosting; Websites, E-commerce Application/s; Electrical, Electronics, Solar, Bio-metrics and GPS Devices, Cables and fittings; Data Processing, Data Entry, Accounting Solutions, EDP solutions, Data Analysis, IT Audit; Design, Print and Publication Services; Branding & Marketing; Online Marketing & Promotion Activities (SEO, SMO, PPC etc.); Cloud Services, IT Project Implementation, Software & Hardware Virtualization; Web, Data and Other Security products and services, Network & Networking Projects; Backup and Disaster recovery solutions; Email, Messaging, Communication, VOIP and SMS solutions; B2B and B2C Portals; CCTV, DVR, Bio metric, physical security devices, Attendance Machines, Payroll Applications and other related hardware, software and services and all Internet related services."

"RESOLVED FURTHER THAT the Board of Directors of the Company, be and are hereby severally authorized to take all such steps as may be necessary, proper or expedient to give effect to this Resolution."

2. Creation of Charge on Movable and Immovable properties of the Company

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

"RESOLVED THAT in supersession of the resolution passed in this behalf by the Company at its Extra-Ordinary General Meeting held on 27th February 2009 consent of the shareholders of the company be and is hereby accorded pursuant to the provisions of Section 180 (1)(a) and other applicable provisions, if any, of the Companies Act, 2013, read with Rule 22 of Companies (Management and Administration) Rules, 2014 {including any statutory modification(s) or re-enactment(s) thereof and any rules thereunder for the time being in force}, to the Board of Directors of the company to mortgage and/or charge, in addition to the mortgages/charges created/to be created by the Company, in such form and manner and with such ranking and as such time and on such terms as the Board may determine, on all or any of the movable and/or immovable properties of the Company, both present and future and/or the whole or any part of the undertaking(s) of the Company together with the power of takeover the management of the business and concern of the Company in certain events of default, in favour of the Lender(s), Agent(s) and Trustee(s), for securing the borrowing availed /to be availed by the Company and/or any of the Company's subsidiary/ affiliate/associate Company, by way of loan(s) (in foreign currency and/or rupee currency) and Securities (comprising fully/partly Convertible Debentures and/or Non-Convertible Debentures with or without detachable or non- detachable Warrants and/or secured premium notes) issued/to be issued by the Company, from time to time, with in the overall limit of Rs. 700 Crores (Rupees Seven Hundred Crores only), together with interest at the respective agreed rates, additional interest, compound interest in case of default, accumulated interest, commitment charges, all other costs, charges and expenses, including any increase as a result of devaluation/revaluation/fluctuation in the rates of exchange and all other monies payable by the Company in terms of the Loan Agreement(s) entered into/to be entered into between the Company and the Lender in respect to the said loans and containing such specific terms and conditions and covenants in respect of enforcement of security as may be stipulated in that behalf and agreed to between the Board of Directors or Committee thereof and the Lender(s)."

"RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors be and are hereby authorized to finalize, settle and execute such documents/deeds/writings/papers/agreements as may be required and do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in regard to creating mortgages/charges as aforesaid."

3. Consent for making of any investment/ giving any loan or guarantee/ providing security

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

"RESOLVED THAT in supersession of the resolution passed in this behalf by the Company at its Extra-Ordinary General Meeting held on 27th February 2009 consent of the shareholders of the company be and is hereby accorded pursuant to the provisions of Section 186 read with Rule 11 of Companies (meetings of Board and its Powers), Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013, read with Rule 22 of Companies (Management and Administration) Rules, 2014 {including any statutory modification(s) or re-enactment(s) thereof and any rules thereunder for the time being in force}, to the Board of Directors of the Company to make any loans or investments and to give any guarantees or to provide security in connection with a loan made by any other person to, or to any other person by, a body corporate as the Board of Directors may think fit, for an amount not exceeding Rs. 200 Crore (Rupees Two hundred Crore only) as detailed in the attached explanatory statement, notwithstanding that such investments, outstanding loans given or to be given and guarantees and security provided are in excess of the limits prescribed under Section 186 of Companies Act, 2013 as in their absolute discretion deem beneficial and in the interest of the Company."

"RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to delegate all or any of the powers herein conferred to any Committee of Directors or any one or more Directors of the Company."

"RESOLVED FURTHER THAT for the purpose of giving effect to the above, the Board of Directors of the Company and/ or Committee of Directors constituted for this purpose be and is hereby authorized to take all such actions and to give all such directions as may be necessary or desirable and also to settle any question or difficulty that may arise in regard to the proposed investments

or loans made or guarantees given or securities to be provided and further to do all such acts, deeds, matters and things and to execute all such deeds, documents and writings as may be necessary, desirable or expedient in connection therewith."

