



SRM ENERGY LIMITED

CIN: L17100DL1985PLC303047

REGD. & ADMIN OFFICE: UNIT NO. 206, 2ND FLOOR, SUNEJA TOWER-2, DISTRICT CENTRE, JANAKPURI, NEW DELHI-110058

TEL. NO. +91-011-40234327 | **Website:** www.srmenergy.in | **Email:** info@srmenergy.in

POSTAL BALLOT NOTICE

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

Dear Member(s),

NOTICE IS HEREBY GIVEN that the resolution as set out in this notice is proposed for consideration by Members of SRM Energy Limited (“the Company”) for passing by means of postal ballot / electronic voting (“e-voting”) under Section 110 of the Companies Act, 2013 (“Companies Act”), including any statutory modification(s) or re-enactment thereof for the time being in force, read with Rule 22 of the Companies (Management and Administration) Rules, 2014 (“the Rules”) Regulation 44 of The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), Secretarial Standard-2 on General Meetings (“SS-2”) issued by the Institute of the Company Secretaries of India and other applicable provisions or re-enactments thereof.

An Explanatory Statement pursuant to Section 102 of the Companies Act and other applicable provisions of the Act, pertaining to the proposed Resolutions setting out the material facts and the reasons thereof, is appended along with the postal ballot form which is being sent to the Members for their consideration.

The Board of Directors of the Company has appointed Mr. Satish Kumar Nirankar, Practicing Company Secretary (C.P. No.19993), as the Scrutinizer for conducting the postal ballot / e-voting process in a fair and transparent manner.

Members desiring to exercise their vote by means of postal ballot are requested to carefully read the instructions indicated in the Notice and printed overleaf of the Postal Ballot Form and return the same duly completed giving their assent (for) or dissent (against) in the enclosed self-addressed postage pre-paid Business Reply Envelope. So as to reach the Scrutinizer not later than **Sunday, 21st April, 2019 at 05:00 P.M.** at the following address;

Mr. Satish Kumar Nirankar (Scrutinizer)

Unit: SRM Energy Limited

B-904, Sethi Max Royal, Sector-76, Noida (U.P.)-201301

Postal Ballot Form(s) deposited in person or sent by post or courier at the expense of the Member will also be accepted. Any postal ballot form received on or after aforesaid date or time shall strictly be considered that no reply has been received from the Member.

In compliance with the provisions of Section 108 and 110 of the Companies Act, read with Rules 20 and 22 of the Rules and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Secretarial Standard – 2 on General Meetings (“SS-2”) issued by the Institute of the Company Secretaries of India, the company has arranged the facility of e-voting for the Members to enable them to cast their votes electronically. Members are requested to read the instructions in the Notes under the section “**Instructions for e-Voting**”. Members may note that the e-voting facility will remain open from **Saturday, 23rd March, 2019 at 09:00 A.M. and ends on Sunday, 21st April, 2019 at 05:00 P.M.**

Upon completion of the scrutiny of the Postal Ballot Forms and votes cast through e-voting in a fair and transparent manner, the Scrutinizer will submit his report to the Chairman or any other person authorised by him, within the stipulated time, i.e., **on or before 23rd April, 2019 at 5:00 P.M.** The results of Postal Ballot shall be declared on or before **Tuesday, 23rd April, 2019 at 5:00 P.M.** at the Registered Office of the Company at Unit No. 206, 2nd Floor, Suneja Tower-II, District Centre, Janakpuri, New Delhi 110058 and shall be placed along with the Scrutinizer’s Report on the Company’s website at www.srmenergy.in and communicated to BSE Limited and CSDL (e-voting agency).

Resolution by means of Postal Ballot

Item No. 1: Approval of Shareholders to sale/ transfer, assign, deliver or otherwise dispose off the Land for the Power plant admeasuring 215.140 acres currently in the name of its Wholly owned Subsidiary Company viz. SRM Energy Tamilnadu Private Limited (“SETPL”) towards using the sale proceeds to settle partially the loan extended by Mr. Gagan Rastogi in favour of the wholly owned subsidiary.

