

**SCHNEIDER ELECTRIC PRESIDENT SYSTEMS LIMITED**

Regd. Office: 5C/1, KIADB Industrial Area, Attibele, Bangalore -562107. CIN: L32109MH1984PLC034340
 Phone:(080) 33437104, (080) 43333058, Fax: (080) 27820333 Website:www.schneiderelectricpresident.com
 e-mail:vighneshwar.bhat@schneider-electric.com

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NOTICE OF POSTAL BALLOT

(Notice pursuant to Section 110 of the Companies Act, 2013)

POSTAL BALLOT FORM

Serial No.:

1.	Name and registered address of the sole/ first named shareholder	:
2.	Name(s) of Joint shareholder(s)	:
3.	DP Id No./Client Id No./ Registered Folio No. * (*applicable to investors holding shares in physical form)	:
4.	No. of shares held	:

5.	I / We hereby exercise my / our vote in respect of the Special Resolution to be passed through postal ballot for the business stated in the notice of the Company by sending my / our assent or dissent to the said resolution by placing tick (✓) mark at the appropriate box below:
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Sl. No.	Brief particulars of the item	Number of Votes exercised corresponding to the total number of voting rights	I/We assent to the resolution (For)	I/We dissent to the resolution (Against)
1.	To approve Transactions with Schneider Electric IT Business India Private Limited, a related party			

Place :	Signature of the shareholder :
Date :	(must be as per specimen signature registered with the Company)

ELECTRONIC VOTING PARTICULARS

EVEN (E Voting Event Number)	User ID	Password / PIN

Note : Please read the instructions printed overleaf carefully before exercising your vote

Dear Member(s),

NOTICE is hereby given that the Resolutions as set out in this notice is proposed for consideration and approval of the Members of the Company by means of postal ballot / e-voting under Section 110 of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014.

Accordingly, the Resolution and the Explanatory Statement is being sent to you for your consideration, along with a Postal Ballot Form. The Company has appointed M/s. Hemanth, Biswajit & Co, a firm of Company Secretaries in Practice represented by Mr. Hemanth, as Scrutinizer for conducting the Postal Ballot / e-voting process in a fair and transparent manner.

You may give your consent or dissent either by E-voting or through physical mode to the Scrutinizer, by 30th January, 2015 before 6.00 PM (IST).

After completion of scrutiny, the Scrutinizer will submit his report to the Chairman. The results of Postal Ballot shall be declared by the Chairman or his authorized representative or any Director duly authorized by the Board on 3rd February, 2015 at the Registered Office of the Company at 5C/1, KIADB Industrial Area, Attibele, Bangalore-562107. The said results would be displayed at the notice board of the Registered Office of the Company, intimated to the Stock Exchanges where the Company's shares are listed and displayed on the Company's website viz. www.schneiderelectricpresident.com

Item No. 1. To consider and if thought fit, to give assent / dissent to the following resolution, as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 188 and other applicable provisions if any, of the Companies Act, 2013 and the Rules framed thereunder and pursuant to the provisions of the Securities Listing Agreement entered into with the Stock Exchanges, including any amendment, modification, variation or re-enactment thereof, the consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company to enter into the transactions for sale, purchase of goods and to provide/avail services to / from Schneider Electric IT Business India Private Limited, a related party, subject to a maximum aggregate transactions value of Rs. 50 crores (Rupees fifty crores only) in any financial year with the said related party.

RESOLVED FURTHER THAT the Board of Directors and/ or any of the Key Managerial Personnel of the Company be and is/ are hereby authorized jointly and/or severally to do all acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to the aforesaid Resolution."

