



29<sup>th</sup> October, 2015

The National Stock Exchange of India Limited  
Exchange Plaza, 5th Floor  
Plot No. C/1, G Block  
Bandra Kurla Complex  
Bandra (E)  
**Mumbai- 400 051**

**NSE Symbol : HAVELLS**

BSE Limited  
Phiroze Jeejeebhoy Towers  
Dalal Street  
**Mumbai- 400 001**

**Scrip Code : 517354**

**Sub: Notice of Postal Ballot**

Dear Sir,

In pursuance of Clause 31 of the Listing Agreement please find enclosed herewith 6 (six) copies of the Notice for Postal Ballot being sent to the Members of the Company seeking their assent/dissent on the following proposed Special Resolutions:

1. Approval of Havells Employees Stock Purchase Scheme 2015 and its implementation through Trust
2. Authorization for Havells Employees Welfare Trust to subscribe to shares for and under the Havells Employees Stock Purchase Scheme 2015
3. Provisioning of money by the Company to the Havells Employees Welfare Trust/ Trustees for subscription of shares under the Havells Employees Stock Purchase Scheme 2015

Thanking you.

Yours faithfully,  
for **Havells India Limited**

  
**(Sanjay Gupta)**  
Company Secretary

Encl.: A/a



# HAVELLS INDIA LIMITED

Regd. Office: 1, Raj Narain Marg, Civil Lines, Delhi-110054 CIN: L31900DL1983PLC016304

Corp. Office: 'QRG Towers', 2D, Sector 126, Expressway, Noida-201304 (U.P.)

Tel. # 0120-3331000; Fax # 0120-3332000; Email: investors@havells.com

## NOTICE OF POSTAL BALLOT

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

To

The Members of **Havells India Limited**

**NOTICE** is hereby given pursuant to the provisions of Section 110 of the Companies Act, 2013 ("the Act") read with the Companies (Management and Administration) Rules, 2014 (including any statutory modification or re-enactment thereof for the time being in force) and pursuant to other laws and regulations as may be applicable, that the Resolutions appended below are proposed to be passed by the Members as Special Resolution(s) by way of Postal Ballot/ Electronic Voting (e-voting) by giving their assent/ dissent thereto. The Explanatory Statement pertaining to all the Resolutions setting out the material facts and the reasons thereof is annexed hereto alongwith a Postal Ballot Form for your consideration.

In the event the draft Resolutions as set out are assented to by requisite majority of Members by means of a Postal Ballot, they shall be deemed to have been passed as Special Businesses at an Extraordinary General Meeting. The Special Resolutions shall be declared as passed if the numbers of votes cast in their favour are not less than three times the number of votes cast, if any, against the said Resolutions. The date of the announcement of result of Postal Ballot shall be considered to be the date of Extraordinary General Meeting and the date of passing of the said Resolutions.

Please carefully read the instructions printed on the enclosed Postal Ballot Form and return the Form duly completed in the attached self-addressed, postage pre-paid envelope, so as to reach the Scrutinizer before the close of working hours on **2<sup>nd</sup> December, 2015**.

### **1. APPROVAL OF THE HAVELLS EMPLOYEES STOCK PURCHASE SCHEME 2015 AND ITS IMPLEMENTATION THROUGH TRUST**

To consider and if thought fit, to pass, with or without modification, the following Resolution as a **SPECIAL RESOLUTION**:

**"RESOLVED THAT** pursuant to the provisions of Section 62 read with Section 67 of the Companies Act, 2013 ("Act"), Companies (Share Capital and Debentures) Rules, 2014 and all other applicable provisions, if any, of the Act read with rules framed thereunder, the SEBI (Share Based Employee Benefits) Regulations, 2014, as amended/re-enacted from time to time ("Regulations"), the Listing Agreement entered into by the Company with the Stock Exchanges where the securities of the Company are listed, the provisions of the Articles of Association of the Company, and any other applicable laws (collectively "Applicable Laws"), approval of the members be and is hereby granted to the Employee Stock Purchase Scheme of the Company i.e. "Havells Employees Stock Purchase Scheme 2015" ("ESPS 2015"), to be implemented through the subsisting trust i.e., "Havells Employees Welfare Trust", of the Company or any other trust that may be set up by the Company ("Trust"), for the benefit of the Employees as defined under ESPS 2015, by way of issue and/ or grant of fully paid up Equity Shares of the Company to Eligible Employees in terms thereof, from the shares to be issued by the Company from time to time in accordance with law for the purposes of the ESPS 2015, and/ or any subsisting shares already available with the Trust, at such price or prices, in one or more tranches, and on such terms and conditions, as may be in accordance with ESPS 2015 and the Act, the Regulations and Applicable Laws, such that the shares to be allotted/ transferred to the Eligible Employees, present and future, under ESPS 2015 shall not exceed an overall limit of 1% of the current paid-up capital of the Company (i.e. not more than 62,45,877 (Sixty Two Lakhs Forty Five Thousand Eight Hundred and Seventy Seven) Equity Shares of Re. 1/- each.

