

DYNAMATIC TECHNOLOGIES LIMITED

Registered Office: Dynamatic Park, Peenya, Bangalore - 560 058

Corporate Identity Number: L72200KA1973PLC002308

Phone Number: +91 80 2839 4933/34/35 Fax: +91 80 2839 5823

Email ID: investor.relations@dynamatics.net website: www.dynamatics.com



POSTAL BALLOT NOTICE TO SHAREHOLDERS

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

Dear Members,

Notice is hereby given pursuant to the provisions of Section 110 and other applicable provisions, if any, of the Companies Act, 2013, (the "Act"), read together with the Companies (Management and Administration) Rules, 2014, including any statutory modifications or re-enactments thereof for the time being in force, that the proposals appended below are being proposed to the Shareholders to be passed as Special Resolutions by way of postal ballot / e-voting.

The explanatory statement setting out the material facts concerning the proposals is annexed hereto along with a Postal Ballot form (the "Ballot Form") for your consideration. The Board of Directors (the "Board") of Dynamatic Technologies Limited (the 'Company') at its meeting held on **Wednesday, 28th February, 2018** had appointed Mr. R. Vijayakumar, Practising Company Secretary (CP No.8667) as Scrutinizer for conducting postal ballot process in a fair and transparent manner.

You are requested to carefully read the instructions printed overleaf the Ballot Form, record your assent (for) or dissent (against) therein by filling necessary details and affixing your signature at the appropriate designated place and return the original duly filled in / signed Ballot Form in the enclosed self-addressed, postage pre-paid envelope (if posted in India) so as to reach the Scrutinizer not later than the close of working hours i.e. **5.30 p.m. on Tuesday, 15th day of May, 2018**. In case you are casting your vote from outside India, you may use the e-voting facility or may please courier the duly filled in / signed Ballot Form to 'Mr. R. Vijayakumar, Scrutinizer, Dynamatic Technologies Limited, Dynamatic Park, Peenya, Bangalore – 560 058'.

Members desiring to opt for e-voting as per facilities arranged by the Company are requested to read the 'Notes' to this postal ballot notice and instructions overleaf the Ballot Form. References to Postal Ballot(s) in this notice include votes received electronically.

Upon completion of the scrutiny of the Ballot Forms, the Scrutinizer will submit his report to the Chairman. The result of the Postal Ballot would be announced by the Chairman or Company Secretary of the Company on or before **Wednesday, 16th day of May, 2018** at the registered office of the Company. The aforesaid result would be displayed at the registered office of the Company, intimated to the Bombay Stock Exchange Limited and National Stock Exchange Limited on the said date and displayed along with the Scrutinizer's report on the 'investor desk' portal of the Company's website at <http://dynamatics.com/investor.html>.

Item No. 1

To Consider and if thought fit, to pass, the following resolution as special resolution under Section 180(1)(a) of the Companies Act, 2013

"RESOLVED THAT pursuant to the provisions of Section 180(1) (a) and Section 110 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, and subject to other applicable provisions, if any, of the Companies Act, 2013, (including any statutory modification or re-enactment thereof for the time being in force), the provisions of the Memorandum and Articles of Association of the Company, the provisions of the SEBI (LODR) Regulations, 2015, and such other approvals, consents and permissions being obtained from the appropriate authorities to the extent applicable and necessary, the consent and the approval of the Members be and is hereby accorded to the Board of Directors of the Company (hereinafter referred as the "Board" which term shall be deemed to include any Committee which the Board may have constituted or hereinafter constitute from time to time to exercise its powers including the power conferred by this resolution), to sell

/ transfer / dispose off the Undertakings/ properties of the Company located at JKM Auto Division- F67, F68 & F69, "JKM Park", Sipcot Industrial Complex, Irrungattukottai, Sriperumbudur- 602 105, Chennai, Tamil Nadu, India, together with all specified tangible and intangible assets, including land, personnel / employees, plant and machinery and other assets in relation to the Undertaking, as a going concern or in any other manner as the Board may deem fit in the interest of the Company, on such terms and conditions as may be deemed fit by the Board."