4. Purchase of Business Undertaking

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 188 and other applicable provisions, if any, of the Companies Act, 2013, read with Rule 22 of Companies (Management and Administration) Rules, 2014 {including any statutory modification(s) or re-enactment(s) thereof and any rules thereunder for the time being in force}, and such other approvals, sanctions, consents and permissions as may be deemed necessary, consent of the shareholders of the company be and is hereby accorded to Board of Directors of the Company or any Committee thereof, for purchase of 49% of stake in M/s Gravita Infotech, (a partnership firm registered under the provisions of Partnership Act, 1932) together with all assets and liabilities including contracts, licenses, permits, rights, obligations, IPRs, consents and approvals relating to the said undertaking from Mr. Rajat Agrawal, Managing Director of the Company at a lump sum consideration of Rs. 98,000 (Rupees Ninety Eight Thousand only)."

"RESOLVED FURTHER THAT the Board of Directors of the Company or any Committee thereof will have absolute discretion in deciding whether this resolution is required to be made effective or not and, in the event it is decided by the Board of Directors of the Company or such Committee thereof that such resolution is to be made effective, to determine the date on which such resolution shall become effective."

"RESOLVED FURTHER THAT the Board of Directors of the Company or any Committee thereof, be and are hereby authorized to execute the documents, deeds or writings required to be executed in relation to purchase of the Business Undertaking to regulatory and governmental authorities for the purposes of obtaining all approvals, consents, permissions and sanctions as may be required by the Company and to do all acts, things and deeds as may be deemed necessary to give effect to this resolution."

By order of Board of Directors

Sd/-

Leena Jain

Company Secretary

Date : 29th May 2014

Place : Jaipur

Notes :

1. An explanatory statement pursuant to section 102(1) of the Companies Act, 2013 in respect of the proposed special businesses at Item No. 1 to 4 is annexed hereto.
2. As part of the Green initiative, the Notice is being sent to the shareholders who have registered their email ids with the Company / RTA through email and to all other shareholders through post along with the Postal Ballot Form. Members have option to vote either through e-voting or through Postal Ballot Form.
3. The Notice is being sent to all the Members whose names appear in the Register of Members/Record of Depositories as on 30th May 2014.
4. The Notice is being published in Nafa Nuksan (Hindi) and The Mint (English) newspaper and will also be available on the website of the Company <http://www.gravitaindia.com>
5. 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.

6. The scrutinizer will submit his report after completion of the scrutiny and the result of the voting by Postal Ballot will be announced in accordance with the provisions of section 110 and other applicable provisions (if any) on 11th July 2014.
7. Postal Ballot Forms received after 10th July 2014 will be considered as invalid.
8. Copy of Memorandum and Articles of Association of the Company, as altered and other documents referred to in this notice and the accompanying Explanatory statement are open for inspection at the Corporate Office of the Company on any working days between 1.00 p.m. to 4.00 p.m. upto 10th July 2014.
9. The date of declaration of the results of the Postal Ballot will be taken to be the date of passing of the said special resolution by the Members of the Company.
10. Members requiring any clarification may contact Mrs. Leena Jain, Company Secretary at the corporate office of the Company or through e-mail viz., companysecretary@gravitaindia.com

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF COMPANIES ACT, 2013

The following Explanatory Statement sets out all material facts relating to the Special Business mentioned in the accompanying notice:

Item No. 1

The Memorandum & Articles of Association of the Company was drafted in the year 1992. The principal objects include manufacturing and trading of all kinds of Lead & Lead products as set out in the Object clause of the Memorandum.

With a view to diversify its business portfolio, the Company is planning to enter as partner in Gravita Infotech, a partnership firm engaged in business of Information Technology. To become a partner of said firm it is necessary for the Company to alter the Object Clause of its Memorandum of Association by inclusion of IT business in its Main Objects Clause as set out in the Special Resolution. The proposed amendments to the object clause would enable the Company to undertake such activities in future. It is therefore, proposed to alter the Main Object Clause of Memorandum of Association of the Company through the proposed resolution.

The Board, therefore, recommend passing of the relevant Special Resolution as mentioned at item No. 1 of the Notice.

Copy of the Memorandum of Association of the Company, as altered and other documents referred to in this notice and this Explanatory Statement are open for inspection at the Corporate Office of the Company on all working days, 1.00 p.m. to 4.00 p.m. till 10th July 2014.

None of the Directors, Key Managerial Persons of the Company and their relatives may be deemed concerned or interested in the resolution.