**RESOLVED FURTHER THAT** the Board (including the Nomination and Remuneration Committee or any other Committee of the Board) or the officers who may be authorized by the Board in this regard, be and are hereby authorized to make any modifications, changes, variations, alterations or revisions to the ESPS 2015, as it may deem fit, from time to time and/ or amend, modify, alter, vary, suspend, withdraw or revive the ESPS 2015 from time to time in conformity with the provisions of the Act, the Regulations and other Applicable Laws, circulars and guidelines, provided that such variation, amendment, modification or alteration is not detrimental to the material interest of the employees of the Company with regard to the shares that may have already been granted.

**RESOLVED FURTHER THAT** the new Equity Shares be allotted in accordance with ESPS 2015 either to the Trust which shall transfer to the employees covered under the ESPS 2015 or directly to the employees covered under the ESPS 2015.

**RESOLVED FURTHER THAT** all the new equity shares to be issued and allotted under ESPS 2015 as aforesaid shall rank *pari-passu* including dividend inter-se with the then existing equity shares of the Company in all respects.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this Resolution, the Board (including the Nomination and Remuneration Committee or any other Committee of the Board) be and is hereby authorized on behalf of the Company to do all such acts, deeds, matters and things as it may, in its absolute discretion deem fit, be necessary or expedient and to settle any questions, difficulty or doubts that may arise in this regard without requiring the Board to secure any further consent or approval of the members of the Company.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to take necessary steps for listing of the securities allotted under ESPS 2015 on the stock exchanges as per the provisions of the Listing Agreement with the stock exchanges concerned, the SEBI Guidelines and other applicable laws and regulations."

**2. AUTHORIZATION FOR HAVELLS EMPLOYEES WELFARE TRUST TO SUBSCRIBE TO SHARES FOR AND UNDER THE HAVELLS EMPLOYEES STOCK PURCHASE SCHEME, 2015**

To consider and if thought fit, to pass, with or without modification, the following Resolution as a **SPECIAL RESOLUTION**:

**"RESOLVED THAT** pursuant to the provisions of Section 62 and Section 67 of the Companies Act, 2013 ("Act") and all other applicable provisions of the Act read with rules framed thereunder, SEBI (Share Based Employee Benefits) Regulations, 2014, as amended/re-enacted from time to time ("Regulations"), the Listing Agreement entered into by the Company with the Stock Exchanges where the securities of the Company are listed, the provisions of the Articles of Association of the Company, and any other applicable laws (collectively "Applicable Laws"), the Havells Employees Welfare Trust or any other trust that may be set up by the Company ("Trust") be and is hereby authorized to acquire by way of subscription, shares of the Company and/ or to appropriate and allocate any subsisting shares already available with the Trust towards Havells Employees Stock Purchase Scheme 2015 of the Company ("ESPS 2015"), and to subscribe, hold, transfer, grant, allot and deal in the shares of the Company, in a single tranche or in multiple tranches, at such price(s) as may be decided from time to time, for purposes of ESPS 2015 and for the said purpose to do all such acts, deeds and things as may be incidental or ancillary or required in this regard.

**RESOLVED FURTHER THAT** for the purpose of giving effect to the above resolution, the Board (including the Nomination and Remuneration Committee or any other Committee of the Board) or the officers authorized by the Board in this regard be and are hereby authorized to do all such acts, deeds, matters and things as may be necessary or expedient and to settle any questions, difficulty or doubts that may arise in this regard without requiring the Board to secure any further consent or approval of the members of the Company."

**3. PROVISIONING OF MONEY BY THE COMPANY TO THE HAVELLS EMPLOYEES WELFARE TRUST/ TRUSTEES FOR SUBSCRIPTION OF SHARES UNDER THE HAVELLS EMPLOYEES STOCK PURCHASE SCHEME 2015**

To consider and if thought fit, to pass, with or without modification, the following Resolution as a **SPECIAL RESOLUTION**:

**"RESOLVED THAT** pursuant to the provisions of Section 67 of the Companies Act, 2013 ("Act") and all other applicable provisions of the Act read with rules framed thereunder, SEBI (Share Based Employee Benefits) Regulations, 2014, as amended/re-enacted from time to time ("Regulations"), the Listing Agreement entered into by the Company with the Stock Exchanges where the securities of the Company are listed, the provisions of the Articles of Association of the Company, and any other applicable laws (collectively "Applicable Laws"), consent of the Company be and is hereby accorded to the provision of money by the Company to the Havells Employees Welfare Trust or any other trust that may be set up by the Company ("Trust") for the purposes of subscribing to and/ or hold the shares of the Company, in one or more tranches, under the Havells Employees Stock Purchase Scheme 2015 of the Company ("ESPS 2015") subject to the overall limits prescribed under Rule 16 of the Companies (Share Capital and Debentures) Rules, 2014.

