



PI INDUSTRIES LIMITED

Regd Office: Udaisagar Road, Udaipur – 313 001 (Rajasthan)
Corp. Office: 5th Floor, Vipul Square, B- Block, Sushant Lok, Phase – I, Gurgaon – 122 009
Phone: 0124-6790000 Fax: 0124 – 4081247
Website:- www.piindustries.com

POSTAL BALLOT NOTICE (Pursuant to Section 192A of the Companies Act, 1956)

Dear Member(s),

The Board of Directors of the Company has at its Meeting held on 12th February, 2013 approved a proposal to sub-divide one Equity Share of the face value of Rs. 5/- each fully paid-up in the Equity Share Capital of the Company in to 5 (five) Equity Shares of the face value of Re. 1/- each fully paid-up and carry out consequential amendments to the existing Clause V of the Memorandum of Association of the Company.

Although not mandatory, the Board is seeking Member's approval through Postal Ballot process instead of convening a general meeting, to facilitate a wider participation in the decision making process by the Members.

Accordingly, draft of the proposed resolution together with the Explanatory Statement setting out the material facts and reasons for the Resolution is being sent to you along with a Postal Ballot Form for your consideration. The Company has appointed Mr A.K Friends, Practising Company Secretary, as a Scrutinizer, for conducting the Postal Ballot in a fair and transparent manner and in accordance with the provisions of the Act and Rules framed thereunder.

You are requested to carefully read the instructions printed on the Postal Ballot Form and the Notice and return the completed Form in the enclosed self-addressed pre-paid postage envelope (if posted in India), so as to reach the Scrutinizer, at the Corporate Office of the Company at 5th Floor, Vipul Square, B- Block, Sushant Lok, Phase – I, Gurgaon – 122009, on or **before close of business hours on Saturday, the 30th day of March, 2013, the last date for the receipt of the completed Postal ballot Forms.**

E-Voting Option

We are pleased to offer E-Voting facility also as an alternate for our members which would enable you to cast your votes electronically, instead of Physical Postal Ballot form, e-Voting is optional. For this purpose, the Company has entered into an agreement with NSDL for facilitating e-Voting to enable the Shareholders to cast their votes electronically instead of dispatching Postal Ballot Form. Please carefully read and follow the instructions on e-Voting printed in this Notice.

The Scrutinizer will submit his report to the Chairman & Managing Director of the Company, upon completion of scrutiny of Postal Ballots in a fair and transparent manner and the result of the Postal Ballot will be announced on **Wednesday, 3rd April, 2013** at the Registered Office of the Company. The result of the Postal ballot will also be displayed at the notice board at Regd. Office of the company and posted on the Company's website www.piindustries.com, besides communicating the same to the National Stock Exchange of India Limited and BSE Limited. The result of the Postal Ballot shall also be announced through newspaper advertisement.

Special Business

Item No. 1

Sub-division of equity 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 Sec 16, 94 and other applicable provisions, if any, of the Companies Act, 1956 ("the Act") or any other law for the time being in force (including any statutory modification or re-enactment thereof) and the provisions of the Articles of Association of the Company and subject to such approval(s), permission(s), sanction(s), confirmation(s), as may be required under any law for time being in force, the consent of the Company be and is hereby accorded for sub-division of the existing equity shares of face value of Rs. 5/- each of the Company in to 5 equity shares of Re. 1/- each.

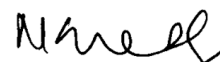
RESOLVED FURTHER THAT the existing Clause V of the Memorandum of Association be and is hereby substituted in the manner as set out under:-

"The Authorised Share Capital of the Company is Rs. 70,00,00,000/- (Rupees Seventy Crores only) divided in to 20,00,00,000 (Twenty Crores) Equity Shares of Re. 1/- (Rupees one only) each; 50,00,000 (Fifty lac) Preference Shares of Rs. 100/- (Rupees Hundred only) each; with such rights, privileges and conditions attaching thereto as may for the time being be provided by the regulations of the Company. The Company shall have power to increase or reduce the capital or divide the capital for the time being in to several classes; to issue any shares with special rights or privileges as to voting, dividend (including rate of dividend of preference shares), repayment of capital or otherwise, or to subject the shares, to any restrictions, limitations and conditions and to vary, modify or abrogate any such rights, privileges, restrictions or conditions. The rights of the holders of any class of shares for the time being forming part of the capital of the Company may be modified, affected, varied, extended or surrendered in such manner as may for the time being be provided by the regulations of the Company."

"RESOLVED FURTHER THAT the existing share certificate(s) in relation to the equity shares capital held in physical form be cancelled and new share certificate(s) be issued in respect of the equity shares held by the members of the Company consequent upon the sub-division of the equity shares as aforesaid and in case of shares held in dematerialized form, the sub-divided equity shares be credited to the respective demat accounts of the beneficiaries in lieu of the existing equity shares held by them."

'RESOLVED FURTHER THAT the Board of Directors of the Company ("the Board", which expression shall also include a duly constituted Committee thereof) be and is hereby authorised to do all such acts, deeds and things and to delegate all or any of the powers vested in the Board to any Director(s) or Officer(s) of the Company as may be required to give effect to the above resolution".

