

HARITA SEATING SYSTEMS LIMITED

Regd. Office: "Jayalakshmi Estates", No. 29, Haddows Road, Chennai – 600 006.

Website: www.haritaseating.com ; e-mail: corpsec@scl.co.in

Tel: 044-2827 2233 Fax: 044 - 2825 7121 CIN: L27209TN1996PLC035293

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

Dear Member(s)

NOTICE is hereby given pursuant to Section 110 read with Rule 22 of the Companies (Management and Administration) Rules, 2014 (the Rules) under the Companies Act, 2013 (the Act 2013), for obtaining the consent of the members, by way of an ordinary resolution, through postal ballot for appointment of Mr L Bhadri as Non-Executive Independent Director of the Company (NE-ID), in terms of Section 149 and other applicable provisions of the Act, 2013 and the rules made there-under.

The draft of the Ordinary Resolution to be passed, together with the Explanatory Statement, pursuant to Section 102(1) of the Act, 2013, setting out the material facts and reasons thereto, for this purpose are being sent to the members, along with Postal Ballot Form, so as to enable members for sending their assent or dissent in writing by postal ballot means.

In accordance with Clause 35B of Equity Listing Agreement entered into by the Company with Stock Exchanges, wherein the Company's Equity Shares are listed and in terms of Section 110 of the Act, 2013, and the Rules made there-under, the Company for this purpose, has engaged National Securities Depository Limited (NSDL), an agency authorized by the Ministry of Corporate Affairs (MCA), for facilitating the members to communicate their assent or dissent through "electronic means" in respect of the aforesaid resolution.

The detailed procedures for voting through "electronic means" are given below the Explanatory Statement attached herewith.

The Company is pleased to provide the facility for voting through 'electronic means' to enable members for casting their votes for remote e-Voting by selecting appropriate options for the ordinary resolution, in accordance with the provisions of the Act 2013 and Clause 35B of the Listing Agreement.

The board has appointed Mrs. B.Chandra, Practising Company Secretary, Chennai, as Scrutinizer, at its meeting held on 6th August 2015, for conducting the voting by "post" and through "electronic means" in a fair and transparent manner.

Members are, therefore, requested to carefully read the instructions printed for voting by "post" or through "electronic means", namely by –

- I. returning the postal ballot form duly completed, as per the instructions contained in the postal ballot form, in the attached self addressed postage pre paid envelope, so as to reach the Scrutinizer not later than 5.00 p.m. on Tuesday, 13th October, 2015; or
- II. casting their votes electronically from Monday, 14th September, 2015 (9.00 a.m) to Tuesday, 13th October, 2015 (5.00 p.m) by following the procedures as explained in the Explanatory Statement.

The Scrutinizer will submit her report on the results of voting by means of "post" and through "electronic means" to the Chairman of the Company, after completion of the scrutiny of postal ballot forms and voting by 'electronic means'.

The results will be announced by Mr H Lakshmanan, chairman or in his absence, any one of the directors of the Company, at the registered office of the Company at No. 29, Haddows Road, Chennai 600 006, Tamilnadu, India, on Thursday, 15th October, 2015 at 4.00 P.M.

The last date of voting, i.e., Tuesday, 13th October, 2015 will be taken to be the date of passing of the said 'ordinary resolution' by the members of the Company.

Members requiring any clarification may contact Mr V N Venkatanathan, special officer at the registered office of the Company at the address given above or through e-mail viz., sclshares@gmail.com.

All documents, referred to in the Notice, and in the Explanatory Statement referred to under Section 102(1) of the Act, 2013, are open for inspection at the Registered Office of the Company at No.29 Haddows Road, Chennai 600 006, Tamilnadu, during office hours on all working days between 09.00 AM and 05.00 PM upto 13th October, 2015.

The said Notice of Postal Ballot and Ballot Form have also been placed on the Company's website viz., www.haritaseating.com for use by the Members.

SPECIAL BUSINESS

APPROVING THE APPOINTMENT OF MR L BHADRI AS A NON- EXECUTIVE INDEPENDENT DIRECTOR OF THE COMPANY IN TERMS OF SECTION 149, 150, 152, 160 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013.

