



VA TECH WABAG LIMITED

CIN : L45205TN1995PLC030231

Registered Office: "WABAG HOUSE" No.17, 200 Feet Thoraipakkam – Pallavaram
Main Road, Sunnambu Kolathur, Chennai – 600 117

Tel: +91 44 3923 2323; **Fax:** + 91 44 3923 2324; **Website:** www.wabag.com

POSTAL BALLOT NOTICE

[Pursuant to Section 110 of the Companies Act, 2013, read with Rule 22 of The Companies (Management and Administration) Rules, 2014]

To,

The Members,

NOTICE is hereby given pursuant to the provisions of Section 110 of the Companies Act, 2013 ("Act") read with Rule 22 of The Companies (Management and Administration) Rules, 2014, including any statutory modification(s) or re-enactment thereof for the time being in force, Clause 35B of the Equity Listing Agreement and other applicable laws and regulations, to the shareholders of VA TECH WABAG LIMITED that it is proposed to transact the following businesses by the shareholders of the Company by passing the resolutions through Postal Ballot or E-Voting:

Resolution No.1

Approval for re-classification of the Authorised Share Capital and amendment to the Memorandum of Association

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

"RESOLVED THAT pursuant to the provisions of Section 13 and other applicable provisions, if any, of the Companies Act, 2013 and the rules framed thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and in accordance with the provisions of the Articles of Association of the Company and the Listing Agreements entered into by the Company with the Stock Exchanges where the shares of the Company are listed, approval of the members of the Company be and is hereby accorded for re-classification of the Authorised Share Capital of the Company from Rs.15,00,00,000 (Rupees Fifteen Crores Only) divided into 5,08,75,000 (Five Crores Eight Lakhs Seventy Five Thousand) Ordinary (Equity) Shares of Rs.2/- (Rupees Two Only) each and 48,25,000 (Forty Eight Lakhs Twenty Five Thousand) Preference Shares of Rs.10/- (Rupees Ten Only) each to Rs.15,00,00,000 (Rupees Fifteen Crores Only) divided into 7,50,00,000 (Seven Crores Fifty Lakhs) Equity Shares of Rs.2/- (Rupees Two Only) each and that the existing Clause V of the Memorandum of Association of the Company be replaced with the following new clause V:

V. The Authorised Share Capital of the Company is Rs.15,00,00,000 (Rupees Fifteen Crores Only) which shall consist of 7,50,00,000 (Seven Crores Fifty Lakhs) Equity Shares of Rs. 2/- (Rupees Two Only) each with such ordinary preferential or deferred rights, privileges and other conditions attaching thereto as may be provided by the regulations of the Company for the time being in force and operation with power to increase or reduce the capital of the Company and to divide the shares in the capital for the time being original or increased into different classes and to consolidate or sub-divide such Shares and to convert Shares into Stock and reconvert the Stock into Shares and to attach to such Shares or Stock such ordinary preferential or deferred rights, privileges and other conditions as may be provided by the regulations of the Company for the time being in force and operation.

"RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the Board of Directors of the Company (hereinafter referred to as "the Board", which term shall be deemed to include any committee constituted by the Board or any person(s) authorized by the Board in this regard) be and is hereby authorised to do all such acts, deeds, matters and things including but not limited to filing of necessary forms/documents with the appropriate authorities and to execute all such deeds, documents, instruments and writings as it may in its sole and absolute discretion deem necessary or expedient and to settle any question, difficulty or doubt that may arise in regard thereto."

Resolution No. 2

Approval for the Issue of Bonus Shares

To consider and, if thought fit, to pass with or without modification(s), the following resolution as an **ORDINARY RESOLUTION**:

“RESOLVED THAT pursuant to the provisions of Article 156, 157 of the Articles of Association of the Company and Section 63 and all other applicable provisions, if any, of the Companies Act, 2013 read with Rule 14 of The Companies (Share Capital and Debentures) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the Foreign Exchange Management Act, 1999, and in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, other applicable statutes, the Articles of Association of the Company and the Listing Agreements entered into by the Company with the Stock Exchanges where the shares of the Company are listed and subject to such approvals, consents, permissions and/or sanctions as may be required from the appropriate authorities, institutions or bodies (hereinafter collectively referred to as the “Concerned Authorities”) and subject to fulfilment of such conditions, if any, as may be required to be fulfilled in obtaining, or as may be stipulated by the Concerned Authorities from time to time in granting, any such approvals, consents, permissions or sanctions, the consent of the members of the Company be and is hereby accorded for capitalization of such sum standing to the credit of Securities Premium Account of the Company, as may be considered necessary by the Board of Directors of the Company (hereinafter referred to as “the Board”, which term shall be deemed to include any committee constituted by the Board or any person(s) authorized by the Board in this regard), for the purpose of issue of fully paid-up bonus shares of Rs.2/- (Rupees Two Only) each in the proportion of one equity share for every one equity share held by the members of the Company whose names appear in the Register of Members maintained by the Company/List of Beneficial Owners of the Depository as on the record date to be determined by the Board.”