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 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) (“the Act”) read with Companies (Management and Administration) Rules, 2014 and provision of the Memorandum and Articles of Association of the Company and subject to other applicable statutory provisions, rules, regulations, guidelines and also subject to necessary approvals, consents, permissions and sanctions, if any, from the concerned Authorities and such terms and conditions as may be imposed by them, consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as “the Board” which shall be deemed to include any Committee of Directors or official(s) of the Company for the time being authorized by the Board to exercise the powers conferred on the Board by this resolution), to sale/ transfer, assign, deliver or otherwise dispose off the Land for the Power plant admeasuring 215.140 acres currently in the name of the Wholly owned Subsidiary Company viz. SRM Energy Tamilnadu Private Limited, to the suitable/prospective buyers/ Investors/ or any other third party/ies for such consideration as may be decided by the Board of Directors of the Company after due negotiations with such prospective buyers/investors/parties, to utilize the sale proceeds to settle partially the loan extended by Mr. Gagan Rastogi in favour of the wholly owned subsidiary.”

“RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorized to do and perform or cause to be done all such acts, deeds, matters and things, as may be required or deemed necessary or incidental thereto and to settle and finalise all issues that may arise in this regard, without further referring to the Members of the Company, including without limitation, negotiating, finalising and executing necessary agreements, memoranda, deeds of assignment/ conveyance and such other documents as may be deemed necessary or expedient in its own discretion and in the best interest of the Company, and to delegate all or any of the powers or authorities herein conferred to any Director(s) or other official(s) of the Company, or to engage any advisor, advocate, consultant, agent or intermediary, as may be deemed necessary for the execution of the aforesaid resolution.”

**By Order of the Board
FOR SRM Energy Limited**

**(Suvindra Kumar)
Company Secretary & Compliance Officer
ACS-22747**

Registered Office:

Unit No. 206, 2nd Floor,
Suneja Tower-II, District Centre,
Janakpuri, New Delhi 110058

Date: 15th March, 2019

Place: New Delhi

NOTES:

1. The explanatory statement pursuant to Section 102 of the Companies Act, 2013, setting out the material facts and reasons for the proposed Special Resolution at Item No. 1 above to be passed through Postal Ballot/E-voting, is appended herein below alongwith the Postal Ballot Form for your consideration.
2. The Postal Ballot Notice is being sent to all the Members, whose names appear in the Register of Members / List of Beneficial Owners, as received from the Depositories, National Securities Depository Limited (“NSDL”) / Central Depository Services (India) Limited (“CDSL”) as on close of business hours on Friday, 15th March, 2019 (“Cut Off Date”), in accordance with the provisions of Section 110 of the Companies Act, 2013 read with Rule 20 and Rule 22 of the Companies (Management and Administration) Rules, 2014, this Postal Ballot Notice is being sent by e-mail to those members who have registered their e-mail address with the Company (in respect of shares held in Physical Form) or with their Depository Participants (in respect of shares held in electronic form) and made available to the Company by the Depositories. Members who have not registered their e-mail address will receive this Postal Ballot Notice along with the Postal Ballot Form through permissible mode.
3. Members whose names appear on the Register of Members/List of Beneficial Owners as on the **Cut-Off Date i.e. Friday, 15th March, 2019** will be considered for the purpose of voting. A person who is not a member as on the relevant date should treat this notice for information purposes only.
4. The Postal ballot period commences on **Saturday, 23rd March, 2019 at 09:00 A.M. and ends on Sunday, 21st April, 2019 at 05:00 P.M.**
5. *Members desirous of obtaining a printed Postal Ballot Form or a duplicate of it can send an email to the Company at the designated email id, i.e., cs@srmenenergy.in or may send a letter to the Registered office or may also contact on Telephone No. – 011-40234327, the shareholders may also contact to the Registrar and Share Transfer Agents (RTA) of the Company, M/s. MCS Share Transfer Agent Limited, F-65, 1st Floor, Okhla Industrial Area, Phase-I, New Delhi-110020, Telephone No.-011-41406149/50. The Company/RTA shall forward the same along with self-addressed Business Reply Envelope to the Members.*
6. The Board of Directors of the Company has appointed Mr. Satish Kumar Nirankar, proprietor of S K Nirankar & Associates (C.P. No. 19993), Practising Company Secretaries as the Scrutinizer to scrutinize the postal ballot/ e-voting process in a fair and transparent manner.
7. The Scrutinizer will submit his report to Chairman, after completion of Scrutiny of Postal Ballot (including e-voting). The results of the Postal Ballot shall be announced on or before Tuesday, 23rd April, 2019 at the registered office of the Company and shall be communicated to the BSE Limited where the equity shares of the Company are listed and CDSL, the E-voting agency. The Resolutions will be taken as passed effectively on the date of announcement of the result by the Chairman, if it indicates that the requisite majority of the members had assented to the same.
8. The Scrutinizer’s decision on the validity of a postal ballot/e-voting will be final.
9. Resolution assented to by the requisite majority of the Members by means of Postal Ballot including voting by electronic means shall be deemed to have been duly passed at a General Meeting of the Members.
10. The relevant documents referred to in the accompanying Notice and Explanatory Statement will be provided for inspection by the members at the Registered Office of the Company during working days (except Saturday and Public Holidays) between 11.00 A.M. and 5.00 P.M. from the date of dispatch of this notice till 21st April, 2019, (the last date of voting).
11. Please read the voting instructions carefully as detailed in Postal Ballot Form before exercising vote.
12. 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(s) will be treated as invalid.
13. Members wishing to exercise their vote by physical postal ballot are requested to carefully read instructions printed on the Postal Ballot Form and return the Form duly completed and signed, in the enclosed self-addressed postage pre-paid Business Reply Envelope to the Scrutinizer, so that it reaches the Scrutinizer not later than 5:00 P.M. on Sunday, 21st April, 2019. The postage will be borne by the Company. However, envelopes containing postal ballots, if sent by courier or registered/ speed post at the expense of the Members will also be accepted. Postal ballot Forms received after 5:00 P.M. on Sunday, 21st April, 2019 shall be deemed invalid.
14. In compliance with Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Sections 108, 110 and any other applicable provisions of the Companies Act, 2013 read with Rules made thereunder, the Company has provided the facility to the Members to exercise their votes electronically and vote on the resolution through the e-voting facility provided by CDSL. The instructions for electronic voting are annexed to this notice.