To consider, and if thought fit, to give assent/dissent to the following resolution as an ordinary resolution:

"RESOLVED THAT, subject to the provisions of Sections 149, 150, 152, 160 and other applicable provisions of the Companies Act, 2013 and the rules made there-under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013 (the Act 2013) and Clause 49 of the Listing Agreement, Mr L Bhadri (holding DIN 06829886), who has submitted a declaration of independence under Section 149(6) of the Act 2013 and is eligible for appointment and in respect of whom the Company has received a notice in writing from a member, under Section 160 of the Act 2013, signifying the intention to propose Mr L Bhadri as a candidate for the office of director of the Company, be and is hereby appointed as a non-executive independent director of the Company, to hold office for a term of three consecutive years from the conclusion of the voting of the Postal Ballot, viz., 13th October 2015 and whose office shall not be liable

to retire by rotation, during the period and to receive remuneration by way of commission within the permissible limit in terms of Section 197 of the Act 2013, fees, reimbursement of expenses for participation in the meetings of the board and / or committees in terms of applicable provisions of the Act, 2013 as determined by the board, from time to time.”

/By order of the Board/
For HARITA SEATING SYSTEMS LIMITED

Place: Chennai
Date: 6th August 2015

H Lakshmanan
Chairman

Encl:

- (1) Explanatory Statement in terms of Section 102 (1) of the Act 2013 and the procedures for voting through “electronic means”.
- (2) Postal ballot form & self-addressed postage pre-paid envelope.

Annexure to the Notice of postal ballot dated 6th August 2015

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013 ANNEXED TO THE NOTICE DATED 6TH AUGUST 2015 IN RESPECT OF THE ORDINARY RESOLUTION

The following explanatory statement sets out all the material facts relating to the special business mentioned in the accompanying notice dated 6th August 2015 and shall be taken as forming part of the Notice.

The board, at its meeting held on 6th August 2015, recommended the appointment of Mr L Bhadri (holding DIN 06829886), a qualified chartered accountant, for appointment as a non-executive and independent director of the Company (NE-ID), in terms of Section 149,150(2) and other applicable provisions of the Companies Act, 2013 and Rules framed there under read with Schedule IV to the Companies Act, 2013 (the Act 2013) for increasing the board strength in view of increased activities of the Company. Hence it is proposed that Mr L Bhadri be appointed for a term of 3 (three) years effective the date of conclusion of this Postal Ballot result and not liable to retire by rotation.

The Nomination and Remuneration Committee of directors (NRC) also considered and recommended his appointment, as NE-ID. In the opinion of the NRC and the Board, Mr L Bhadri fulfils the conditions specified under the Act 2013 and the rules made there-under for the proposed appointment as Independent Director (ID) by the shareholders of the Company and he is independent of the management of the Company. Mr. L. Bhadri is also in the board of subsidiary company, viz., Harita Fehrer Limited.

The Board considers that the proposed appointment of Mr L Bhadri will be of immense benefit to the Company and it would be prudent to appoint him as an Independent Director by the shareholders

The Company has received from Mr L Bhadri, a consent in writing to act as a Director in Form DIR-2, intimation to the effect that he is not disqualified to be appointed as a director in other companies and a declaration in writing to the effect that he meets the criteria of independence as provided in sub-section 6 of Section 149 of the Act, 2013 and also under Clause 49 of the Listing Agreement.

In terms of the applicable provisions of the Act 2013, the appointment of ID will be required to be approved at the meeting of the shareholders of the Company.

The Company will formalize his appointment as NE-ID, if appointed by the shareholders, setting out the terms and conditions, as stipulated in Schedule IV to the Act, 2013.

A copy of the draft letter of appointment setting out the terms and conditions of appointment of ID will also be available for inspection without any fee by the members at the Registered Office of the Company, during normal business hours on any working day, excluding Saturdays and shall also be uploaded on the website of the Company at www.haritaseating.com

The Company has also received notice from a member along with the deposit of requisite amount under Section 160 of the Act 2013, proposing the candidature of Mr L Bhadri for the office of director of the Company.

In terms of Clause 49 of the Listing Agreement with the Stock Exchanges, the relevant details/ information in relation to the appointment of Mr L Bhadri are given below:

Born on 21st June 1964, Mr L Bhadri is a qualified Chartered Accountant having over 25 years of experience in the fields of accounts, finance and taxation.

