

**VST INDUSTRIES LIMITED**

Registered Office: Azamabad, Hyderabad - 500 020
 CIN: L29150TG1930PLC000576, Email: investors@vstind.com
 Website: www.vsthyd.com
 Tel: 91 40 27610460, Fax: 91 40 27615336

POSTAL BALLOT FORM

[Please read the instructions carefully before completing this form]

Serial No :

1. Name & Registered Address
of the Sole / First named Member :

2. Name of the joint holder(s), if any :

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

4. No. of Shares held :

I/We hereby exercise my / our vote in respect of the Special Resolution to be passed through postal ballot for the business stated in the Notice dated 22nd January, 2015 of VST Industries Limited (the company), by conveying my/our assent or dissent to the said resolution by placing a tick (✓) mark in the appropriate box below:

Item no.	Resolution summary	No. of shares held by me	I/We assent to the resolution Please tick (✓) (FOR)	I/We dissent to the resolution Please tick (✓) (AGAINST)
1	Special resolution to amend Article No. 93 of Articles of Association of the Company relating to determination of Directors whose period of office shall be subject to retirement of directors by rotation.			

Place:

Date:

.....
Signature of the Member

Last date for receipt of Postal Ballot Form by the Scrutinizer: **18th March, 2015.**

Electronic Voting Particulars

The e-voting facility is available at the link <https://evoting.karvy.com>. The electronic voting particulars are set out as follows:

EVEN (E-Voting Event Number)	User ID	Password

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Postal Ballot Notice

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

Dear Member(s),

Notice is hereby given pursuant to the provisions of Section 110 of the Companies Act, 2013, read with the Companies (Management and Administration) Rules, 2014 (including any statutory modification or re-enactment thereof for the time being in force), Clause 35B of the Equity Listing Agreement and other applicable laws and regulations, that the resolution appended below, in relation to :

Alteration of Article 93 of Articles of Association relating to determination of Directors whose period of office shall be subject to retirement of directors by rotation, is proposed to be passed by the Members through postal ballot / electronic voting (e-voting).

The proposed resolution, along with the explanatory statement setting out the material facts and reasons thereto, are appended below and a Postal Ballot Form is enclosed for your consideration.

The Board of Directors of the Company has appointed Mr. Tumuluru Krishna Murty, Practicing Company Secretary as the Scrutinizer for conducting the postal ballot and e-voting process in a fair and transparent manner. Members desiring to exercise their vote by postal ballot are requested to carefully read the instructions printed in the Postal Ballot Form and return the same duly completed. The duly completed Postal Ballot Form(s) should reach the Scrutinizer not later than 17:30 Hours (IST) on March 18, 2015.

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 duly authorised Scrutinizer will submit his report to the Chairman or any other Director of the Company after the completion of the scrutiny of the postal ballots (including e-voting). The result of postal ballot (including e-voting) shall be declared on or before March 23, 2015 and communicated to the Stock Exchanges, the Depository and the Registrar and Share Transfer Agent and would also be displayed on the Company's website at www.vsthyd.com

Item no. 1 - To alter Article 93 of Articles of Association of the Company

To consider and, if thought fit, to pass the following resolution as a Special Resolution.

"RESOLVED THAT, pursuant to the provisions of Section 14 and other applicable provisions of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force) and the rules issued thereunder, Article 93 of the Articles of Association of the Company be and is hereby substituted by the following:

'93. Not less than two-thirds of the total number of Directors, excluding the Independent Directors appointed on the Board of the Company shall be persons whose period of office is liable to determination by retirement of Directors by rotation.

At the Annual General Meeting in every year one third of the Directors for the time being as are liable to retire by rotation, or if their number is not three or a multiple of three, then the number nearest to one-third shall retire from office. A Director retiring at a meeting shall retain office until the dissolution of that meeting.

Notwithstanding anything contained to the contrary in these Articles, the Managing Director(s) shall not be director(s) liable to retire by rotation during his tenure of office.'

RESOLVED FURTHER THAT, for the purpose of giving effect to this resolution, the Board (which expression shall also include a Committee thereof), be and is hereby authorized to do all such acts, deeds, matters and things, including delegation of all or any of its powers herein conferred to its Directors, Company Secretary or any other officer(s)."

