



HINDALCO INDUSTRIES LIMITED

Registered Office: Century Bhavan, 3rd Floor, Dr. Annie Besant Road, Worli, Mumbai 400 030.

NOTICE

Notice is hereby given that an Extra Ordinary General Meeting of the members of **HINDALCO INDUSTRIES LIMITED** shall be held at Birla Matushri Sabhagar, 19, Marine Lines, Mumbai - 400 020, on Wednesday, the 7th March 2012 at 12.30 P.M. to transact with or without modification(s) the following business :

Special Business:

To consider, and if thought fit, to pass the following as a Special Resolution:

"RESOLVED that pursuant to provisions of Section 81 (1A) and all other applicable provisions of the Companies Act, 1956 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the provisions of Foreign Exchange Management Act, 1999 and rules and regulations framed thereunder and subject to provisions of Chapter VII of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (SEBI ICDR Regulations, 2009), as in force and subject to applicable provisions of the rules, regulations and guidelines of SEBI and enabling provisions of the Memorandum and Articles of Association of the Company and the Listing Agreements entered into by the Company with Stock Exchanges where the shares of the Company are listed, and subject to requisite approvals, consents, permissions and / or sanctions, if any, of SEBI, Stock Exchanges and other appropriate authorities and subject to such conditions as may be prescribed by any of them while granting any such approval, consent, permission, and / or sanction and which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the 'Board' which term shall be deemed to include any committee which the Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred hereunder), the Board be and is hereby authorized to create, offer, issue and allot, from time to time, in one or more tranches, upto 15,00,00,000 warrants on a preferential basis to Promoters / Promoter Group entitling the holders of each warrant to apply for and obtain allotment of one equity share against such warrant (hereinafter referred to as the "Warrants") , in such manner, at such price and on such terms and conditions as may be determined by the Board in accordance with SEBI ICDR Regulations, 2009 or other provisions of the law as may be prevailing at the time; provided that the minimum price of the Warrants so issued shall not be less than the price arrived at in accordance with provisions of Chapter VII of SEBI ICDR Regulations, 2009.

RESOLVED FURTHER that without prejudice to the generality of the above, the aforesaid issue of the Securities may have all or any terms or conditions or combination of terms in accordance with applicable regulations, prevalent market practices, including but not limited to terms and conditions relating to variation of the price or period of exercise of option by Warrant holder(s).

RESOLVED FURTHER that the Board be and is hereby authorized to issue and allot such number of Ordinary Shares as may be required to be issued and allotted upon exercise of option by Warrant holder(s) or as may be necessary in accordance with the terms of the offer.

RESOLVED FURTHER that without prejudice to the generality of the above, the relevant date as per SEBI ICDR Regulations, 2009, for determination of price of the Ordinary Shares to be issued and allotted upon exercise of right attached to the Warrants referred to above, is 30 days prior to this Extra Ordinary General Meeting i.e. 06th February 2012.

RESOLVED FURTHER that the equity shares allotted on conversion of warrants in terms of this resolution shall rank *pari passu* in all respects with the existing fully paid up equity shares of face of value of Rs 1/- each of the Company subject to the relevant provisions contained in the Articles of Association of the Company.

RESOLVED FURTHER that for the purpose of giving effect to the above, the Board be and is hereby authorized on behalf of the Company to take all actions and do all such deeds, matters and things as it may, in its absolute discretion deem necessary, desirable or expedient for issue or allotment of aforesaid Warrants and listing of the Equity Shares on conversion with the stock exchange(s) as appropriate and to resolve and settle all questions and difficulties that may arise in relation to the proposed issue, offer and allotment of any of the said Warrants, utilization of the issue proceeds and to do all acts, deeds and things in connection therewith and incidental thereto as the Board may deem fit, without being required to seek any further consent or approval of the members or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER that the Board be and is hereby authorized to delegate all or any of the powers conferred by this resolution on it, to any Committee of Directors, any other Director(s) or officer(s) of the Company to give effect to the aforesaid resolution."

By Order of the Board
For Hindalco Industries Limited

Anil Malik
Company Secretary

Place : Mumbai

Date : 9th February 2012

NOTES:

- Explanatory Statement as required under Section 173(2) of the Companies Act, 1956 is annexed hereto.
- A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER.
- The instrument appointing a proxy must be deposited with the Company at its Registered Office not less than 48 hours before the time for holding the Meeting.

ANNEXURE TO NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956.