Item No. 2

For creation of security through mortgage / pledge / hypothecation or otherwise to secure the limits as may be sanctioned by the lenders or loans to be sanctioned by any one or more Company's bankers and /or by any one or more persons, firms, bodies corporate, or financial institutions or banks, the Company would be required to mortgage all or any of the movable and immovable properties of the Company both present and future which may be regarded as disposal of the Company's undertaking(s) within the meaning of Section 180(1) (a) of the Companies Act, 2013 which provides that the Board of Directors of a Company shall not, without the consent of members in general meeting, sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the Company, hence it is necessary for the members to pass a resolution under section 180(1)(a) of the Companies Act, 2013 authorizing the Board of Directors or its committees to mortgage / charge the properties and/or the whole or substantially the whole of the undertaking of the Company as aforesaid to the lenders.

The members at their Extraordinary General Meeting held on 29th February 2009 had accorded their consent under section 293(1) (a) of the Companies Act, 1956 then applicable, to the Directors to sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the Company up to a limit of Rs 100 crores. Hence the members are requested to accord their approval for revising the said limit of the Board from 100 crores to 700 crores.

The Directors, therefore, recommend passing of the relevant Special Resolution as mentioned at item No 2 of the Notice.

None of the Directors, Key Managerial Persons of the Company and their relatives may be deemed concerned or interested in the resolution.

Item No. 3

Pursuant to Section 186 and other applicable provisions if any of the Companies Act, 2013, the Company can make loans, give guarantees, provide securities and make investments in the securities of any other person/other bodies corporate to the extent of 60% of its paid-up share capital and free reserves and security premium or 100% of its free reserves and security premium account, whichever is higher, with the approval of the Board of Directors. Where the aggregate of loans and investments made, guarantees given and securities provided exceeds the aforesaid limits, prior approval of the shareholders is required by way of a special resolution.

The Company is constantly reviewing opportunities for expansion of its business operations either directly or through its holding/ subsidiaries/ joint ventures/associate companies/other bodies corporate or persons and would, therefore, be required to provide financial support by way of loan(s)/ and/or guarantee(s) and or security (ies)/investment in securities of any other person/holding/ subsidiaries/joint ventures/associate companies/other bodies corporate or otherwise, in order to achieve greater financial flexibility and to enable optimal financial structuring to facilitate speedy implementation of various projects of such persons/companies.

It is, therefore, proposed that the Board of Directors of the Company be authorized to invest by way of subscription and/or purchase of securities, grant of loan(s), giving of guarantee(s) and/or providing of security (ies) for an amount not exceeding Rs. 200 crores from time to time in/to one or more of the person/entities i.e. subsidiaries/holding/joint ventures/associate companies/other bodies corporate. Since the above investments, loans, guarantees and/or securities proposed together with the aggregate of loans made, guarantees given, securities provided and investments made from time to time by the Company may exceed the limits prescribed, approval of the shareholders is required for the same.

The Directors, therefore, recommend passing of the relevant Special Resolution as mentioned at item No 3 of the Notice.

None of the Directors, Key Managerial Persons of the Company and their relatives may be deemed concerned or interested in the resolution.

Item No. 4

The Company is willing to buy the stake of 49% in M/s Gravita Infotech, a group entity from Mr. Rajat Agrawal, Managing Director of the Company (a partner in M/s Gravita Infotech herein after "firm") at a lump sum consideration of Rs. 98,000 (Rupees Ninety Eight Thousand only). Further, 51% of stake in said firm is held by Gravita Exim Limited (a wholly-owned subsidiary of the Company). The said firm is engaged in business of Information Technology and it will be beneficial for the company to diversify its business in the broad arena of Information Technology. As per section 188 and other relevant provisions of the Companies Act, 2013 (as amended from time to time), consent of members by way of a Special Resolution is required by a company having Paid up-share Capital of Rs. 10 crore or more for any transaction with related parties.

Mr. Rajat Agrawal being Managing Director of the Company is a related party as per section 188 of the Companies Act, 2013.

The Directors, therefore, recommend passing of the relevant Special Resolution as mentioned at item No 4 of the Notice.

None of the Directors, Key Managerial Persons of the Company, and their relatives except Mr. Rajat Agrawal and Dr. Mahavir Prasad Agarwal may be deemed concerned or interested in the resolution.

By order of Board of Directors

Sd/-

Leena Jain

Company Secretary

Date : 29th May 2014

Place : Jaipur

INSTRUCTIONS FOR VOTING

Voting through Physical Postal Ballot Form

1. The members are requested to carefully read the instructions printed in the Postal Ballot form and return the Postal Ballot form duly completed with the assent (for) or dissent (against), in the enclosed postage pre-paid self-addressed envelope, so as to reach the Scrutinizer, before 10th July, 2014 to be eligible for being considered, failing which, it will be strictly treated as if no reply has been received from the member.
2. The members are requested to exercise their voting rights by using the attached Postal Ballot form only. No other form or photocopy thereof is permitted.
3. Envelopes containing Postal Ballot form if deposited in person or sent by courier at the expense of the registered member will also be accepted.