**By Order of the Board
For Schneider Electric President Systems Limited**

**Date: 11th December, 2014
Place: Bangalore**

**Vighneshwar G Bhat
Company Secretary**

Notes:

- The Explanatory Statement pursuant to the provisions of Section 102 read with Section 110 of The Companies Act, 2013 is appended herein below.
- The Notice is being sent to all the Members, whose names appear in the Register of Members / List of Beneficial Owners / Records of Depositories as on 19th December, 2014. The Notice is being sent to Members in electronic form to the e-mail addresses registered with their Depository Participant (in case of electronic shareholding)/ the Company's Registrar and Share Transfer Agents (in case of physical shareholding). In case of Members whose e-mail addresses are not registered, physical copies of the Notice are being sent in the manner prescribed.
- The dispatch of the Postal Ballot Notices will be completed by 29th December, 2014. The voting through Postal Ballot/ e-voting will end on 30th January, 2015. Postal Ballots received after the said date will be treated as not having been received.
- The Members can opt for only one mode of voting, i.e. either by physical ballot or by e-voting. In case any Member casts 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.
Members desire to exercise vote either by Postal Ballot Form or by e-voting are requested to carefully read the instructions printed on the reverse of the enclosed Postal Ballot Form.
- The Board of Directors of the Company has appointed Hemanth, Biswajit & Co, a firm of Company Secretaries in Practice represented by Mr. Hemanth, as Scrutinizer for conducting the Postal Ballot process in a fair and transparent manner and to receive and scrutinize the completed ballot paper and the votes received electronically from the Members. After completion of his scrutiny, Scrutinizer will submit his report to the Chairman and in his absence to the Company Secretary of the Company. The Scrutinizer's decision or the validity of a Postal Ballot / e-voting shall be final and binding.
- A copy of each of the document referred to in the accompanying Explanatory Statement is open for inspection to the Members at the Registered Office of the Company between 10 A.M. to 12.00 Noon on any working day excluding Saturdays, Sundays and national holidays till the last date of receiving Postal Ballots by Scrutinizer i.e. 30th January, 2015.
- The e-voting period commences on 31st December, 2014 (9 a.m. IST) and ends on 30th January, 2015 (6 p.m. IST). During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on 19th December, 2014, 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 shall not be allowed to change it subsequently.
Members who are holding shares in electronic form are requested to notify any correction / change in their name / address immediately to the Depository Participant. Members who hold shares in physical form are requested to notify any change in their particulars like change in address, bank particulars, etc., to the Company's Registrars and Transfer Agents, M/s. Universal Capital Securities Private Limited, 21, Shakil Nivas, Mahakali Caves Road, Andheri (E) Mumbai 400 093, Telephone : +91-22-28207203-05 Fax : +91-22-28207207 E-mail : karlekar@unisec.in Contact Person: Mr. Rajesh Karlekar/ Mr. Ravi Utekar.
- The voting rights of Members shall be in proportion to their number of shares held by them each fully paid up in the paid up equity share capital of the Company as on 19th December, 2014.
- The result of the postal ballot will be declared on 3rd February, 2015 and communicated to the Stock Exchanges and will also be displayed on the Company's website at www.schneiderelectricpresident.com
- The Resolutions will be taken as passed effectively on the date of announcement of the result by the Chairman and in his absence by the Company Secretary of the Company, if the result of the Postal Ballot indicates that the requisite majority of the Shareholders have assented to the Resolution. The result of the Postal Ballot will be declared on 3rd February, 2015 at the Registered Office of the Company. After declaration, the result of the Postal Ballot shall also be posted on the Company's website www.schneiderelectricpresident.com besides communicating the same to the Stock Exchanges, where the securities of the Company are listed.

Item No.1:

TO APPROVE TRANSACTIONS WITH RELATED PARTY

The Audit Committee Members and the Board of Directors of the Company by passing a Circular Resolution, approved the related party transactions with Schneider Electric IT Business India Private Limited (SEITB) for sale, purchase of goods and to provide/avail services to / from Schneider Electric IT Business India Private Limited, a related party, subject to a maximum aggregate transactions value of Rs. 50 Crores (Rupees Fifty crores only) in a financial year. Under the provisions of revised Clause 49 (VII) (as amended) of the Listing Agreement entered into with the stock Exchanges, a transaction with a related party shall be considered material if the transaction / transactions to be entered into individually or taken together with previous transactions during a financial year, exceeds 10% of the annual consolidated turnover of the company as per the last audited financial statements of the company. The clause further provides that all Material Related Party Transactions shall require approval of the shareholders through special resolution. Since the transactions with SEITB as detailed below are estimated to be upto Rs. 50 Crores (Rupees Fifty Crores only) in a financial year, which exceeds 10% of the annual turnover of the Company as per the audited financial statements as on 31st March, 2014, the transactions are required to be approved by the shareholders as Special Resolution. The said transactions are in the ordinary course of business of the Company and wherever required are on a cost plus appropriate mark-up in adherence with the arms length principle.