Place: Hyderabad
Date: 22nd January, 2015

By Order of the Board
For VST INDUSTRIES LIMITED

NITESH BAKSHI
COMPANY SECRETARY

Notes:

- The statement pursuant to Section 102 of the Companies Act, 2013, stating all material facts and the reasons for the proposals set out above is annexed herewith.
- The Postal Ballot Notice is being sent to the Members whose names appear on the Register of Members / List of Beneficial Owners as received from the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) as on the close of business hours on January 30, 2015. Accordingly, the Members whose names appear on the Register of Members / List of Beneficial Owners (received from the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) as on January 30, 2015 will be considered for the purpose of voting.
- The dispatch of the Postal Ballot Notice and the Explanatory Statement shall along with the details as required under Rule 18(3)(v) and Rule 22(3) of the Companies (Management and Administration) Rules 2014 be announced through an advertisement in at least 1 (one) English newspaper and at least 1 (one) Telugu newspaper, each with wide circulation in Hyderabad, where the registered office of the Company is situated, and published on the Company website.
- In accordance with the provisions of the Companies Act, 2013, read with Rules 18 and 22 of the Companies (Management and Administration) Rules, 2014, the Postal Ballot Notice is being sent by email to those Members who have registered their email addresses with their Depository Participants (in case of shares held in demat form) or with the Company's Registrar and Share Transfer Agent (in case of shares held in physical form). For Members whose email IDs are not registered, physical copies of the Postal Ballot Notice are being sent by permitted mode (i.e. through registered or speed post or through courier), along with a postage-prepaid self-addressed Business Reply Envelope.
- In compliance with Clause 35B of the Listing Agreement and Sections 108, 110 and other applicable provisions of the Companies Act, 2013, read with the related rules, the Company is pleased to provide e-voting facility to all its Members, to enable them to cast their votes electronically instead of dispatching the physical Postal Ballot Form by post. The Company has engaged the services of Karvy Computershare Private Limited (Karvy) for the purpose of providing e-voting facility to all its Members. Please note that e-voting is an alternate mode to cast votes and is optional.
- Members holding shares in physical form should inform the Company's Registrar and Transfer Agents, M/s. Karvy Computershare Private Limited of any change in their registered address, mandate/bank details/e-mail address. Similarly, Members holding shares in electronic form should inform their Depository Participants (DP) of any change in their registered address, mandate/bank details/e-mail address.
- The shares of the Company are under compulsory demat trading. Members holding shares in physical form are requested to convert their shares into dematerialized form in their own interest and for their convenience.

8. SEBI has directed listed companies to use electronic payment modes such as NEFT, RTGS, ECS etc., for payment to the investors. Members are requested to update their bank details such as MICR, IFSC code etc., with the Registrar and Transfer Agents, M/s. Karvy Computershare Private Limited by submitting a cancelled cheque, while Members holding shares in electronic form are requested to update such bank details with their respective Depository Participants.
9. Members who have multiple folios in identical names or joint names in the same order are requested to intimate to the Registrar and Transfer Agents, M/s. Karvy Computershare Private Limited about these folios to enable consolidation of all such shareholdings into one folio.

Statement pursuant to Sections 102(1) and 110 of the Companies Act, 2013

At the Annual General Meeting held on 16th July, 2009, Members approved the alteration of Article 93 relating to non-retiring of Managing Director and Whole time Director during their tenure of office. Considering the strength of the Board members and the requirement of number of directors (other than Independent Directors) to retire by rotation as per the provisions of the Companies Act, 2013 it is felt that the Whole time Directors [excluding Managing Director] should also be directors liable to retire by rotation. Hence, the alteration to Article 93 of Articles of Association of the Company is hereby sought to be carried out.

In view of this amendment in the Article, the office of the existing Whole time Director Mr. Devraj Lahiri will be liable to determination for retirement by rotation during the current term of his appointment.

Except the Whole time Director, Mr. Devraj Lahiri, none of the other director(s), key managerial personnel and their relatives are in any way concerned or interested in the Resolution set forth in Item No. 1 of the Notice.

The Board commends the Resolution, for the approval of the Members.

Place: Hyderabad
Date: 22nd January, 2015

By Order of the Board
for VST INDUSTRIES LIMITED

NITESH BAKSHI
COMPANY SECRETARY

Voting through electronic means

The instructions for e-voting are as follows :