**RESOLVED FURTHER THAT** in order to enable the Trust to acquire the aforesaid Equity Shares of the Company, the amount of loan provided by the Company to the Trust, from time to time, shall be worked out based on the total market value of the shares to be allotted in terms of the ESPS 2015.

**RESOLVED FURTHER THAT** for the purpose of giving effect to the above resolution, the Board (including the Nomination and Remuneration Committee or any other Committee of the Board) or the officers who may be authorized by the Board in this regard, be and are hereby authorized to do all such acts, deeds, matters and things as may be necessary or expedient and to settle any questions, difficulty or doubts that may arise in this regard without requiring the Board to secure any further consent or approval of the members of the Company."

By order of the Board  
For **Havells India Limited**

Noida, 23<sup>rd</sup> September, 2015

Sanjay Kumar Gupta  
Company Secretary

Regd. Office : 1, Raj Narain Marg,  
Civil Lines, Delhi-110054

## NOTES:

1. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of all the businesses specified above is annexed herewith.
2. The Board vide its Resolution passed on 23<sup>rd</sup> September, 2015 has appointed Ms Balika Sharma, Practising Company Secretary (Membership No. F4816, COP No. 3222), as Scrutinizer for conducting the Postal Ballot voting process in accordance with the law and in a fair and transparent manner.
3. The Postal Ballot Form together with the self-addressed Business Reply Envelope is enclosed for the use of the Member. Please read the instructions printed on the enclosed Postal Ballot Form carefully before exercising your vote and return the Form duly completed, signifying your assent or dissent, in the attached self-addressed, postage pre-paid envelope, so as to reach the Scrutinizer within a period of 30 days from the date of despatch of notice i.e. before the close of working hours on 2<sup>nd</sup> December, 2015.
4. The Notice is being sent to all the Members, whose names would appear in the Register of Members/ Record of Depositories as on 16<sup>th</sup> October, 2015. Voting rights shall be reckoned on the paid-up value of the shares registered in the name of the Members as on that date.
5. **In compliance with Section 110 of the Companies Act, 2013 and the Rules made thereunder, the Company is pleased to offer e-voting facility as an alternate, for all its Members to enable them to cast their vote electronically instead of dispatching Postal Ballot.** E-voting is optional. In case a Member desires to exercise his vote by using e-voting facility then he has to carefully follow the instructions as given for e-voting printed on the back side of the Postal Ballot Form. He can use the facility and log-in any number of times till he has voted on all the Resolutions or till the end of the voting period (i.e. till the last date of receipt of Postal Ballots), whichever is earlier.  
Members irrespective of who have registered their e-mails for receipt of documents in electronic mode under the green initiative and who wish to vote through Postal Ballot Form can seek Duplicate Form from Corporate Office of the Company and send the same by post to the Corporate Office of the Company addressed to the Scrutinizer.  
Members may contact Shri Sanjay Kumar Gupta, Company Secretary, for any grievances connected with voting by postal ballot including voting by electronic means at the Corporate Office of the Company at 'QRG Towers', 2D, Sector 126, Expressway, Noida- 201 304 (U.P.), Tel. # 0120-3331000.
6. 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 Form will be treated as invalid.
7. The Scrutinizer will submit his Report after completion of the scrutiny, addressed to the Chairman on 4<sup>th</sup> December, 2015. The Chairman will, or in his absence any other person so authorized by him will, announce the result of voting by postal ballot on 4<sup>th</sup> December, 2015 at 4 P.M. at the Corporate Office of the Company at QRG towers, 2D, Sector 126, Expressway, Noida-201 304 (U.P.) and the Special Resolutions will be taken as passed effectively on the date of announcement of the result by such authorized person, if the results of the Postal Ballots indicate that the requisite majority of the Members had assented to the Resolutions. The Scrutinizer's decision on the validity of the Postal Ballot shall be final.  
Members who wish to be present at the venue at the time of declaration of the result are welcome to do so. The Results of the Postal Ballot along with the Scrutinizer's Report will also be displayed at the Company's Registered Office and hosted on the website of the Company [www.havells.com](http://www.havells.com) besides being communicated to the stock exchanges on which the shares of the Company are listed and NSDL.
8. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours (9.00 am to 5.00 pm) on all working days up to last date of voting i.e. 2<sup>nd</sup> December, 2015.

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

### Item No. 1

The Nomination and Remuneration Committee has recommended, and the Board of Directors of your Company ("Company") have approved, the Havells Employees Stock Purchase Scheme 2015 ('ESPS 2015') at their meetings held on 23<sup>rd</sup> September, 2015 in order to attract and retain talent in the Company. The ESPS 2015 provides for grant of shares of the Company to the Eligible Employees as identified and selected by the Nomination and Remuneration Committee of the Company.