15. As per Rule 22 of the Companies (Management and Administration) Rules, 2014, inter-alia details of dispatch of Notice and Postal Ballot Form to the Shareholders will be published in at least one English language and one vernacular language of the newspaper where the registered office of the Company is situated.
16. A member cannot exercise his/her vote by Proxy on Postal Ballot.
17. In case of any queries, shareholders may contact the following addressee;
 - (a) **the Company's Registered Office at Unit No. 206, 2nd Floor, Suneja Tower-II, District Centre, Janakpuri, New Delhi-110058, Tel. No. 011-40234327.**
 - (b) **the Company's Registrar at MCS Share Transfer Agent Limited, F 65, 1st Floor, Okhla Industrial Area Phase I, New Delhi-110020, Tel. No. 011-41406149/50.**

THE COMPANY HAS ENGAGED THE SERVICES OF CENTRAL DEPOSITORY SERVICES (INDIA) LIMITED (CDSL) FOR THE PURPOSE OF PROVIDING E-VOTING FACILITY TO ALL ITS MEMBERS.

INSTRUCTIONS FOR E-VOTING

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on **Saturday, 23rd March, 2019 at 09:00 A.M. and ends on Sunday, 21st April, 2019 at 05:00 P.M.** During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) i.e. Friday, 15th March, 2019, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website **www.evotingindia.com**.
- (iii) Click on 'Shareholders/Members' tab.
- (iv) Now Enter your User ID.
 - (a) For CDSL: 16 digits beneficiary ID,
 - (b) For NSDL: 8 Characters DP ID followed by 8 Digits Client ID,
 - (c) Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <p>Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</p> <p>In case the sequence number is less than 8 digits enter the applicable number of 0's (Zeros) before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</p>
DOB	Enter the Date of Birth as recorded in your Demat account or in the company records for the said Demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or folio.</p> <p>Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field.</p>

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login

password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant to SRM Energy Limited on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take the print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Note for Non – Individual Shareholders and Custodians
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013

Item No. 1

The Company had intended to set up a Thermal Power Project with 3X660 MW i.e. 1980 MW capacity through SRM Energy Tamilnadu Private Limited ("**SETPL**" i.e. the wholly owned subsidiary of the Company), in the state of Tamilnadu. The said project could not be established and at present and all day to day working expenses (majorly statutory/legal/administrative expenses) are borne via funds infused by way of loan to the company by Mr. Gagan Rastogi, the Director of SETPL.

The implementation of the project required huge amount of investments and considering the financial conditions of the Company, the management considered to induct financial/strategic investors into the SETPL to fulfill/infuse funds through equity or otherwise, which was necessary for the implementation of the aforesaid Project.

Meanwhile, the management had put in its efforts to find the investors for the project, through the Merchant Bankers, but the same did not materialize, majorly due to:

- Current investment by the promoters of approx Rs. 50 crores being very low vis-a-vis the amount of investment needed for the implementation of the project, which is estimated to be around 12,000 crores.
- The unfavourable Industrial scenario, Govt. policies, Company's current status of approvals, status for the land acquisitions and its financial health etc.