"RESOLVED FURTHER THAT the Board of Directors and Mr. Naveen Chandra P, Head-legal, Compliance and Company Secretary be and are hereby severally authorised and empowered (hereinafter referred to as the 'Authorized') to finalise and execute necessary documents including but not limited to entering into definitive Agreements such as, business transfer agreement; deeds of assignment/ conveyance and other ancillary documents, with effect from such date and in such manner as may be decided by the Board AND to do all such other acts, deeds, matters and things as they may deem necessary and/or expedient to give effect to the above resolution including without limitation, to settle any questions, difficulties or doubts that may arise in regard to sale and transfer of the Undertaking as they may in their absolute discretion deem fit."

"RESOLVED FURTHER THAT the above Authorized persons be and are hereby further authorized severally to sub-delegate all or any of the powers herein conferred, to any personnel/ Director of the Company as may be deemed appropriate so as to give effect to these resolutions."

Item No. 2

To Consider and if thought fit, to pass, the following resolution as special resolution under Section 180(1)(a) of the Companies Act, 2013:

"RESOLVED THAT, pursuant to the provisions of Section 180(1) (a) and Section 110 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, and subject to other applicable provisions, if any, of the Companies Act, 2013, (including any statutory modification or re-enactment thereof for the time being in force), the provisions of the Memorandum and Articles of Association of the Company, the provisions of the SEBI (LODR) Regulations, 2015, and such other approvals, consents and permissions being obtained from the appropriate authorities to the extent applicable and necessary, the consent and the approval of the Members be and is hereby accorded to the Board of Directors of the Company (hereinafter referred as the "Board" which term shall be deemed to include any Committee which the Board may have constituted or hereinafter constitute from time to time to exercise its powers including the power conferred by this resolution), to sell / transfer / dispose off the Undertakings/ properties of the Company located at 12 MW Wind Farm Division, Varapatti Village, Kamanaicken Palayam, Sultanpet, Sulur Taluk, Palladam Taluk - 641 658, Coimbatore District together with all specified tangible and intangible assets, including land, personnel / employees, plant and machinery and other assets in relation to the Undertaking, as a going concern or in any other manner as the Board may deem fit in the interest of the Company, on such terms and conditions as may be deemed fit by the Board."

"RESOLVED FURTHER THAT the Board of Directors and Mr. Naveen Chandra P, Head-legal, Compliance and Company Secretary be and are hereby severally authorised and empowered (hereinafter referred to as the 'Authorized') to finalise and execute necessary documents including but not limited to entering into definitive Agreements such as, business transfer agreement; deeds of

assignment/ conveyance and other ancillary documents, with effect from such date and in such manner as may be decided by the Board AND to do all such other acts, deeds, matters and things as they may deem necessary and/or expedient to give effect to the above resolution including without limitation, to settle any questions, difficulties or doubts that may arise in regard to sale and transfer of the Undertaking as they may in their absolute discretion deem fit.”

“**RESOLVED FURTHER THAT** the above Authorized persons be and are hereby further authorized severally to sub-delegate all or any of the powers herein conferred, to any personnel/ Director of the Company as may be deemed appropriate so as to give effect to these resolutions.”

By Order of the Board



Naveen Chandra P

Head - Legal, Compliance and Company Secretary

Place : Bangalore

Date : 5th April, 2018

NOTES:

1. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 is annexed herewith and forms part of this Notice.
2. Voting rights of the Members shall be in proportion to the equity shares held by them in the paid up equity share capital of the Company as on the Cut-off Date and voting rights in the Postal Ballot cannot be exercised by a proxy.
3. The Notice is being sent to the Members whose names appear on the Register of Members / List of beneficial owners as on **Friday, 6th April, 2018 (“Cut-off Date”)**, and such members / beneficial owners are only entitled to vote. A person who is not a beneficial owner on the Cut-off Date should treat this notice for information purpose only.
4. Electronic copy of this Notice is being sent to all the Members whose email IDs are registered with the Company / Depository Participants(s) for communication purposes unless any Member has requested for a hardcopy of the same. For Members who have not registered their email address, physical copies of this Notice is being sent by the permitted mode along with a business reply envelop.
5. Voting through electronic means – Pursuant to provisions of section 108 of the Companies Act, 2013, read with the Companies (Management and Administration) Rules, 2014, the Company is pleased to offer e-voting facility to the Members to cast their votes electronically on resolutions set forth in the Postal Ballot Notice. The detailed instructions for e-voting is enclosed.
6. The shareholders can opt for only one mode of voting, i.e., either by physical ballot or e-voting. In case shareholders cast their votes through both the modes, votes cast through e-voting shall be treated as valid and votes cast through physical Postal Ballot Form will be treated as invalid.
7. In case a shareholder is desirous of obtaining a printed Postal Ballot Form or a duplicate, he or she may send an e-mail to investor.relations@dynamics.net. The Registrar and Transfer Agent/Company shall forward the same along with postage-prepaid self-addressed Business Reply Envelope to the shareholder.