“RESOLVED FURTHER THAT all such new shares as and when issued shall be subject to the Memorandum and Articles of Association of the Company and shall rank *pari passu* with the existing equity shares of the Company in all respects.”

“RESOLVED FURTHER THAT no allotment letters shall be issued to the allottees of the bonus shares and that the certificate(s) in respect of the bonus shares shall be issued and thereafter dispatched to the allottees thereof within the period prescribed or that may be prescribed in this regard, from time to time, except in respect of those allottees holding shares in dematerialized form whose shares shall be credited to their respective demat accounts.”

“RESOLVED FURTHER THAT the issue and allotment of the said bonus shares to the extent that relate to Non Resident Indians, Foreign Nationals, Foreign Institutional Investors, Foreign Corporate Bodies (including erstwhile Overseas Corporate Bodies) and other Foreign Investors of the Company, will be subject to the approval of the Reserve Bank of India or any other regulatory authorities, as may be required.”

“RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the Board 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 and as it may in its sole and absolute discretion deem necessary, expedient or incidental in regard to issue of bonus shares, including but without limitation to make appropriate adjustments to the stock options (whether vested, un-vested and yet to be granted) under the Employees Stock Option Plans, filing of any documents with the Securities and Exchange Board of India, Stock Exchanges where the shares of the Company are listed, Depositories, Ministry of Corporate Affairs and/or Concerned Authorities, applying and seeking necessary listing approvals from the Stock Exchanges and to settle any question, difficulty or doubt that may arise in regard thereto.”

By Order of the Board of Directors
for **VA TECH WABAG LIMITED**

Place: Chennai
Date: February 7, 2015

Rajiv Balakrishnan
Company Secretary & DGM – Investor Relations

NOTES –

1. An explanatory statement pursuant to Section 102 of the Act, setting out material facts and reasons for the proposed resolutions are appended herein below.
2. Pursuant to the provisions of Section 110 of the Act read with The Companies (Management and Administration) Rules, 2014, a Company is mandatorily required to, in case of certain prescribed items of special business and has an option in case of other items of special business to seek the approval of the shareholders through Postal Ballot, instead of getting it passed at a General Meeting. Accordingly, your approval is sought for the resolutions contained in this Notice through Postal Ballot.
3. Mr. S. Sandeep, Managing Partner, S. Sandeep & Associates, Company Secretaries (FCS No. 5853, COP No. 5987) has been appointed as Scrutinizer for conducting the postal ballot / e-voting process in accordance with the Act and the Rules made thereunder and in a fair and transparent manner.
4. As per Section 110 of the Act, read with Rule 22 of The Companies (Management and Administration) Rules, 2014, Notice of the Postal Ballot may be served on the members through electronic means. Members who have registered their e-mail IDs with the depositories or with the Company are being sent this Notice of Postal Ballot by e-mail and the members who have not registered their e-mail IDs will receive Notice of Postal Ballot along with the Postal Ballot Form by post.
5. The Postal Ballot Notice is being sent to all the shareholders whose names appear on the Register of Members/list of Beneficial Owners, as received from National Securities Depository Limited (NSDL)/Central Depository Services (India) Limited (CDSL) as at close of business hours on February 6, 2015.
6. A Postal Ballot Form and a postage prepaid self-addressed business reply envelope are attached to this Notice. The self-addressed envelope bears the address to which the duly completed Postal Ballot Form is to be sent.
7. In compliance with the provisions of Section 110 of the Act read with Rule 22 of The Companies (Management and Administration) Rules, 2014 and Clause 35B of the Listing Agreement(s) entered into by the Company with the Stock Exchange(s), the Company has also extended e-voting facility as an alternate, for its shareholders to enable them to cast their votes electronically instead of dispatching Postal Ballot Form. Details of e-voting facility are specified under instructions to the Postal Ballot Form.
8. The shareholders who have not received the Postal Ballot Form may e-mail to the Company at companysecretary@wabag.in or write to The Company Secretary, VA TECH WABAG LIMITED "WABAG HOUSE" No.17, 200 Feet Thoraipakkam–Pallavaram Main Road, Sunnambu Kolathur, Chennai – 600 117 for receiving the duplicate thereof.
9. The members desiring to exercise their vote by Postal Ballot are requested to carefully read the instructions printed in the Postal Ballot Form and record their assent (for) or dissent (against) to the items so listed, by returning the same duly completed and signed in the attached postage pre-paid self-addressed envelope. Postal Ballot Form(s), if sent by courier or registered/speed post at the expense of the Shareholder(s) will also be accepted. The Postal Ballot Form(s) may also be deposited personally at the address given thereon. The duly completed Postal Ballot Form(s) should reach the Scrutinizer on or before the closing of working hours of March 16, 2015, to be eligible for being considered, failing which, it will be strictly treated as if no reply has been received from the Shareholder(s). Unsigned Postal Ballot Form(s) will be rejected.
10. The Scrutinizer will submit his final report to the Chairman as soon as possible after the last date of receipt for Postal Ballot Forms but not later than the close of working hours of March 17, 2015.
11. The results of the voting by Postal Ballot will be declared/posted on the website of the Company www.wabag.com under the Investors Relations Section and intimated to the Stock Exchanges on which the shares of the Company are listed. The result of the Postal Ballot shall be published in the newspapers. The date of declaration of postal ballot result will be taken as the date of passing the resolutions.
12. The Notice of Postal Ballot is also placed on the website of the Company www.wabag.com under the Investor Relations Section.