The Securities and Exchange Board of India ("SEBI") has notified the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 on 28<sup>th</sup> October, 2014 (the "Regulations") prescribing *inter alia* that all listed companies intending to grant shares to its employees under an employee stock purchase scheme have to comply with the Regulations. Further, SEBI vide its Circular dated June 16, 2015 has specified the necessary guidelines relating to disclosure/ process requirements under the Regulations. The resolution set out as Item No. 1 is being proposed accordingly for the consideration of the members for the approval of the ESPS 2015 by way of Special Resolution.

None of the directors or key managerial personnel of the Company including their relatives are, in any way, concerned or interested, financially or otherwise, in the proposed resolution except to the extent of shares that may be granted to them under ESPS 2015.

Your Directors recommend the Special Resolution for your approval.

The details of ESPS 2015 pursuant to Rule 6 of the Regulations read with SEBI's circular dated June 16, 2015 are as follows:

S. No.	Particulars	Information
(a)	Brief description of the Havells Employee Stock Purchase Scheme, 2015 ("ESPS 2015")	<p>The Company has instituted ESPS 2015 to grant equity-based incentives to its eligible employees in order to inter alia attract and retain talented employees. The Company already has an established trust called the "Havells Employees Welfare Trust" or may set up another Trust ("Trust") which will be used for implementation and administration of ESPS 2015.</p> <p>Amounts advanced to the Trust for subscription/ holding of shares shall be debited to 'Amount Receivable from Employees' Welfare Trust' in the Balance Sheet of the Company. As and when an employee is granted shares, the advance shall be adjusted and/ or paid back to the Company as per Applicable Laws.</p>
(b)	The total number of Shares to be granted	The total number of Shares to be held/ granted under ESPS 2015 shall not at any one time exceed 1% (One per cent) of the current total paid up capital of the Company (i.e. not more than 62,45,877 equity shares)
(c)	Identification of classes of employees entitled to participate and be beneficiaries in ESPS 2015	<p>Eligible Employees for participation shall be any person as determined by the Nomination and Remuneration Committee ("<b>Compensation Committee</b>") including Whole-time Director (Finance) and Group CFO, Executive President and such other select personnel shortlisted from amongst (i) the Employees and/ or (ii) if and to the extent, permitted by Applicable Laws any other personnel, from time to time.</p> <p>"Employees" shall mean:</p> <p>(a) the full time permanent employees of the Company, Directors of the Company whether a Whole-time Director or not but do not include:-</p> <p>(i) Directors of the Company, who either by himself/herself or through any relative or body corporate, hold more than 10% of the Equity Share Capital of the Company;</p> <p>(ii) employees who are Promoters of the Company or belong to the Promoter Group;</p> <p>(iii) Independent Directors; and</p> <p>(b) the permanent employees of the present and future Indian/ Foreign subsidiary companies or of a holding company of the Company, Directors of the present and future Indian/ Foreign subsidiary companies or of a holding company of the Company, whether a Whole-time Director or not, but do not include:-</p> <p>(i) Directors of the Subsidiary Companies who either by himself/herself or through any relative or body corporate, hold more than 10% of the outstanding Equity Share Capital of the company; and</p> <p>(ii) Employees of the Subsidiary Companies or of a holding company of the Company who are Promoters of the company or belong to the Promoter Group of the company.</p>
(d)	Requirements of Vesting and Vesting period	<p>All Shares shall be subject to a minimum lock-in of 13 months from the date of allotment to the Trust, or such other longer period as may be prescribed by the SEBI Regulations from time to time.</p> <p>The Vesting conditions in respect of the Shares shall be as determined by the Compensation Committee from time to time, and unless so otherwise determined by the Compensation Committee, the following shall apply:</p> <p>(a) In case the employment of the Eligible Employee ceases with the Company, either by way of resignation or termination by the Company, prior to the end of one (1) year from the end of the financial year for which shares have been allotted/ transferred (herein referred to as "relevant financial year", and 'acquired Shares' correspondingly) under ESPS 2015, 44% of the said acquired Shares shall not vest and revert to the Trust/ the Company;</p> <p>For removal of doubts, it is clarified that only 56% of the acquired Shares shall vest with the Eligible Employee who resigns from the employment of the Company prior to the end of one (1) year from the end of the relevant financial year, and whose resignation is duly accepted by the Company, however, the said acquired Shares shall remain under lock-in for a period of 13 months from date of allotment to Trust.</p> <p>b) In case the employment of the Eligible Employee ceases with the Company, either by way of resignation or termination by the Company, after one (1) year but prior to the end of two (2) years from the end of the relevant financial year, 22% of the said acquired Shares shall not vest and revert to the Trust/ the Company.</p> <p>The employee may, at his/her option, retain the Shares which need to be reverted to the Trust / the Company on payment to the trust an amount equivalent to the fair market value of the Shares. The payment to the trust, in such a case, would need to be made within 30 days of the resignation or termination. The fair market value of</p>

