



VASCON

Vascon Engineers Ltd.

CIN: L70100PN1986PLC175750

Registered Office: Vascon Weikfield Chambers, Behind Hotel Novotel,
Opposite Hyatt Hotel, Pune Nagar Road, Pune-411014

Phone: +91-20-30562200, **Fax:** +91-20-30562600

Email address: compliance.officer@vascon.com, **Website:** www.vascon.com

POSTAL BALLOT NOTICE

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

NOTICE is hereby given, pursuant to Section 110 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act"), read with the Rule 22 of the Companies (Management and Administration) Rules, 2014, including any statutory modification or re-enactment thereof for the time being in force, to transact the following special business by the Members of Vascon Engineers Limited ("the Company") by passing Special Resolution through Postal Ballot including voting by electronic means ("e-voting").

An explanatory statement pursuant to section 102 of the Act and other applicable provisions of the Act, pertaining to the Special Resolution, setting out material facts and reasons thereof, is appended along with the Postal Ballot Form for your consideration and approval.

The Members are requested to carefully read the instructions printed on the Postal Ballot Form and return the same along with assent (FOR) or dissent (AGAINST) duly completed, in the attached pre-paid self-addressed business reply envelope, so as to reach the Scrutinizer on or before 5.00 p.m. IST on March 14, 2019. Postal Ballot Forms received after that date will be strictly treated as if no reply from such Member is received.

In Compliance with the provisions of Section 108 and 110 of the Act, read with Rules 20 and 22 of the Rules and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is offering e-voting facility to all its Members to enable them to cast their votes electronically. 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 '**Instructions for Members for e-voting**'. References to Postal Ballot(s) in this Postal Ballot Notice include votes received electronically.

The Company has appointed Mrs. Savita Jyoti (Membership No. FCS 3738) from Savita Jyoti Associates, Practicing Company Secretaries, as the Scrutinizer to conduct postal ballot and e- voting process in a fair and transparent manner. The Scrutinizer will submit her report of the votes cast in favour of or against both in electronic and physical mode to the Chairman/ Managing Director after completion of scrutiny of Postal Ballot Forms received and the results of the Postal Ballot will be announced at the Registered and Corporate Office of the Company by 5.00 p.m. IST on or before Saturday, March 16, 2019. The result of the postal ballot (including E-voting) will also be simultaneously displayed at the Registered and Corporate Office i.e. Vascon Weikfield Chambers, Behind Hotel Novotel, Opposite Hyatt Hotel, Pune- Nagar Road, Pune – 411 014 and will be posted on the Company's website: www.vascon.com, besides being communicated to the Stock Exchange(s), where the securities of the Company are listed.

SPECIAL BUSINESS:

VARIATION OF TERMS OF VASCON ENGINEERS LIMITED EMPLOYEES STOCK OPTION SCHEME 2017 (ESOS 2017) - REPRICING OF STOCK OPTIONS GRANTED TO EMPLOYEES WHO ARE ENTITLED TO PARTICIPATE IN THE SCHEME

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

"RESOLVED THAT in accordance with the provisions of Securities and Exchange Board of India (Share Based Employees Benefits) Regulations, 2014 ("**SEBI SBEB Regulations**"), as amended from time to time, and subject to other applicable laws, if any, for the time being in force, **Vascon Engineers Limited Stock Option Scheme, 2017 ("ESOS 2017" or "the Scheme")** and subject to such other consent, approval, permission, as may be required, consent and approval of the Company be and is hereby accorded to the Board of Directors of the Company (herein referred to as '**the Board**' which term shall include Nomination and Remuneration Committee of the Board or any other Committee which the Board may constitute to exercise its power) to re-price the Exercise Price of 1,20,00,000 outstanding Options as on January 18, 2019 (i.e the Options granted, whether vested or not vested, but yet to be exercised) granted to employees who are entitled to participate in the Scheme to Rs. 15 per share, [due to fall in market price of the shares], such re-pricing is not detrimental to the interest of the employees and is in accordance with the Acts, Regulations and Guidelines issued by Relevant Authority, including the Securities and Exchange Board of India.

"RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors of the Company (herein referred to as '**the Board**' which term shall include Nomination and Remuneration Committee of the Board or any other Committee constituted by the Board of Directors) be and is hereby authorized to do all such acts, deeds, matters and things and execute all such deeds, documents, instruments and writings as may be required, with powers to settle all questions, difficulties or doubts that may arise in regard to the said re-pricing as the Board may in its sole and absolute discretion deem fit and delegate all or any of its

powers herein conferred to any Director(s) or Officer(s) of the Company to give effect to the foregoing resolution, including but not limited to amending ESOS 2017 making any filings in India or any jurisdiction where the stock exchanges and/or applicable regulatory authorities, if required, as it may deem it necessary or desirable.”

By order of the Board of Directors

Sd/-

Date: 18/01/2019
Place: Pune

Vibhuti Dani
Company Secretary and Compliance Officer

NOTES:

1. An explanatory statement pursuant to the provisions of Section 102 (1) of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014, setting out material facts and reasons of this Notice, is annexed herewith for your consideration.
2. The Postal Ballot Notice along with the Postal Ballot Form is being sent to those Members whose names appear on the Register of Members maintained by the Company's Registrars and Transfer Agent (Karvy Fintech Private Limited ("Karvy"))/List of Beneficial Owners as received from the National Securities Depository Limited and the Central Depository Services (India) Limited as on Friday, February 1, 2019.
3. The Postal Ballot Notice is being sent by electronic mode to those Members whose email addresses are registered with their depository participant (in case of electronic shareholding) or with Karvy (in case of physical shareholding). Further, in case of those Members whose email address is not registered, as aforesaid, physical copies of the Postal Ballot Notice along with the Postal Ballot Form are being sent, in accordance with applicable law. The Postal Ballot Notice has also been uploaded on the website of the Company www.vascon.com and on the website of Karvy: <https://evoting.karvy.com>.
4. Pursuant to Rule 22(5) of the Companies (Management and Administration) Rules, 2014, the Board of Directors of the Company, at its meeting held on January 18, 2019, has appointed CS Savita Jyoti, Practicing Company Secretary (Membership No.FCS 3738 and Certificate of Practice No.1796) as the Scrutinizer for conducting the Postal Ballot and e-voting process, in a fair and transparent manner.
5. The Members can opt for only one mode of voting, i.e. either by Postal 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 Postal Ballot, will be treated as invalid.
6. A Postal Ballot Form along with a postage pre-paid self-addressed business reply envelope is also enclosed. 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 in the postage pre-paid self-addressed business reply envelope enclosed along with this Notice. Please note that the postage charges will be borne and paid by the Company. However, Postal Ballot Form, if sent by courier or by registered post/speed post at the expense of the Member will also be accepted. The Postal Ballot Form may also be deposited personally at the address given thereon. Members who have received the Postal Ballot Notice by e-mail and who wish to vote physically through Postal Ballot Form, can download the Postal Ballot Form from the Company's website viz. www.vascon.com or seek a duplicate Postal Ballot Form from the Company.

The duly completed Postal Ballot Form should reach the Scrutinizer's office not later than 5.00 p.m. Thursday, March 14, 2019 to be eligible for being considered, failing which, it will be treated as if no reply has been received from the Member.

7. In case a Member is desirous of obtaining a duplicate Postal Ballot Form, he or she may send an e-mail to evoting@karvy.com.
8. The votes should be cast either in favour or against by putting the tick (✓) mark in the column provided for assent or dissent in the Postal Ballot Form.
9. The vote on postal ballot cannot be exercised through proxy.
10. The voting rights of Members shall be in proportion to their share in the paid up equity share capital of the Company, as on the cut-off date of Friday, February 1, 2019.
11. The Company is pleased to provide e-voting facility for all its Members through Karvy to enable them to cast their votes electronically, in respect of Item as set forth in Notice.