Other details as required as per the Companies (Meetings of Board and its Powers) Rules, 2014.

- Name of the Related Party**
Schneider Electric IT Business India Private Limited
- Name of the Director or key managerial personnel who is related, if any**
Mr. Nikhil Pathak – Common Director
Mr. Javed Ahmad – Common Director
Mr. Pankaj Sharma – Common Director
- Nature of relationship**
Fellow Subsidiary
- Nature, material terms, monetary value and particulars of the contract or arrangement;**

Nature	Particulars of the contracts and the material terms	Term of the Contracts	Monetary value
Sale, Purchase of goods, materials, equipments etc., and rendering / providing / availing services including but not limited to manpower and support services and sharing of cost of certain common facility related services	<p>For Sale / Purchase of Goods, Materials, Equipments etc</p> <p><u>On a cost plus mark-up basis:</u></p> <p>The buyer shall pay to the supplier all relevant direct and indirect costs (Including the overhead costs, other allocable costs and such other category of costs as mutually agreed to by both the Parties) plus an appropriate mark-up up to 15% determined in adherence to the arm's length principle. The mark-up shall be determined on a year to year basis.</p> <p><u>On Profit Split basis:</u></p> <p>Where the buyer purchase goods, materials, equipment from the Supplier for supplying it to a third party customer under an independent execution contract ('Project'), the Customer shall pay to the Supplier all relevant direct and indirect costs (including the overhead costs, other allocable costs and such other category of costs as mutually agreed to by both the Parties) of manufacturing/sales /supply /purchase, plus a proportion of the total profit earned by the Customer under the Project, to be allocated on certain parameters mutually agreed to by both the Parties.</p> <p><u>On Comparable Uncontrolled Prices (CUP) basis:</u></p> <p>Where the supplier is selling the product in the market to an unrelated party customer including distributor, the Customer shall pay to the Supplier as per the published distributor price list.</p> <p>For Supplying / rendering/ availing/sharing of services etc.:</p> <p><u>On a cost plus mark-up basis:</u></p> <p>In consideration of the performance of services, the Recipient shall pay to the Provider a consideration determined based on cost plus mark up principle. Cost shall mean all direct and indirect costs incurred by Provider in fulfilling the provisions for each Project (including the overhead costs, other allocable costs and such other category of costs as mutually agreed to by both the Parties). The mark-up shall be up to 16% determined in adherence to the arm's length principle.</p> <p>The mark-up shall be determined on a year to year basis.</p> <p><u>Actual cost basis (including Common services taken from third party):</u></p> <p>In case of cost sharing, total charges/cost will be shared between the parties on the basis of head count or any other methodology agreed between the parties from time to time.</p>	The contracts with the said related party shall be in effect and shall continue unless terminated by either Party with a notice period of Three (3) month	Upto Rs. 50 crores (Rupees Fifty crores only) in aggregate, in any financial year

- Any other information relevant or important for the members to take a decision on the proposed resolution.**

None

The copies of the Contracts are available at the registered office of the Company for inspection by any member of the Company during business hours.

The Board recommends the above item of the notice for approval of members.