S. No.	Particulars	Information
		<p>the Shares would be construed as the closing price of the shares of the Company on the immediately preceding day of such resignation or termination as traded on the stock exchange where the maximum volume of trading in the Shares of the Company are recorded in the 6 (six) months preceding the resignation or termination.</p> <p>It is clarified that for the purpose of ESPS 2015, the Share Grants shall be made after receipt of shareholders' approval to this ESPS 2015. Share Grants for a relevant financial year, as determined by the Compensation Committee based on the increase in level of Profit Before Tax, shall be made in the month of April of the subsequent financial year or on such other date and on such additional alternative criteria, as may be decided by the Compensation Committee from time to time.</p> <p>The Compensation Committee, at its discretion, may dispense with or add to any of the above requirements.</p> <p>Further, it is clarified that post completion of 5 (five) years of employment of an Eligible Employee from the Effective Date of ESPS 2015 i.e. 1<sup>st</sup> April, 2015, no shares granted to the Eligible Employee shall revert back to the Trust/ Company on resignation of such Eligible Employee.</p> <p>Subject to the lock-in period prescribed under applicable laws and unless otherwise decided by the Compensation Committee, the lock-in period under ESPS 2015 ("<b>Share Lock-in Period</b>") shall be as follows:</p> <ul style="list-style-type: none"> <li>(a) 78% of the acquired Shares shall remain in lock-in for 13 months from the date of allotment to the Trust; and</li> <li>(b) the balance (22%) shall remain in lock-in for a period of 2 years from the date of allotment of shares to Trust.</li> </ul> <p>E.g. if 100 (one hundred) Shares are acquired by an employee on December 1, 2015, 78 (seventy eight) Shares shall remain in lock-in till 31<sup>st</sup> December, 2016, and the remaining 22 (twenty two) Shares shall remain in lock-in upto 30<sup>th</sup> November, 2017</p>
(e)	Maximum period within which the Shares shall be vested	<p>The Compensation Committee shall decide the manner and maximum period of vesting of Shares at the time of grant.</p> <p>The Shares granted shall vest not later than completion of 5 (five) years from 1<sup>st</sup> April, 2015 and/or in any other manner/ time frame stipulated by the Compensation Committee.</p> <p>"Vest"/"Vesting" under the ESPS 2015 means the process by which the eligible employee becomes entitled to receive the benefit of a grant made to him under ESPS 2015 i.e., where the right to the Shares acquired under ESPS 2015 becomes absolute after fulfilment of the applicable conditions including completion of period mentioned in the scheme, where applicable, by the Eligible Employee and Eligible Employee is fully and finally entitled to retain the Shares and the shares will not revert to the Company.</p>
(f)	Exercise / Purchase Price or pricing formula	The Compensation Committee shall determine the Exercise Price, for each grant and the pricing formula to be applied for such determination, and may grant Shares without any price as well, if so deemed fit by the Compensation Committee.
(g)	Exercise / period and process of exercise	The Shares granted can be exercised within the period specified in the ESPS 2015 (or as fixed by the Compensation Committee) by the concerned employee by executing a Share Grant Acceptance letter and/or such other documents and paying the exercise price, if any, as prescribed by the Compensation Committee at the time of grant.
(h)	The appraisal process for determining the eligibility of employees for the ESPS 2015	The Compensation Committee may consider criteria such as performance, level in the organization, potential, period of service, criticality of the individual, number of shares available, etc.
(i)	Maximum number of Shares to be issued per employee and in aggregate	<p>The Compensation Committee shall normally determine the number of Share Grant(s) for an Eligible Employee, within the maximum limits applicable as per Regulations. Currently the maximum limits applicable are as follows:-</p> <ul style="list-style-type: none"> <li>(i) the number of Share Grant for all Eligible Employees, in aggregate, shall not be more than 5% of the paid-up equity share capital of the Company; and</li> <li>(ii) the number of Share Grant for an individual Eligible Employee, during any year, shall be less than 1% of the paid-up equity share capital of the Company at the time of issue of shares, unless approved by way of a separate resolution in the general meeting of the Company.</li> </ul>
(j)	Maximum quantum of benefits to be provided per employee under ESPS 2015	<p>Same as point no. (i) above.</p> <p>In case the Shares are given to Employees without charging any price, the maximum benefit on the date of transfer of shares shall be the equivalent market price of the Share on that day.</p>