Accordingly, the said project is stalled due to adverse market situation, lack of investors and other unavoidable circumstances. In the meanwhile Mr. Gagan Rastogi had repeatedly enquired about the payment of his loan so provided to SETPL.

After considering aforesaid efforts w.r.t the implementation of the project, and various other factors w.r.t the implementation and also after considering the repeated demand of Mr. Gagan Rastogi for the repayment of his loan, the SETPL requested our Company for the suitable help, guidance/future course of action in this matter. The Company informed the SETPL that it is not in a position to extend any financial support that can be utilize for the implementation of the project or either repayment of loan of Mr. Gagan Rastogi. Accordingly, the Board of Directors of the Company, at its meeting held on 09th March, 2015 had considered to sell/dispose off land for the Power plant in the name of wholly owned subsidiary, subject to necessary approvals from the shareholders and other statutory authorities, if any.

However, this could not materialize, as the Company was looking for various other options, though your directors were updating you on regular basis in the previous annual reports w.r.t the status/updates in the aforesaid matter. We have also updated your good self about the unfavorable financial conditions of the Company due to non-implementation of said power project.

Further, the Members are requested to note that, Mr. Gagan Rastogi, the Director of SETPL has been infusing funds into SETPL by way of loan. The loan so procured from him is mainly utilize by SETPL for meeting its statutory/legal/administrative expenses and also for finding out the investors of the Company. Mr. Gagan Rastogi since 2014 have been repeatedly requesting the SETPL to consider for the repayment of his loan, which could not be repaid till date due to the various reasons, mainly the inadequate financial position of the Company. However, in the previous year, the Wholly owned subsidiary had settled part of the loan of Mr. Gagan Rastogi with an amount of Rs. 9.257 crore by way of assigning the amount as receivable from Krishna Enterprises, in his favour, through a MOU and assignment agreement on "as is where is basis". Upon being settled with the said amount, Mr. Rastogi further raised his concern about the settlement of the rest of his loan amount as advanced to the SETPL. The loan balance is Rs. 43,42,86,000/- (as on 15.03.2019).

Mr. Gagan Rastogi has made it clear many times that, in spite of his adverse financial position, he has been infusing funds into the SETPL with a mere intention and concern to safeguard his investment and avoiding it become bad in due course. The SETPL being the wholly owned subsidiary of the Company and with no business operations as on date, requested our Company, seeking financial assistance and suitable guidance for settlement of loan provided by Mr. Gagan Rastogi.

After considering all factual situation and financial status of the Company along with the inability to support SETPL financially, the board discussed/deliberated all the possible ways/options available to deal with the prevailing situations and thereafter they concluded with an option that if any assets of the Subsidiary Company (SETPL) could be offered to Mr. Gagan Rastogi towards the settlement, (up to certain extent) of his loan extended to SETPL. The Board also advised SETPL to request Mr. Rastogi to grant suitable time to take some concluding action for settlement of his loan and also to continue funding to the company during this period, so that the company could take suitable decision in the matter.

The Board of your Company in its meeting held on 26th May, 2017 had consented to make an offer to Mr. Rastogi as a settlement of his loan to the extent of the value of the available assets of the subsidiary, i.e., the Land to the extent of 215.140 acres, after having the fresh evaluations by the independent valuers, and accordingly it was arranged to appoint two independent valuers for the survey and evaluation of the Land. In present scenario the SETPL is having inadequate financial position and it is left with no other option other than as mentioned above i.e. offering its Assets/Land for settlement of Loan.

The board of Subsidiary Company had arranged to get the valuation of the Land done by two independent valuers, namely M/s. D. Parthasarthy Associates an ISO 9001:2008 Certified entity, based in Chennai, and Er. V. Gopalakrishnan a category-1 valuer also based in Chennai, they valued the land to Rs. 9.50 crores and 9.75 crores, respectively. Such Valuation Report are available at the Regd. Office of the Company which shall be available for inspection by the shareholder during the voting period as mentioned in the Notice.

Upon completion of the valuation, a proposal was made to Mr. Gagan Rastogi to accept the ownership of the land with its current value as partial settlement of the amount outstanding against him. Mr. Gagan Rastogi vide his letter dated 13th November, 2017 had accepted the offer with certain conditions that he shall not bear the applicable costs and duties, if in anyway applies towards transferring the ownership of the land in his name. He also raised his concern w.r.t the value of the land, that is far lesser than his total lending to the SETPL. He further insisted in his letter that the SETPL shall draw out a payment plan for settling the outstanding balance amount post the transfer of the land. He also suggested an alternative route, if considered viable, of transferring the Equity Shares/Ownership of the SETPL against his outstanding loan or to settle his dues with the sale proceeds of the land by selling this to the third party.