Details of his other directorships and memberships/ chairmanships of committees are given below:

S. No	Name of the Company	Position held	Committee membership/Chairmanship
1	Harita Fehrer Limited	Director	Member - Audit Committee
2	Emerald Haven Realty Limited	Director	Member – Audit Committee
3	Emerald Haven Development Limited	Director	Member – Audit Committee
4	Emerald Haven Projects Private Limited	Director	Member –Audit Committee
5	TVS Motor Services Limited	Director	Member – Audit Committee
6	Neo Strategic Motors Limited	Director	--

Mr L Bhadri does not hold any share in the Company and is not related to any director of the Company.

None of the directors, Key Managerial Personnel or their relatives is interested or concerned in the Resolution relating to the appointment of Mr. L Bhadri as an Independent Director of the Company.

.Accordingly, the Board recommends the Ordinary Resolution as set out in the Postal Ballot Notice in relation to appointment of Mr L Bhadri as an ID for approval by the shareholders.

By order of the Board/
For HARITA SEATING SYSTEMS LIMITED

Place: Chennai
Date: 6th August 2015

H Lakshmanan
Chairman

NOTES:

- (1) The Company is pleased to provide members a facility to exercise their right to vote on the postal ballot resolution by 'electronic means' and the special business may be transacted through e-Voting services provided by National Securities Depository Limited (NSDL), in compliance with the provisions of Section 110 of the Act, 2013 and Rule 22 of the Companies (Management and Administration) Rules 2014 and Clause 35B of the Listing Agreement.
- (2) A statement pursuant to Section 102(1) of the Act 2013 setting out the material facts concerning the item of business to be transacted is annexed hereto.
- (3) Notice along with the Postal Ballot Form is being sent to the members whose names appear on the register of members / list of beneficial owners as received from NSDL and Central Depository Services (India) Limited (CDSL) as on Friday, 4th September, 2015.
- (4) The Notice along with the Postal Ballot Form is being sent to the members in electronic form to the e-mail addresses registered with their Depository Participants (in case of electronic shareholding) / the Company's Share Transfer Agents (in case of physical shareholding). For members whose e-mail addresses are not registered, physical copies of the Notice are being sent by permitted mode along with a self-addressed postage pre-paid envelope.
- (5) Members, who have received the Notice by e-mail and who wish to vote through physical Form may download the Postal Ballot Form attached to the e-mail or from the Company's website: www.haritaseating.com, where the Postal Ballot Notice is displayed and send the duly completed and signed Postal Ballot Form, so as to reach the Scrutinizer on or before Tuesday, 13th October, 2015 (5.00 P.M.).
- (6) Resolution passed by the members through postal ballot including voting by electronic means shall be deemed to have been passed as if it has been passed at a general meeting of the members convened in that behalf.
- (7) Pursuant to the provisions of Section 108 of the Act 2013 read with the Companies (Management and Administration) Rules, 2014 and in terms of Clause 35B of the Listing Agreement, the Company has provided facility to members to exercise their votes through electronic means and have engaged the services of NSDL as the Authorised Agency to provide e-Voting facility. Instructions for the process to be followed for voting through "electronic means" are annexed to the Notice.
- (8) The 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.
- (9) Voting rights shall be reckoned on the paid-up value of shares registered in the name of the member / beneficial owner (in case of electronic shareholding) as on the cut-off date i.e. Friday, 4th September, 2015, being the date fixed for determining the voting rights of members entitled to participate in the e-Voting process through e-Voting platform provided by NSDL by typing the URL : <https://www.evoting.nsdl.com>.
- (10) A member cannot exercise his vote by proxy on postal ballot.
- (11) Corporate / Institutional Members (i.e. other than Individuals, HUF, NRI, etc.) opting for physical ballot are also required to send certified true copy of the Board Resolution / Power of Attorney / Authority Letter, etc., together with attested specimen signature(s) of the duly authorized representative(s), to the Scrutinizer along with the Postal Ballot Form.
- (12) The Board of Directors has appointed Mrs B Chandra, Practising Company Secretary (CP No. 7859) as Scrutinizer to conduct the postal ballot voting process in a fair and transparent manner.
- (13) The Scrutinizer will submit her report to the Chairman after the completion of scrutiny, and the results of voting by postal ballot (including voting through electronic means) will be declared by placing it along with the Scrutinizer's report on the Company's website www.haritaseating.com and communicated to the Stock Exchanges.
- (14) The resolution, if approved by the requisited majority shall be deemed to have been passed on the last date of voting, i.e., Tuesday, 13th October, 2015.
- (15) In case of any queries, members may refer to the Frequently Asked Questions (FAQs) for members and e-Voting user manual for members available at Downloads Section of www.evoting.nsdl.com or contact NSDL at the following telephone no.022-24994600.
- (16) Members who have not registered their e-mail addresses are requested to register the same with the Company's Share Transfer Agent / Depository Participant(s) for sending future communication(s) in electronic form.