1. Members whose email addresses are registered with the Company / Depository Participant(s) will receive an email from Karvy informing them of their User-ID and password. Once the Member receives the email, he or she will need to go through the following steps to complete the e-voting process :
 - a. Open email and open the PDF file titled 'VST Industries Limited e-voting.pdf', using your Client ID or Folio No. as password. The said PDF file contains your user ID and password for e-voting. Please note that this password is an initial password.
 - b. Launch your internet browser by typing the following URL: <https://evoting.karvy.com>
 - c. Click on Shareholder - Login.
 - d. Enter the user ID and password (the initial password noted in step (a) above). Click on the Login.
 - e. The Password change menu will appear. Change the password to a password of your choice. The new password should comprise of a minimum of 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character. The system will prompt you to change your password and update any 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. It is strongly recommended that you do not share your password with any other person and take utmost care to keep your password confidential.
 - f. The homepage of e-voting will open. Click on 'e-voting: Active Voting Cycles'.
 - g. Select 'EVEN' (E Voting Event Number) of VST Industries Limited.
 - h. On the voting page, enter the number of shares as on the cut off date under FOR/AGAINST or alternately you may enter partially any number in FOR and partially in AGAINST but the total number in FOR/AGAINST taken together should not exceed the total shareholding. You may also choose the option ABSTAIN.
 - i. Shareholders holding multiple folios / demat account shall choose the voting process separately for each folio demat account.
 - j. Cast your vote by selecting an appropriate option and click on SUBMIT. A confirmation box will be displayed. Click OK to confirm else CANCEL to modify. Once you confirm, you will not be allowed to modify your vote. During the voting period, shareholders can login any number of times till they have voted on the resolution.
 - k. Upon confirmation, the message 'Vote cast successfully' will be displayed.
 - l. Once you have voted on a resolution, you will not be allowed to modify your vote.
 - m. Institutional members (i.e. other than individuals, HUF, NRI etc.) are required to send a scanned copy (PDF / JPG Format) of the relevant Board resolution / authorization letter etc., together with attested specimen signature of the authorized signatory / signatories who are authorized to vote, to the Scrutinizer at e-mail mrtumuluruk@gmail.com. They may also upload the same in the e-voting module in their login. The scanned image of the above mentioned document should be in the naming format "Corporate Name_EVEN NO".
2. For Members whose email IDs are not registered with the Company/depository participant(s) and who receive the physical postal ballot forms, the following instructions may be noted:
 - a. In case of Members receiving physical copy of the Notice of Postal Ballot :
 - Launch internet browser by typing the URL:<https://evoting.karvy.com>
 - Enter the login credentials (i.e. User ID and password). If you are logging in for the first time, please enter the User ID and password mentioned in the Postal Ballot Form. After entering these details appropriately, click on "LOGIN".
 - b. Please follow all the steps from e. to k. mentioned above, to cast your vote successfully.
3. In case of any queries, you may refer to the Frequently Asked Questions (FAQs) and e-voting user manual for Members available in the 'Downloads' section of <https://evoting.karvy.com> or contact Karvy on telephone No.18003454001 (toll free) or (040) 44655000.
4. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the 'Forgot Password' option available on the site to reset the password.
5. If you are already registered with Karvy for e-voting, then you can use your existing user ID and password for casting your vote.
6. The e-voting period commences on **February 17, 2015** (9:00 Hours (IST)) and ends on **March 18, 2015** (17:30 Hours (IST)). During this period, Members of the Company holding shares either in physical form or in dematerialized form, as on the relevant date, i.e. **January 30, 2015**, may cast their vote electronically. The e-voting module shall be disabled for voting thereafter. Once the vote on a resolution is cast by a Member, he or she will not be allowed to change it subsequently.

INSTRUCTIONS

1. Members desiring to exercise their vote by physical Postal Ballot Form should return the said Form duly completed and signed, in the enclosed self-addressed Business Reply Envelope to the Scrutinizer. The postage will be borne by the Company. However, envelopes containing postal ballots, if sent by courier or registered / speed post at the expense of the Members will also be accepted. The Postal Ballot Form(s) may also be deposited personally at the address given on the self-addressed Business Reply Envelope.
2. The duly completed Postal Ballot Form(s) should reach the Scrutinizer not later than 17:30 Hours (IST) on **March 18, 2015** to be eligible for being considered, failing which, it will be strictly considered that no reply has been received from the Member.
3. In case of joint-holding, the Postal Ballot Form must be completed and signed (as per the specimen signature registered with the Company) by the first named Member and in his / her absence, by the next named Member.
4. Unsigned, incomplete, improperly or incorrectly ticked Postal Ballot Forms shall be rejected.
5. Voting rights shall be reckoned on the paid-up value of shares registered in the name of the Members as on January 30, 2015 whether voting electronically or physically.
6. A Member cannot exercise his / her vote by proxy on postal ballot.
7. In case a Member is desirous of obtaining a printed Postal Ballot Form or a duplicate, he or she may send a request to Karvy Computershare Private Limited, Unit : VST Industries Limited, Plot No.17 to 24, Vittal Rao Nagar, Madhapur, Hyderabad - 500 081. The Registrar and Transfer Agent of the Company shall forward the same along with postage-prepaid self-addressed Business Reply Envelope to the Member.
8. Members can opt for only one mode of voting, i.e., either by physical ballot or e-voting. In case Members cast their votes through both the modes, voting done by e-voting shall prevail and votes cast through physical postal ballot forms will be treated as invalid. The instructions for electronic voting are annexed to this Notice.
9. The Scrutinizer will submit his report to the Chairman after the completion of scrutiny of the postal ballots including e-voting. The result of the voting by postal ballot will be announced by the Chairman or any Director of the Company duly authorized, on or before March 23, 2015 at the registered office of the Company and will also be displayed on the website of the Company (www.vsthyd.com), besides being communicated to the Stock Exchanges on the said date.
10. Resolutions passed by the Members through postal ballot are deemed to have been passed as if they have been passed at a General Meeting of the Members.
11. The date of declaration of results of the postal ballot shall be the date on which the resolution would be deemed to have been passed, if approved by the requisite majority.
12. All the material documents referred to in the explanatory statement will be available for inspection at the registered office of the Company during office hours on all working days from the date of dispatch of the Notice till March 18, 2015.