Your Board of Directors after having amicable discussion regarding the options/suggestions available with SETPL along with the options/alternatives provided by Mr. Gagan Rastogi, were of opinion that the Loan amount equivalent to the value of the assets, (mainly Land) if converted in equity, that will make Mr. Gagan Rastogi the major shareholder and our Company will loose the status

of holding of this Company. Hence, this option does not seem viable. Secondly, the transfer of land ownership, directly or indirectly in the name of Mr. Gagan Rastogi, will attract heavy stamp duty cost on the Company, which shall create a burden, especially in this adverse financial situation.

Accordingly, it was considered that no other option available with the subsidiary, except disposing off the Land for the Power plant to any third party/ies etc. that will benefit the SETPL to generate a fair sum of consideration amount, as per the prevailing market condition, along with the fact that the stamp duty/legal cost in transferring the land shall not be borne by it.

In view of the above, it can be derived that the SETPL requires approval of its shareholders for disposing off the said land to any third party/ies etc. Your company holds entire issued, subscribed and paid-up share capital of 13,20,000 Equity shares of Rs. 10 each in SETPL and thus the SETPL has raised their concern and sought our opinion in the said matter. The Company cannot approve this matter of disposing off the Land for the Power plant on its own, since the only investment left with the company is in the SETPL, (indirectly to the land owned by SETPL) and if the said land gets disposed off to any third party, the SETPL will lose its assets and future possibility of project implementation, followed by its ability to generate any income in future. Accordingly, any future business prospects of our Company will also have considerable impact and it may be left with no option/possibility to generate future revenue, which will impact the market price of the shares and that too impact the creditworthiness of the company.

Considering the present situation of non-availability of funds with the SETPL to repay the loan of Mr. Gagan Rastogi and also taking note of the interest of investors of our company attached with the said land in the SETPL, it is appropriate and necessary to obtain approval of our Members/Stakeholders for such transaction before initiating any process for disposing off the land to any third party/ies etc.

In addition to above, the Members may note that pursuant to provisions of Section 180(1)(a) of the Companies Act, 2013 approval of the shareholders of the Company is required to sell, lease or otherwise dispose of the whole of the undertaking of the Company. Such sale/transfer/disposal of the assets i.e. Land (undertaking) in the name of SETPL (a Wholly owned subsidiary and a related party of your Company), to any third party/ies etc. may be deemed to be sell/transfer or disposal of an undertaking under the provisions of Section 180 (1)(a) of the Companies Act, 2013.

Further, the Members be apprised that the SETPL is a material subsidiary of the company within the terms of Regulation 24(6) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the said regulation inter alia, provides that selling of assets amounting to more than 20% of the assets of the material subsidiary on an aggregate basis during a financial year shall require prior approval of shareholders by way of the special resolution, unless the sale is made under a scheme of arrangement duly approved by a Court/NCLT, or under a resolution plan duly approved under Section 31 of the Insolvency Code and such an event is disclosed to the recognized stock exchanges within one day of the resolution plan being approved. However, our company is exempt to comply with the provisions of aforesaid Regulation 24(6), as mentioned and prescribed under Regulation 15 (2) of the SEBI (LODR) Regulations, 2015. However the company is complying the said provisions of Listing Regulations and the requirements of the Companies Act, 2013 and thus is desirous to take the approval of the shareholders.

Therefore, subject to the approval of the Shareholders of the Company it is hereby proposed to offer/sale/dispose off the Land for the Power Plant (in the name of wholly owned subsidiary) to third party/ies and utilize the procured fund out of such transfer/sale/disposal towards using the sale proceeds to settle partially the loan extended by Mr. Gagan Rastogi in favour of the wholly owned subsidiary.

None of the Directors/ Key Managerial Personnel of the Company / their relatives except Mr. Vishal Rastogi, Managing Director of the Company (being the brother of Mr. Gagan Rastogi) are, in any way, concerned or interested, financially or otherwise, in the Special Resolution set out at Item No. 1 of the Notice, except to the extent of their shareholding and directorship.

The Board recommends the Resolution set out at Item No 1 of the Notice for approval by the Shareholders as Special Resolution.

**By Order of the Board
FOR SRM Energy Limited**

**(Suvindra Kumar)
Company Secretary & Compliance Officer
ACS-22747**

Registered Office:
Unit No. 206, 2nd Floor,
Suneja Tower-II, District Centre,
Janakpuri, New Delhi 110058

**Date: 15th March, 2019
Place: New Delhi**