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

Item No. 1 and 2

The equity shares of your Company are listed and actively traded on National Stock Exchange of India Limited and BSE Limited. With a view to encourage the participation of small investors by making equity shares of the Company affordable, increasing the liquidity of the equity shares and to expand the retail shareholders' base, the Board of Directors at their meeting held on February 7, 2015 considered, approved and recommended a bonus issue of one equity share for every one equity share held as on the 'record date' to be determined by the Board by capitalizing a part of the amount standing to the credit of Securities Premium Account of the Company.

The current Authorised Share Capital of your Company is Rs.15,00,00,000 (Rupees Fifteen Crores Only) which shall consist of 5,08,75,000 (Five Crores Eight Lakhs Seventy Five Thousand) Ordinary (Equity) Shares of Rs. 2/- (Rupees Two Only) each and 48,25,000 (Forty Eight Lakhs Twenty Five Thousand) Preference Shares of Rs. 10/- (Rupees Ten Only) each. The issue of bonus equity shares as aforesaid would require either increase in the Authorised Equity Share Capital of the Company and consequential alteration to the existing Clause V of the Memorandum of Association of the Company or alteration in the existing Clause V of the Memorandum of Association of the Company by re-classification of the Preference Share Capital of the Company into Equity Share Capital.

The Board of Directors at their meeting held on February 7, 2015 considered, approved and recommended for approval of the shareholders, re-classification of the Authorised Share Capital of the Company from Rs.15,00,00,000 (Rupees Fifteen Crores Only) divided into 5,08,75,000 (Five Crores Eight Lakhs Seventy Five Thousand) Ordinary (Equity) Shares of Rs.2/- (Rupees Two Only) each and 48,25,000 (Forty Eight Lakhs Twenty Five Thousand) Preference Shares of Rs.10/- (Rupees Ten Only) each to Rs.15,00,00,000 (Rupees Fifteen Crores Only) divided into 7,50,00,000 (Seven Crores Fifty Lakhs) Equity Shares of Rs.2/- (Rupees Two Only) each which necessitates consequential amendment to the Capital Clause of the Memorandum of Association.

The issue of bonus shares would, *inter alia*, require appropriate adjustments to the stock options (whether vested, un-vested or yet to be granted) under the Employees Stock Option Scheme 2010 of the Company implemented pursuant to the SEBI (Employee Stock Options Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and any amendments thereto from time to time such that all the options outstanding as on record date (vested and un-vested options including lapsed and forfeited options available for reissue) as well as stock options which are available for grant and those already granted but not exercised as on record date shall be proportionately adjusted. It is proposed to authorise the Board to take all necessary actions and to complete all the regulatory formalities in this regard.