By Order of the Board
For **PI INDUSTRIES LIMITED**



NARESH KAPOOR
Company Secretary

Regd Office:

Udaisagar Road,
Udaipur -313001
Rajasthan

Dated: 12th February, 2013

NOTES:

1. **Voting period commences on and from 1st March 2013 and ends on 30th March, 2013.**
2. The Explanatory Statement pursuant to Section 173(2) read with Section 192A(2) of the Companies Act, 1956 is annexed hereto and forms part of this Notice.
3. The Notice is being sent to all the members by post (and electronically by e-mail to those members who have registered their e-mail IDs with the Company), whose names appear in the Register of Members / Record of Depositories as on Friday, the 15th day of February, 2013.
4. The Company has appointed Mr. A.K. Friends, Practicing Company Secretary, as the "Scrutinizer" to conduct the Postal Ballot process in a fair and transparent manner.
5. All relevant documents referred to in the accompanying Explanatory Statement are open for inspection at the Registered Office of the Company on all working days (Monday to Friday) between 2:00 P.M. to 4:00 P.M. up to Saturday, the 30th day of March 2013 (i.e the last date for receiving of postal ballots/e-Votes).

INSTRUCTIONS FOR VOTING

Kindly note that each Member can opt for only one mode for voting i.e. either by Physical Ballot or by E-Voting. If you opt for E-Voting, then please do not vote by Physical Ballot and vice versa. In case Member(s) do cast their vote via both modes i.e. Physical Ballot as well as E-Voting, then voting done through a valid Physical Postal Ballot Form shall prevail and E-Voting of that member shall be treated as invalid.

E-VOTING

6. In compliance with provisions of Section 192A of the Act read with the Companies (Passing of the Resolution by Postal Ballot) Rules, 2011, the Company is pleased to offer E-Voting facility as an alternate, for its Members, to enable them to cast their votes electronically instead of dispatching Postal Ballot Form. The E-Votes should be casted not later than the close of day of 30th March, 2013. E-Voting is optional. The procedure and instructions for the same are as follows:

A. In case of Members' receiving E-Mail from NSDL

- i. Open E-Mail and open PDF file viz: "PI INDUSTRIES E-Voting.pdf" with your Client ID or Folio Number as password. The said PDF file contains your user ID and password for E-Voting. Please note that the password is an initial password.
- ii. Open your web browser during the voting period and log on to the e-voting website <https://www.evoting.nsdl.com/>
- iii. Click on "Shareholders" tab to cast your vote.
- iv. Enter your user ID and password as initial password noted in Step (i) above. Click LOGIN.
- v. Password Change menu appears. Change the initial password with new password of your choice. The new password has to be minimum eight digits / characters or combination thereof. Note new password. Kindly note that this password is to be used by the holders for voting for resolution of any other Company on which they are eligible to vote, provided that Company opts for E-Voting through NSDL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- vi. Home-page of "E-Voting" opens. Click on "E-Voting": Active Voting Cycles.
- vii. Select "EVEN" of PI INDUSTRIES LIMITED (i.e the Electronic Voting Event Number), from the drop down menu.
- viii. Now you are ready for "E-Voting" as "Cast Vote" page opens.
- ix. Then cast your vote by selecting appropriate options and click on "SUBMIT" and also "CONFIRM" when prompted. Once you CONFIRM your vote on the resolution, you will not be allowed to modify your vote.
- x. 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 authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail at: akfriends38@yahoo.co.in or investor.grievance@piind.com with a copy marked to evoting@nsdl.co.in

B. In case of Members' receiving Postal Ballot Form by Post

I. Initial password is provided as below/at the bottom of the Postal Ballot Form in following format.

EVEN (Electronic Voting Event Number)	USER ID	PASSWORD

EXPLANATORY STATEMENT AND REASONS FOR THE PROPOSED RESOLUTIONS ACCOMPANYING THE NOTICE DATED FEBRUARY 12, 2013 PURSUANT TO SECTION 173(2) READ WITH SECTION 192A(2) OF THE COMPANIES ACT, 1956.

ITEM No. 1

The Equity Shares of your Company are listed and traded on National Stock Exchange of India Ltd. (NSE) and BSE Limited. The market price of the Equity Shares of your Company has witnessed significant rise over a period of time. Such high price of the Equity Shares of the Company deprives the small retail investors from trading in your Company's Equity Shares, thus resulting to reduction in the liquidity of the Equity Shares of your Company in the Stock Market.

In order to improve the liquidity of your Company's Equity Shares in the Stock Market and to make it more affordable to the small investors to invest in the Company, the Board of Directors of the Company, at its Meeting held on 12th February, 2013, considered it desirable to sub-divide the nominal value of the equity share capital of the Company from Rs. 5/- per share to Re. 1/- per share as proposed in the resolution.

The aforesaid sub-division would require substitution of the existing Capital Clause V of the Memorandum of Association of the Company by new Clause V as detailed in the resolution.

The sub-division of Equity shares would inter-alia, require appropriate adjustments to be made to the number of options granted and outstanding as at the Record Date and the exercise price, in accordance with the provisions of the PII ESOP Scheme – 2010 and SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999.

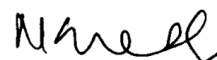
Upon approval of the shareholders for sub-division of equity shares, in case the shares are held in physical, the old share certificates of face value of Rs. 5/- each shall stand cancelled on the record date and the new share certificates will be sent to the shareholders within 15 days of the record date. In case the shares are in dematerialized form, the sub-divided shares will be directly credited to the shareholders demat account on the record date in lieu of their existing shares.

The Record date for the aforesaid sub-division of the Equity Shares will be fixed by the Company after the approval of the Members is obtained.

Accordingly, the Board recommend the resolution as set out at Item no. 1 for approval of the shareholders as an ordinary resolution through Postal Ballot.

The Directors of the Company are deemed to be concerned or interested in the resolution only to the extent of shares held by them in the Company.

By Order of the Board
For **PI INDUSTRIES LIMITED**



NARESH KAPOOR
Company Secretary

Regd Office:

Udaisagar Road,
Udaipur -313001
Rajasthan

Dated: 12th February, 2013