S. No.	Particulars	Information
(k)	Whether ESPS 2015 is to be implemented and administered directly by the Company or through a trust	The ESPS 2015 will be implemented through Havells Employees Welfare Trust or any other trust that may be set up by the Company for the said purpose ("Trust") as may be decided by the Company, under the supervision of the Compensation Committee. The Compensation Committee may delegate either in part or in full any aspects of the administration of ESPS 2015 to the Trust.
(l)	Whether ESPS 2015 involves new issue of shares by the Company or secondary acquisition by the Trust or both	ESPS 2015 involves new issue of shares by the Company. Any subsisting unappropriated shares already available with the Trust may be utilized for ESPS 2015 as permissible under Applicable Laws.
(m)	The amount of loan to be provided for implementation of ESPS 2015 by the Company to the trust, its tenure, utilization, repayment terms, etc.	In order to enable the Trust to acquire the aforesaid Equity Shares of the Company, the amount of loan provided by the Company to the Trust, from time to time, shall be worked out based on the total market value of the shares to be allotted in terms of the ESPS 2015. The Trust will subscribe to the Shares of the Company from time to time, and the amount so lent to the Trust will be refunded to the Company upon the grant of shares to the Eligible Employees and realization of price, if any, by the Trust. The money so provided will be utilized solely for the purpose of acquiring Shares of the Company under ESPS 2015.
(n)	Maximum percentage of secondary acquisition (subject to limits specified under the Regulations) that can be made by the Trust for the purposes of ESPS 2015	No secondary market acquisition is envisaged for ESPS 2015.
(o)	A statement to the effect that the Company shall conform to the accounting policies specified in Regulation 15	The Company shall conform to the accounting policies specified in Regulation 15.
(p)	The method which the Company shall use to value its Shares	The Compensation Committee shall determine the Purchase Price, if any, of the Share(s) and the pricing formula, if any price is to be charged, for grant of Shares.
(q)	Statement of confirmation	In case the company opts for expensing of share based employee benefits using the intrinsic value, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value, shall be disclosed in the Directors' report and the impact of this difference on profits and on earnings per share ("EPS") of the company shall also be disclosed in the Directors' report.

### Item No. 2 and 3

As per the provisions of Section 67 of the Companies Act, 2013 read with Rule 16 of the Companies (Share Capital and Debentures) Rules, 2014 (including any statutory modification or re-enactment thereof for the time being in force), the Company shall make provision of money to the Havells Employees Welfare Trust or any other trust that may be set up by the Company ("Trust") for the holding and/ or subscription of shares issued by the Company, for the shares to be held by and/ or for benefit of the Eligible Employees of the Company, within the statutory limits, for the purposes of Havells Employees Stock Purchase Scheme 2015 ('ESPS 2015').

The Trust will acquire the shares issued by the Company by way of subscription of shares or hold the shares for the purposes of ESPS 2015.

The Company accordingly proposes the Resolution set out at Item No. 2 authorizing the Trust to acquire by way of subscription the shares issued by the Company and/ or hold the shares of the Company for the ESPS 2015 and the Resolution set out at Item No. 3 for provision of money to the Havells Employees Welfare Trust or any other trust that may be set up by the Company.

**Details about the limits for provision of money** - Subject to the overall limits prescribed under Rule 16 of the Companies (Share Capital and Debentures) Rules, 2014, the amount of loan provided by the Company to the Trust, from time to time, shall be worked out based on the total market value of the shares to be allotted in terms of the ESPS 2015.

**Details about terms, conditions, tenure and repayment terms for this loan** - The Trust will subscribe to the Shares of the Company from time to time, and the amount so lent to the Trust will be refunded to the Company/ adjusted upon the grant of shares to the Eligible Employees and realization of price, if any, by the Trust. The money so provided will be utilized solely for the purpose of acquiring Shares of the Company.

The Company and the Trust shall comply with all Applicable Laws.

The particulars as required under the said Rule 16 of the Companies (Share Capital and Debentures) Rules, 2014, are given hereunder:

**a) The class of employees for whose benefit ESPS 2015 is being implemented and money is being provided for subscription of the Company's shares:**

The ESPS 2015 is being implemented and money is being provided for subscription of the shares of the Company. The class of employees who are eligible subject to selection by the Compensation Committee are as under:

Any person determined by the Compensation Committee including Whole-time Director (Finance) and Group CFO, Executive President and such other select personnel shortlisted by the Compensation Committee from amongst (a) the Employees and/or (b) if and to the extent, permitted by applicable laws any other personnel, from time to time.