12. E-Voting:

- I. In compliance with Sections 108 and 110 of the Companies Act, 2013 read with Rules 20 and 22 of the Companies (Management and Administration) Rules, 2014 (the "**Rules**") and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**SEBI Listing Regulations**"), the Company is pleased to provide e-voting facility to all its Members to enable them to cast their votes electronically on the matters included in this Postal Ballot Notice, instead of dispatching the Physical Postal Ballot Form by post. E-voting is optional and all Members (whether holding shares in the dematerialized form or in physical form) may vote by completing and dispatching the Postal Ballot Form by post, or through e-voting. The Company has engaged the services of Karvy for the purpose of providing e-voting facility to all its Members.

II. Further, in terms of Rule 22 of the said Rules and the SEBI Listing Regulations, those Members who do not have access to e-voting facility, may exercise their vote, by using the enclosed Postal Ballot Form. A Member desiring to exercise his vote by way of Postal Ballot Form can do so by recording his assent or dissent thereto and sending it to the Scrutinizer in the enclosed postage pre-paid self-addressed business reply envelope. Postage charges will be borne and paid by the Company. Please note that the said postage pre-paid self-addressed business reply envelope should reach the Scrutinizer before 5.00 p.m. on Thursday, March 14, 2019.

III. The instructions for e-voting are as under:

In case of Members receiving this Notice by e-mail:

- a) Enter the login credentials (i.e. User ID & Password) mentioned in the e-mail, your Folio No. / DP ID & Client ID will be your USER ID. Please note that the password is an initial password.
- b) Use the following URL for e-voting:
From Karvy's Website: <https://evoting.karvy.com>
- c) Members of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date, may cast their vote electronically.
- d) Enter the login credentials. Your Folio No./DP ID & Client ID will be your user ID.
- e) After entering the details appropriately, click on LOGIN.
- f) You will reach the Password change menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 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 number, email-ID, 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 not to share your password with any other person and take utmost care to keep your password confidential.
- g) You need to login again with the new credentials.
- h) On successful login, the system will prompt you to select the EVENT i.e. Vascon Engineers Limited On the voting page, enter the number of shares as on the said 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 your total shareholding, as on the said cut-off date. You may also choose the option ABSTAIN.
- i) Members holding multiple folios / demat account shall choose the voting process separately for each folios / 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, Members can login any number of time still they have voted on the resolution.
- k) Once the vote on the resolution is cast by the Members, he shall not be allowed to change it subsequently.
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 authorised signatory(ies) who are authorised to vote, to the Scrutinizer through e-mail to savitajyotiassociates05@gmail.com with a copy marked to Karvy on evoting.karvy.com
- l) The period for casting of votes through e-voting shall commence from Tuesday, February 12, 2019 (9.00 a.m.) and end on Thursday, March 14, 2019 (5.00 p.m.). During this period, Members holding equity shares of the Company either in physical form or in dematerialized form, as on the Cut-off date of Friday, February 1, 2019, may cast their vote electronically. Any person who is not a Member as on the said cut-off date should treat this Notice for information only. The e-voting module shall be disabled by Karvy for voting thereafter.

In case of any queries, you may refer to the Frequently Asked Questions (FAQs) for Members and e-voting User Manual for Members, available at the download section of <https://evoting.karvy.com> or contact Karvy at Tel No.18003454001 (toll free).

In case of Members receiving this Notice by Post/Courier:

- a) Initial password is provided, at the bottom of the Postal Ballot Form.

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

- b) Please follow the steps stated at serial Nos. III (b) to III (l) above, to cast your vote by electronic means.