Pursuant to the provisions of Sections 13, 63 and other applicable provisions of the Companies Act, 2013, the re-classification in the Authorised Share Capital, alteration of the Capital Clause of the Memorandum of Association and issue of bonus shares of the Company require approval of the members. Further, in terms of the provisions of Section 110 of the Companies Act, 2013 read with Rule 22 of The Companies (Management and Administration) Rules, 2014, the approval of the members may be taken through Postal Ballot instead of transacting such businesses at a General Meeting.

Accordingly, the Board recommends the resolution set forth in Item No.1 to be passed as a Special Resolution and Item No. 2 to be passed as an Ordinary Resolution by the members through Postal Ballot.

None of the Directors, Key Managerial Personnel and their relatives are concerned or interested, financially or otherwise, in the resolutions set forth in Item No. 1 and 2 of this Notice except to the extent of their shareholding in the Company.

By Order of the Board of Directors
for **VA TECH WABAG LIMITED**

Place: Chennai
Date: February 7, 2015

Rajiv Balakrishnan
Company Secretary & DGM – Investor Relations



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POSTAL BALLOT FORM

Serial No. :

1. Name and Registered address of the Sole / First :
named Shareholder

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

3. Registered Folio No./ *DP ID-Client ID No. :
(Applicable to the Shareholders holding shares in
dematerialized form)

4. Number of Shares held :

I / We hereby exercise my/our vote in respect of the following Resolutions to be passed through Postal Ballot for the businesses stated in the Postal Ballot Notice dated February 7, 2015 of the Company by sending my/our assent/dissent to the said Resolutions by placing the tick (✓) mark at the appropriate boxes below:

Sl.No	Description	Number of Shares for which Vote Cast	I/We Assent to the Resolution	I/We dissent to the Resolution
1.	Special Resolution for re-classification of the existing Authorised Share Capital of the Company from Rs.15,00,00,000 (Rupees Fifteen Crores Only) divided into 5,08,75,000 (Five Crores Eight Lakhs Seventy Five Thousand) Ordinary (Equity) Shares of Rs.2/- (Rupees Two Only) each and 48,25,000 (Forty Eight Lakhs Twenty Five Thousand) Preference Shares of Rs.10/- (Rupees Ten Only) each to Rs.15,00,00,000 (Rupees Fifteen Crores Only) divided into 7,50,00,000 (Seven Crores Fifty Lakhs) Equity Shares of Rs.2/- (Rupees Two Only) each and consequent amendment to the Capital Clause of the Memorandum of Association.			
2.	Ordinary Resolution to issue bonus shares in the proportion of one equity share for every one equity share held by the shareholders through capitalization of Securities Premium Account.			

Place :

Date :

(Signature(s) of the Shareholder(s))

-----x-----x-----x-----

Electronic Voting Particulars

EVEN (E- Voting Event Number)	USER ID	PASSWORD

Note: Please read carefully the instructions printed overleaf before completing this Form.

INSTRUCTIONS

1. The voting rights for the equity shares of the Company are one vote per equity share, registered in the name of the shareholders.
2. Voting rights shall be reckoned on the paid-up value of the shares registered in the name(s) of the shareholder(s) as at the close of business hours on February 6, 2015.
3. Voting by Postal Ballot, in the physical form or e-voting, can be exercised only by the shareholder or his/her duly constituted attorney or in case of bodies corporate, the duly authorised person. Voting rights in a Postal Ballot cannot be exercised by a Proxy.
4. Voting period commences on and from February 15, 2015, 9.00 A.M. (IST) and ends on March 16, 2015, 6.00 P.M (IST).
5. Kindly note that the shareholder(s) can opt for only one mode of voting, i.e. either Physical Ballot or e-voting. However, in case shareholders cast their vote by Physical Ballot and e-voting, then voting done through valid e-voting shall prevail and the voting done by physical Postal Ballot will be treated as invalid.
6. The Scrutinizer's decision on the validity of the Postal Ballot shall be final.
7. The results of the voting by Postal Ballot will be declared/posted on the website of the Company www.wabag.com under the Investor Relations Section and intimated to the Stock Exchanges on which the shares of the Company are listed. The results of the Postal Ballot shall be published in the newspapers. The date of declaration of postal ballot results will be taken as the date of passing the resolutions.
8. Any query in relation to the resolutions proposed to be passed by Postal Ballot may be sent to: The Company Secretary, VA TECH WABAG LIMITED, "WABAG HOUSE" No.17, 200 Feet Thoraipakkam – Pallavaram Main Road, Sunnambu Kolathur, Chennai – 600 117; e-mail id: companysecretary@wabag.in