E-voting Facility

In compliance with provisions of Section 110 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, and Clause 35B of the Equity Listing Agreement, the Company is pleased to offer e-voting facility for the members to enable them to cast their votes electronically. Members have option to vote either through e-voting or through the Postal Ballot Form.

If a member has opted for e-voting, then he/she should not vote by Postal Ballot also and vice-versa. However, in case members cast their vote both via physical ballot and e-voting, then voting through physical ballot shall prevail and voting done by e-voting shall be treated as invalid.

For this purpose, the Company has signed an agreement with the Central Depository Services (India) Limited (“CDSL”) for facilitating e-voting.

The instructions for members for voting electronically are as under :

I. In case of members receiving e-mail :

- i. If you are holding shares in Demat form and had logged on to www.evotingindia.com and casted your vote earlier for EVSN of any company, then your existing login id and password are to be used.
- ii. Log on to the e-voting website www.evotingindia.com.
- iii. Click on “Shareholders” tab to cast your votes.
- iv. Select the Electronic Voting Sequence Number (EVSN) along with “GRAVITA INDIA LIMITED” from the drop down menu and click on “SUBMIT”.
- v. Now, fill up the following details in the appropriate boxes:

	For Members holding shares in Demat Form	For Members holding shares in Physical Form
User ID	For NSDL: 8 Character DP ID followed by 8 Digits Client ID For CDSL: 16 digits beneficiary ID	Folio Number registered with the Company
PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department when prompted by the system while e-voting (applicable for both demat shareholders as well as physical shareholders)	
DOB#	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.	
Dividend Bank Details#	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.	

* Members who have not updated their PAN with the Company/Depository Participant are requested to use the default number 54321 in the PAN Field or use physical Postal Ballot Form for voting.

- vi. After entering these details appropriately, click on “SUBMIT” tab.
- vii. Members holding shares in physical form will then reach directly the EVSN Selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily change their login password in the new password field. The new password has to be minimum eight characters consisting of at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@ # \$ % & *). Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Kindly note that this changed password is to be also used by the Demat holders for voting for resolutions for the Company or any other Company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform.
- viii. Click on the relevant EVSN on which you choose to vote.
- ix. On the voting page, you will see Resolution Description and against the same the option “YES/NO” for voting. Select the option YES or NO as desired The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- x. Click on the “Resolutions File Link” if you wish to view the entire Resolutions.
- xi. After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- xii. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.

II. In case of members receiving the physical copy of Notice of AGM [for members whose e-mail IDs are not registered with the company/depository participant(s) or requesting physical copy] :

- A. Please follow all steps from sl. no. (ii) to sl. no. (xii) above, to cast vote.
- B. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.com> and register themselves, link their account which they wish to vote on and then cast their vote. They should upload a scanned copy of the Board Resolution in PDF format in the system for the scrutinizer to verify the vote.
- C. The voting period begins on 4th July, 2014 from 10.00 a.m. and ends on 6th July, 2014 till 5.00 p.m. During this period shareholders’ of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 30th May, 2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- D. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.

Date: 29th May 2014

Dear Shareholder,

RE: Green Initiative in Corporate Governance: Go Paperless

The Ministry of Corporate Affairs ('Ministry') has taken a "Green Initiative in Corporate Governance" by allowing paperless compliances by companies through electronic mode. In accordance with the circulars bearing no. 17/2011 dated 21.04.2011 and 18/2011 dated 29.04.2011 issued by the Ministry, companies can now send various notices/documents (including notice calling Annual General Meeting, Audited Financial Statements, Directors' Report, Auditors' Report etc.) to their shareholders through electronic mode, to the registered e- mail addresses of the shareholders.

This is also a golden opportunity for every shareholder of Gravita India Limited ("the Company") to contribute to the Green initiative of the Company. All you have to do is to register your e-mail id with the Company or RTA or your Depository to receive communication through electronic mode.

You can download the E-communication registration form from following URL:

<http://www.gravitaIndia.com/investors/e-communication>

We therefore invite you to contribute to the cause by filling up the registration form for registering your email ID.

Kindly note that if you still wish to get a hard copy/physical copy of all the communications, the Company undertakes to provide the same at no extra cost to you. In case you desire to receive the above mentioned documents in physical form, you are requested to send an e-mail to **shobha.anand@karvy.com / singh.us@karvy.com** or send a letter at the following address on or before 20th June 2014.

Karvy Computershare Private Limited
(Unit : Gravita India Limited)
Plot no. 17 to 24, Vithalrao Nagar Madhapur
Hyderabad – 500 081

Thanking you,

For **Gravita India Limited**

Sd/-

Leena Jain

Company Secretary