By Order of the Board
For Schneider Electric President Systems Limited

Vighneshwar G Bhat
Company Secretary

Date: 11th December, 2014
Place: Bangalore

NOTES / INSTRUCTIONS:**PROCEDURE FOR E-VOTING:**

- In case a Member receives an e-mail from NSDL (for Members whose e-mail addresses are registered with the Company/Depositories):
 - Open the e-mail and also open PDF file namely "**SEPSL-PostalBallot.pdf**" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password for e-voting. Please note that the password is an initial password.
 - Open the internet browser and type the following URL: <https://www.evoting.nsd.com>.
 - Click on Shareholder – Login.
 - If you are already registered with NSDL for e-voting then, you can use your existing user ID and password.
 - If you are logging in for the first time, please enter the user ID and password provided in the PDF file attached with the e-mail as initial password.
 - The Password Change Menu will appear on your screen. Change to a new password of your choice, making sure that it contains a minimum of 8 digits or characters or a combination of both.
 - Once the e-voting home page opens, click on e-voting > Active Voting Cycles.
 - Select "EVEN" (E-Voting Event Number) of Schneider Electric President Systems Limited. Now you are ready for e-voting as Cast Vote page opens.
 - Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
 - Upon confirmation, the message "Vote cast successfully" will be displayed.
 - Once the vote on the resolution is cast, the Member shall not be allowed to change it subsequently.
 - 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 to b.hemanth@hbcs.in with a copy marked to evoting@nsdl.co.in.

In case of any queries, you may refer to the Frequently Asked Questions (FAQs) – for members and e-Voting user manual for members available at the downloads sections of <http://www.evoting.nsd.com> or contact NSDL at the following Telephone no. 1800-222-990, 022-2499 4600 or Mr. Rajesh Karlekar/ Mr. Ravi Utekar, M/s. Universal Capital Securities Private Limited, 21, Shakil Nivas, Mahakali Caves Road, Andheri (E) Mumbai 400 093, Telephone : +91-22-28207203-05 Fax : +91-22-28207207.

- In case a Member receives physical copy of the Notice (for Members whose email addresses are not registered with the Company/Depositories):
 - Initial password is provided in the instruction sheet: EVEN (E-Voting Event Number), user ID and password.
 - Please follow all steps from SI. No. (ii) to SI. No. (xii) above, to cast vote.

PLEASE NOTE THAT:

- Login to e-Voting website will be disabled upon five unsuccessful attempts to key-in the correct password. In such an event, you will need to go through 'Forgot Password' option available on the site to reset the same.
- Your user ID and password can be used by you exclusively for e-Voting on the resolutions placed by the companies in which you are the shareholder.
- It is strongly recommended not to share your password with any other person and take utmost care to keep it confidential.

PROCEDURE FOR VOTING THROUGH POSTAL BALLOT FORM :

- A Member desiring to exercise vote by Postal Ballot Form may complete this Postal Ballot form and send it to the Scrutinizer in the enclosed self-addressed business reply envelope. However, Postal Ballots deposited in person or sent by courier or by registered/speed post, at the expense of the Member, will also be accepted. No other form or photocopy of the Postal Ballot form will be accepted.
- The self-addressed envelope bears the address of the Scrutinizer appointed by the Board of the Directors of the Company.
- The Postal Ballot Form should be completed and signed by the Member and in case of joint holding, the form should be completed and signed by the first named member and in his absence by the next named Member, as per the specimen signature recorded with the Company or furnished by National Securities Depository Limited/Central Depository Services (India) Limited to the Company, in respect of shares held in the physical form or dematerialized form respectively.
- In case of shares held by institutions, companies, trusts, societies etc. (i.e. other than individuals, HUF, NRI etc.) completed Postal Ballot Form should be accompanied by a certified copy of the Board Resolution/appropriate Authorization with the specimen signature(s) of the authorized signatory(ies), duly attested.
- Unsigned, incomplete and incorrect Postal Ballot Form will be rejected.
- Duly completed Postal Ballot Form should reach the Scrutinizer not later than close of working hours on 30th January, 2015 at the address as appearing in the self-addressed Business Reply Envelope. Postal Ballot Forms received after the above date will be treated as if reply from such Members has not been received.
- A Member may request for duplicate ballot form if so required from Mr. Rajesh Karlekar/ Mr. Ravi Utekar, M/s. Universal Capital Securities Private Limited, 21, Shakil Nivas, Mahakali Caves Road, Andheri (E) Mumbai, fill in the details and send the same to the Scrutinizer as mentioned in (vi) above.
- The consent must be accorded by recording the assent in the Column "FOR" and dissent in the Column "AGAINST" by placing a tick mark (✓) in the appropriate column.
- There shall be one ballot for every folio/DPID & Client ID irrespective of the number of joint holders.
- Members are requested not to send any other paper along with the Postal Ballot Form in the enclosed self addressed Business Reply Envelope.