13. In case you have forgotten your password, click on the **"Forgot Password"** link on the Home Page of the website <https://evoting.karvy.com>. You can retrieve your password through the following two options:
- a) **E-Voting Website:** If your e-mail is registered against your Folio No./ DPID & Client ID No., enter your Folio No./DP ID& Client ID No. and PAN to receive password
- Customer Care:** Call the Customer Care 1-800-3454001/ +919177401088 for related services such as to reset password, unlock the account, register new e-mail ID, mobile number, etc. or send an email to evoting@karvy.com/einward.ris@karvy.com
14. The Result of the Postal Ballot will be declared by the Chairman of the Company duly authorised by the Board, in this regard, not later than 48 hours of conclusion of voting through Postal Ballot and e-voting. The said Result will be displayed at the Registered Office and Corporate Office of the Company. The said Result along with the Scrutinizer's Report shall also be uploaded on the Company's website i.e. www.vascon.com and on the website of Karvy i.e. <https://evoting.karvy.com> immediately after it is declared by the Company and disclosed to the Stock Exchanges.
15. Documents referred to in Item of this Notice and Statement setting out material facts in respect of the said Items as set out in this Notice are open for inspection by the Members at the Registered and Corporate Office of the Company from 11.00 a.m. to 5.00 p.m. on all working days except Saturdays, Sundays, Public Holidays and National Holidays, up to the last date specified by the Company for receipt of duly completed Postal Ballot Forms for e-voting i.e. upto 5.00 p.m. on Thursday, March 14, 2019.

Registered and Corporate Office
Vascon Weikfield Chambers
Behind Hotel Novotel,
Opposite Hyatt Hotel,
Pune-Nagar Road, Pune-411014
Tel: +91 (20) 30562 100/ 200
Fax: +91 +91 20 30562600.

Place: Pune
Date: 18/01/2019

By order of the Board of Directors

Sd/-
Vibhuti Dani
Company Secretary and Compliance Officer

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

VARIATION OF TERMS OF VASCON ENGINEERS LIMITED EMPLOYEES STOCK OPTION SCHEME, 2017- REPRICING OF STOCK OPTIONS GRANTED TO EMPLOYEES

With the objective of attracting, motivating, rewarding and retaining employees of the Company for their high levels of individual performance and for their efforts to improve the financial performance and their loyalty to the Company, your Company instituted Employees Stock Option Scheme- 2017 (ESOS 2017) pursuant to the special resolution passed by the Shareholders in Extra-Ordinary General Meeting held on May 24, 2017. The Company has granted 1,60,00,000 shares to its employees under the Scheme. Out of the same, 40,00,000 options have been vested and exercised by the employees so far. Accordingly, 1,20,00,000 options are outstanding and yet to be vested. However, due to inherent volatility in the stock market and fall in the market price of the Equity Shares of the Company, the prevailing market price of Equity shares is much less than the exercise price as decided earlier. As such, the outstanding options (i.e. options granted, whether vested or not but yet to be exercised) have become unattractive. As a result, the employees may not derive any benefit out of the options granted to them. The Nomination and Remuneration Committee and Board has therefore considered it prudent to re-price the Exercise Price of such outstanding options granted to employees on the basis of prevailing market price to make them beneficial to the employees instead of allowing them to lapse. Accordingly, the Board and Nomination and Remuneration Committee in their meeting dated January 18, 2019 have approved the re-pricing of outstanding options from the existing Rs. 28 to revised price of Rs. 15 per share. However, there will not be any change or modification in the vesting or exercise period/schedule or any other term of the scheme. The proposed re-pricing would be beneficial to all employees who are entitled to participate under the Scheme.

The total number of ESOP's which would be re-priced is 1,20,00,000 which is 6.74% to total paid up equity shares of the Company.

All other terms and conditions applicable for the grant of options shall remain unchanged except for the variation in the price as stated above. The Board recommends the Special Resolution of the Item set forth in the Notice for approval of the Members.

The proposed re-pricing and/or re-granting will be in compliance of SEBI Regulations and would be beneficial for the employees.

The Company shall comply with the accounting policies specified in the requirements on the guidance note on accounting for employees share based payments ('Guidance Note') or Accounting Standards as may be prescribed by the Institute of Chartered Accountants of India (ICAI) from time to time, including disclosure requirements prescribed therein.

None of the Directors of the Company, Key Managerial Personnel (KMP) of the Company and relatives of Directors and KMP are interested or concerned in the resolution except to the extent of the ESOPs granted to them under the Scheme and to the extent of their shareholding as Members.