"Employees" shall mean:

- (a) the full time permanent employees of the Company, Directors of the Company whether a Whole-time Director or not but do not include:-
- (i) Directors of the Company, who either by himself/ herself or through any relative or body corporate, hold more than 10% of the Equity Share Capital of the Company;
  - (ii) employees who are Promoters of the Company or belong to the Promoter Group;
  - (iii) Independent Directors; and
- (b) the permanent employees of the present and future Indian/ Foreign subsidiary companies or of a holding company of the Company, Directors of the present and future Indian/ Foreign subsidiary companies or of a holding company of the Company, whether a Whole-time Director or not, but do not include:-
- (i) Directors of the Subsidiary Companies who either by himself/herself or through any relative or body corporate, hold more than 10% of the outstanding Equity Share Capital of the company; and
  - (ii) Employees of the Subsidiary Companies or of a holding company of the Company who are Promoters of the company or belong to the Promoter Group of the company.

**b) The particulars of the trustees or employees in whose favour such shares are to be registered:**

As ESPS 2015 is being implemented through the Trust, the Trust shall hold, subscribe to, and then issue, grant, allot or transfer the shares to the Eligible Employees in terms of the ESPS 2015, and in compliance with the Act, Regulations, Applicable Laws and the ESPS 2015.

**c) The particulars of Trust and name, address, occupation and nationality of trustees and their relationship with the promoters, directors or key managerial personnel, if any:**

The name of the Trust presently proposed to be used for the purpose is "Havells Employees Welfare Trust" and the principal office of Trust is at 1, Raj Narain Marg, Civil Lines, Delhi - 110054.

The particulars of the trustees are as under:

Name of the Trustee	Address	Occupation	Nationality
Shri Anil Kumar Bhasin	B-84, Pkt-4, Mayur Vihar, Phase-I, Delhi-110091	Service	Indian
Shri Bhagirath Singh Galgat	H. No. 274, Sector-4, Gurgaon-122001	Service	Indian
Shri Sanjay Johri	56-D, Pocket-I, DDA MIG Flats, Mayur Vihar-3, New Delhi-110096	Service	Indian

None of the trustees is promoter, or director or key managerial personnel of the Company nor is any of the trustee related to the promoters, directors or key managerial personnel in their personal capacity.

In future, additional trustees may be appointed/ existing trustees may be replaced either in addition to the above mentioned trustee or in their place, and all such appointments shall be in compliance with the Applicable Laws. Also in future in case any other Trust is proposed to be used for the said ESPS 2015 as may be decided by the Board, all conditions and requirements of the Regulations, the Act, and Applicable Laws shall be complied with in all respects including appointment and qualification of the trustees.

**d) Any interest of key managerial personnel, directors or promoters in such ESPS 2015 or Trust and effect thereof:**

The promoters are not eligible to be covered under ESPS 2015. However, key managerial personnel and/or directors may be covered as provided in ESPS 2015 in due compliance with the Regulations.

None of the key managerial personnel, director or promoter have any interest in the Trust.



**e) The detailed particulars of benefits which will accrue to the employees from the implementation of ESPS 2015:**

In compliance with the Regulations, the Eligible Employee(s) shall be granted shares under the ESPS 2015 with prescribed lock-in period, vesting and other terms and condition prescribed by the Compensation Committee.

The Eligible Employees shall benefit from the Shares granted to them as per ESPS 2015, and subject to vesting and release of lock-in conditions in terms of ESPS 2015.

**f) The details about who would exercise and how the voting rights in respect of the shares to be purchased under ESPS 2015 would be exercised:**

As per Regulations, the trustee shall not vote in respect of equity shares held in the Trust.

The voting rights can be exercised by the Eligible Employees only after the vesting conditions in respect of the equity shares granted to them have been fulfilled.

None of the directors or key managerial personnel of the Company including their relatives are, in any way, concerned or interested, financially or otherwise, in the proposed resolution except to the extent of grant of shares that may be made to them, if any, under ESPS 2015.

Your Directors recommend the Special Resolutions for your approval.

By order of the Board  
For Havells India Limited

Noida, 23<sup>rd</sup> September, 2015

Sanjay Kumar Gupta  
Company Secretary

Regd. Office : 1, Raj Narain Marg,  
Civil Lines, Delhi-110054

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# HAVELLS INDIA LIMITED

Regd. Office: 1, Raj Narain Marg, Civil Lines, Delhi-110054 CIN: L31900DL1983PLC016304  
Corp. Office: 'QRG Towers', 2D, Sector 126, Expressway, Noida-201304 (U.P.)  
Tel. # 0120-3331000; Fax # 0120-3332000; Email: investors@havells.com

## POSTAL BALLOT FORM

Sl. No.:

- Name of Shareholder(s) :  
(including joint holders, if any)
- Registered Address of the Sole/  
First named Shareholder :
- Registered Folio No./DPID No. &  
Client ID No.\* :  
(\*applicable to investors holding shares  
in dematerialized form)
- No. of Shares held :
- I/ We hereby exercise my/ our vote in respect of the Special Resolutions to be passed through Postal Ballot/ E-voting for the businesses stated in the Notice of the Company, enumerated below, by sending my/ our assent or dissent to the said Resolutions by placing tick (✓) mark in the appropriate boxes below:

Sl. No.	Description of Resolution(s)	No. of Shares (For which votes cast)	I/ We assent to the Resolution (FOR)	I/ We dissent to the Resolution (AGAINST)
(1)	Special Resolution for approval of Havells Employees Stock Purchase Scheme 2015 and its implementation through Trust			
(2)	Special Resolution for authorizing Havells Employees Welfare Trust to subscribe to share for and under the Havells Employees Stock Purchase Scheme 2015			
(3)	Special Resolution for provisioning of money by the Company to the Havells Employees Welfare Trust/Trustees for subscription of shares under the Havells Employees Stock Purchase Scheme 2015			

Place :

Date :

(Signature of the Shareholder)

Notes:

- Last date for receipt of Postal Ballot form by Scrutinizer is 2nd December, 2015.
- Please read the instructions printed over leaf carefully before completing this form.

### ELECTRONIC VOTING PARTICULARS

EVEN	USER ID	PASSWORD

## INSTRUCTIONS

Member(s) can opt only one mode for voting i.e. either by Physical Ballot or E-voting. In case you are opting for e-voting, then do not vote by Physical Ballot also and vice versa. However, in case votes are cast through both the modes, voting done by e-voting shall prevail and votes cast through physical Postal Ballot Form will be treated as invalid.

### PROCESS AND MANNER FOR MEMBERS OPTING FOR PHYSICAL VOTING

1. A Member desiring to exercise his vote by Postal Ballot may complete this Postal Ballot Form and send it to the Scrutinizer in the attached self-addressed Business Reply Envelope before the close of working hours (5 P.M.) on or before 2<sup>nd</sup> December, 2015. The postage will be borne and paid by the Company.
2. The self-addressed Business Reply Envelope is addressed to the Scrutinizer appointed by the Board of the Company.
3. The Members 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. 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 not later than the date specified in pt. (1) above.
4. This Postal Ballot Form should be completed and signed by the Member or Members, in case of joint holding as per the specimen signature registered with the Company/ Depository Participant by the first named Member and in his absence, by the next named joint holder.
5. Incomplete, unsigned and incorrect Postal Ballot Form will be rejected. The Scrutinizer's decision on the validity of the Postal Ballot shall be final and binding.
6. In case the shares are held by Body Corporate/ Trust, the duly completed Postal Ballot Form should be accompanied by a certified true copy of the Board Resolution/ Authorization together with the attested specimen signature of the authorised signatories.
7. Members are requested not to send any other paper (other than Board Resolution/ Authority as mentioned in the item no. 6 above) along with the Postal Ballot Form in the enclosed self-addressed Business Reply Envelope addressed to the Scrutinizer and any extraneous paper found in such envelope would be destroyed by the Scrutinizer.

### PROCESS AND MANNER FOR MEMBERS OPTING FOR E-VOTING

1. The Company also offers e-Voting facility. Please see the instructions below for details.
- A. In case of shareholders receiving e-mail from NSDL:**
  - a. Open e-mail and open PDF file viz; "HAVELLS e-Voting.pdf" with your Client ID or Folio No. as password containing your user ID and password for e-voting. Please note that the password is an initial password.
  - b. Launch internet browser by typing the following URL: <https://www.evoting.nsd.com/>
  - c. Click on "Shareholder - "Login"
  - d. Put user ID and password as initial password noted in step (a) above. Click Login.
  - e. Password change menu appears. Change the password with new password of your choice with minimum 8 digits/ characters or combination thereof. 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.
  - f. Home page of "e-voting" opens. Click on "e-voting; --- Active Voting Cycles."
  - g. Select "EVEN" of Havells India Limited.
  - h. Now you are ready for "e-voting" as "Cast Vote" page opens.
  - i. Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
  - j. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are also 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 [csbalikasharma.h@gmail.com](mailto:csbalikasharma.h@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
- B. In case of shareholders' receiving Postal Ballot Form by Post:**
  - a. Initial password is provided at the bottom of the Postal Ballot Form. Please follow all steps from Sl. No. (b) to Sl. No. (j) above, to cast vote.
2. **The E-voting period commences on 2<sup>nd</sup> November, 2015 (8:30 am) and ends on 2<sup>nd</sup> December, 2015 (5:00 pm). During this period Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. 16<sup>th</sup> October, 2015, may cast their vote electronically. The E-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, he or she will not be allowed to change it subsequently.**
3. If you are already registered with NSDL for e-voting then you can use your existing User ID and password for casting your vote.
4. You can update your mobile number and email ID in the user profile details of the folio which may be used for sending communication(s) regarding NSDL e-voting system in future.
5. 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.nsd.com](http://www.evoting.nsd.com)