8. The resolutions, if passed by the requisite majority shall be deemed to have been passed on **Tuesday, 15th May, 2018** i.e., the last date specified for receipt of duly completed Postal Ballot Forms or e-voting.
9. All the material documents referred to in the explanatory statement will be available for inspection at the registered office of the Company during office hours on all working days from the date of dispatch of the Postal Ballot Notice until the last date for receipt of votes by Postal Ballot or e-voting.

EXPLANATORY STATEMENT

Pursuant to Section 102 (1) of the Companies Act, 2013

Item number 1&2

While hydraulics and aerospace businesses have been outperforming AND foundry business is expected to stabilize, the performance of JKM Automotive and Wind Farm units of the Company (collectively referred to as 'Undertaking') in the auto and power generation realm has been putting adequate adverse pressure on the overall performance and cash flows in the group.

It is desired to use the proceeds from hiving off of the Undertaking to reduce debt. Reduction in debt on one hand and positive performance of other existing businesses on the other hand, is expected to give much needed fillip to the entire group's performance.

The Board of Directors of the Company has consented to place proposal to sell, dispose/ transfer the Undertaking on a going concern basis, before the shareholders.

In compliance with the applicable provisions of the Companies Act, 2013, Special Resolution as set out in the accompanying notice is now being placed before the members for their approval.

Your Directors recommend approving the proposal by passing the resolutions as Special Resolutions.

None of the Directors and/ or key managerial personnel of the Company or their respective relatives are concerned or interested in the said Special Resolution.

By Order of the Board



Naveen Chandra P

Head - Legal, Compliance and Company Secretary

Place : Bangalore

Date : 5th April, 2018



DYNAMATIC TECHNOLOGIES LIMITED

Registered Office: Dynamatic Park, Peenya, Bangalore 560 058

POSTAL BALLOT FORM

Postal Ballot Notice of Dynamatic Technologies Limited - 5th April, 2018

I / We hereby exercise my / our vote in respect of the Ordinary/ Special Resolution to be passed through postalballot for the business stated in the Notice of the Company by conveying my / our assent or dissent to the said resolution as follows:

Resolution	Vote		
	For	Against	Abstain
Special Resolution to consider and approve the Sale / transfer / dispose off the Undertaking / properties / located at Chennai, Tamil Nadu under section 180 (1)(a) of the Companies Act, 2013.			
Special Resolution to consider and approve the Sale / transfer / dispose off The Undertaking / properties / located at Coimbatore District, Tamil Nadu under section 180 (1)(a) of the Companies Act, 2013.			

Name of the Shareholder(s):

Folio No. DP ID/ Client ID:.....

Number of shares held

Place :

Date :

Signature of the Member/s

NOTE: Please read the instructions given overleaf and in the notes to the postal ballot notice dated 5th April, 2018. Carefully before exercising your vote.

Instructions for filling Postal Ballot Form:

1. Insert your name, the number of shares held by you, your folio number / DP ID / Client ID at the space provided in the Ballot Form.
2. Ensure that you sign the Ballot Form.
3. Please insert the date of signing the Ballot Form.
4. Please use the enclosed self-addressed business reply envelope for posting the Ballot Form so as to reach the Scrutiniser on or before **Tuesday, 15th May, 2018, 5:30 P.M.**
5. Please enter the number of shares (which represents number of votes) under 'FOR/AGAINST/ABSTAIN' or alternatively you may partially enter any number in 'FOR' and partially in 'AGAINST', but the total number in 'FOR/AGAINST' taken together should not exceed your total shareholding. If you do not want to cast your vote, please select 'ABSTAIN'.