Instructions for process to be followed by members opting to vote through electronic means

1. Members who do not have access to e-Voting facility, are requested to read the instructions printed on the reverse of the Postal Ballot Form and return the Form duly completed in the attached self addressed and postage prepaid envelope, so as to reach the Scrutinizer on or before 13th October 2015, at the following address:

Mrs. B Chandra, Practising Company Secretary
 Scrutinizer
 C/o. Sundaram-Clayton Limited
 Share Transfer Agents
 Unit : Harita Seating Systems Limited
 'Jayalakshmi Estates', No. 29, Haddows Road, Chennai - 600 006.

2. The instructions for Members for e-Voting are as under:
 - (a) In case of Members receiving e-mail from NSDL [for members whose email IDs are registered with the Company / Depository Participants(s)]:
 - (i) Open e-mail and then open PDF file viz., "Harita Seating Systems Limited e-Voting.pdf" with their Client ID or Folio No. as password. The said PDF file contains the 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: www.eVoting.nsdl.com;
 - (iii) Click on shareholder – Login;
 - (iv) Enter User ID and password as initial password noted in step (i) above. Click Login;
 - (v) Password change menu appears. Change the password with new password with minimum 8 digits/ characters or combination thereof. Note the new password. It is strongly recommended not to share the password with any other person and take utmost care to keep the password confidential;
 - (vi) Home page of e-Voting opens. Go to "e-Voting" icon and select "Active e-Voting Cycles";
 - (vii) Select "EVEN" of Harita Seating Systems Limited;
 - (viii) Members can cast their vote online from 14th September 2015 (Monday) (9.00 a.m.) till 13th October, 2015 (Tuesday) (5.00 p.m.) through e-Voting. Once the vote on a resolution is cast by the member, the member will not be allowed to change it subsequently. The e-Voting will not be allowed beyond the aforesaid date and time. The e-Voting module will be disabled by NSDL thereafter.
 - (ix) Now Members are ready for e-Voting as Cast Vote page opens;
 - (x) Cast the 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 the Member has voted on the resolution, such Member will not be allowed to modify their vote subsequently;
 - (xiii) Institutional Members (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: bchandrac@gmail.com with a copy marked to evoting@nsdl.co.in and raman@scl.co.in; and
 - (xiv) Members who have cast their vote through Postal Ballot Form shall not be entitled to vote electronically.
 - (b) In case of Members receiving Postal Ballot Form by Post:
 - (i) Initial password is provided as below/at the bottom of the Postal Ballot Form.

EVEN (e-Voting Event Number)	USER ID	PASSWORD / PIN

- (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) of item No. 2(a) above to cast vote;
 - (c) If Members are already registered with NSDL for e-Voting, then they can use their existing user ID and password for casting the vote; and
 - (d) Members can also update their mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
3. Members, who have registered their e-mail ids for receipt of documents in electronic mode under the Green Initiative of MCA have been sent Postal Ballot Notice by e-mail and who wish to vote through Postal Ballot Form can obtain the Ballot Form from Share Transfer Agent, Sundaram-Clayton Limited, Unit : Harita Seating Systems Limited at "Jayalakshmi Estates", 1st Floor, No.29, Haddows Road, Chennai – 600 006 or from the Company at its Registered Office and fill in the details and send the same to the Scrutinizer by Post at the address given at Sl. No. 1 above.
 4. The Scrutinizer, after completion of the scrutiny, will submit her report to the Chairman of the Company. The results of the postal ballot / e-Voting will be declared by Mr H Lakshmanan, Chairman or any one of the directors of the Company, on Thursday, 15th October, 2015 at the Registered Office of the Company at 4.00 P.M. The results shall also be announced to the Stock Exchanges where shares of the Company are listed and on the Company's notice board and website www.haritaseating.com.
 5. In case of any queries, Members may contact the Company at investorscomplaintssta@gmail.com or sclshares@gmail.com.