INSTRUCTIONS FOR VOTING BY PHYSICAL POSTAL BALLOT FORM

1. A Shareholder desirous of exercising vote by physical Postal Ballot should complete the Postal Ballot Form in all respects and send it after signatures to the Scrutinizer in the attached self-addressed postal pre-paid envelope which shall be properly sealed with adhesive or adhesive tape. Postal Ballot Form(s), if deposited in person or sent by courier or registered / speed post at the expense of the shareholder will also be accepted. The shareholders are requested to convey their assent or dissent in the enclosed Postal Ballot Form only. The assent or dissent received in any other form or manner shall be considered as invalid.
2. The self-addressed business reply envelope bears the name of the Scrutinizer appointed by the Board of Directors of the Company and the address to which the same needs to be dispatched.
3. The Postal Ballot Form should be signed by the shareholder as per the specimen signatures registered with the Registrar and Share Transfer Agent / Depository(ies). In case the equity shares are jointly held, Postal Ballot Form should be completed and signed (as per specimen signatures registered with Registrar/Depository) by the first named shareholder and in his/her absence, by the next named shareholder. Holder(s) of Power of Attorney(s) (POA) on behalf of the shareholder(s) may vote on the Postal Ballot enclosing an attested copy of the POA. Unsigned Postal Ballot Forms will be rejected.
4. In case of equity shares held by the shareholders other than individual shareholders, the duly completed Postal Ballot Form should be signed by the authorized signatory, whose signature is already registered with the Registrar and Share Transfer Agent or it should be accompanied by a certified copy of Board Resolution/authority and with attested specimen signature(s) of the duly authorised signatories giving requisite authorities to the person voting on the Postal Ballot Form.
5. Duly completed Postal Ballot Form should reach the Scrutinizer not later than close of working hours of March 16, 2015. Postal Ballot Form received after this date will be treated as if reply from such Shareholder has not been received. The shareholders are requested to send the duly completed Postal Ballot Form well before the last date providing sufficient time for the postal transit.
6. Shareholders are requested not to send any paper (other than the Resolution/ authority as mentioned under instruction above) along with the Postal Ballot Form in the enclosed self-addressed postage pre-paid envelope as all such envelopes will be sent to the Scrutinizer and if any extraneous paper is found in such envelope, the same would not be considered and would be destroyed by the Scrutinizer.
7. There will be only one Postal Ballot Form for every folio / client ID irrespective of the number of the joint shareholders. In case a Member is desirous of obtaining a printed postal ballot form or a duplicate, he or she may send an e-mail to companysecretary@wabag.in or write to The Company Secretary, VA TECH WABAG LIMITED "WABAG HOUSE" No.17, 200 Feet Thoraipakkam – Pallavaram Main Road, Sunnambu Kolathur, Chennai – 600 117. On receipt of duplicate Postal Ballot Form, the original shall be rejected.
8. The votes should be cast either in favour of or against by putting the tick (✓) mark in the column provided for assent or dissent. Postal Ballot Form bearing (✓) in both the columns will render the Form invalid.
9. Incomplete, unsigned or incorrectly filled Postal Ballot Form shall be rejected.

INSTRUCTIONS FOR E-VOTING

- In case a member receives an e-mail from Karvy (applicable to members whose e-mail IDs are registered with the Company / Depository Participant(s))
- i. The said email contains your user ID and password / PIN for e-voting. Please note that the password is an initial password.
 - ii. Use the following URL for e-voting: <http://evoting.karvy.com>
 - iii. Enter the login credentials (please refer to the user id and initial password mentioned in the e-mail).
 - iv. After entering the details appropriately, click on LOGIN.
 - v. 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, 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 not to share your password with any other person and take utmost care to keep your password confidential.
 - vi. You need to login again with the new credentials.
 - vii. On successful login, the system will prompt you to select the EVEN (E-Voting Event Number) VA TECH WABAG LIMITED provided in the email. However, if you are already registered with Karvy for e-voting, you can use your existing User ID and password for casting your vote.
 - viii. 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.
 - ix. 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.
 - x. Once the vote on the resolution is cast by the shareholder, he shall not be allowed to change it subsequently.
 - xi. Shareholders of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date, may cast their vote electronically.
 - xii. Shareholders holding multiple folios / demat account shall choose the voting process separately for each folios / demat account.
 - xiii. 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 sandeep@sandeep-cs.in with a copy marked to evoting@karvy.com.
 - xiv. 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 download section of <http://evoting.karvy.com> or contact M/s. Karvy Computershare Private Limited at Tel No. 1-800-3454-001 (toll free).