A. Material Facts Relating to the Preferential Allotment

As required by Section 173 of the Companies Act, 1956 all material facts relating to the business mentioned under the above item of the accompanying Notice dated 09th February 2012 are set out below:

- i.) The company has significant growth plans. These growth plans envisage a combination of Greenfield Aluminium Projects and Brown Field Projects. While the current internal accruals from the operations are strong, the above projects would require significant outlay of funds in the coming years. These projects will necessitate external infusion of funds at different points of time in future. It is thought prudent to obtain shareholders' approval for issue of securities through Preferential Allotment of Warrants to the Promoters and Promoter Group to enable the Company to raise a part of this fund requirement for the said growth plans as set out in the above Resolution.
- ii.) The Ordinary Shares allotted pursuant to the above Resolution and on exercise of option by Warrant holder shall rank pari passu in all respects with the existing Ordinary Shares of the Company.
- iii.) Pursuant to the Provisions of Section 81 (1A) of Companies Act, 1956, any offer or issue of shares of the company to persons other than the holders of the equity shares of a company requires prior approval of the shareholders in general meeting by a Special Resolution. The Listing Agreements executed by the Company with the Stock Exchanges also provide that the Company shall, in the first instance, offer all Securities for subscription pro rata to the shareholders unless the shareholders in a general meeting decide otherwise.
- iv.) The preferential allotment of Securities to Promoters and Promoter Group would be strictly in accordance with the Chapter VII of the SEBI (Issue of Capital and Disclosure Requirements) Regulations 2009 ("SEBI ICDR Regulations, 2009") and the following parameters would be subject to such changes as may be required to conform to the SEBI ICDR Regulations, 2009. The preferential issue would comprise of up to 15,00,00,000 Warrants with a right exercisable by the warrant holder to subscribe for one Ordinary Share per warrant. The holders of the Warrants shall have the option to exercise the Warrants to subscribe to Ordinary Shares of the Company within eighteen months of its allotment.
- v.) The pricing of the Ordinary Shares to be allotted on preferential basis to Promoters shall not be lower than the price determined in accordance with the SEBI ICDR Regulations, 2009.

Currently SEBI ICDR Regulations, 2009 provide that the issue of shares on preferential basis can be made at a price not less than higher of the following:

- The average of the weekly high and low of the closing prices of the related equity shares quoted on the recognized Stock Exchange during the six months preceding the relevant date; Or
- The average of the weekly high and low of the closing prices of the related equity shares quoted on a recognized Stock Exchange during the two weeks preceding the relevant date.

"Stock Exchange" for this purpose shall mean any of the recognized stock exchanges and on which the highest trading volume in respect of the shares of the Company has been recorded during the preceding six months prior to the Relevant Date.

- vi.) The Ordinary shares arising out of exercise of right attached to the Warrant(s) to be allotted to Promoters/Promoter Group pursuant to the proposed special resolution shall be subject to lock-in for a period of 3 years from the date of allotment of such shares, consistent with SEBI ICDR Regulations, 2009.

B. The details of the issue and other particulars as required under Chapter VII of SEBI ICDR Regulations, 2009 in relation to the resolutions proposed are given as under:

- i. The object(s) of the preferential issue: To fund the future capital investments of the Company as mentioned above.
- ii. The Proposal of the Promoters, Directors or Key Management persons of the Issuer to subscribe to the offer: The Promoters and Promoter Group i.e. IGH Holdings Private Limited, Surya Kiran Investments Pte. Ltd., TGS Investment & Trade Private Limited and Umang Commercial Company Limited have conveyed their intention to subscribe to the offer.
- iii. The Company hereby undertakes that –
 - a) It would recompute the price of the Securities specified above in terms of the provisions of the SEBI ICDR Regulations, 2009 where it is required to do so.
 - b) If the amount payable on account of re-computation of price is not paid within the time stipulated in the SEBI ICDR Regulations, 2009, the above specified securities shall continue to be locked in till the time such amount is paid by allottees.
- iv. The Auditors' Certificate required under SEBI ICDR Regulations, 2009 will be placed before the shareholders meeting and also made available for inspection at the Registered Office of the Company during 10.00 am and 3.00 pm on any working day upto the date of the meeting.
- v. Relevant Date:

The Relevant Date for the purpose of determining the price of the shares in accordance with the pricing method given in Chapter VII of SEBI ICDR Regulations, 2009 is 6th February 2012.

vi. Terms of Issue of Warrants to Promoters/Promoter Group:

- 1 The proposed allottees of warrants shall, on the date of allotment, pay an amount equivalent to at least 25 % of the total consideration per warrant.
2. The holders of each Warrant will be entitled to apply for and obtain allotment of one equity share against such warrant at any time after the date of allotment but on or before the expiry of 18 months from the date of allotment, in one or more tranches. At the time of exercise of entitlement, the warrant holder shall pay the balance of the consideration towards subscription to each equity share.
- 3 If the entitlement against the Warrants to apply for the equity shares is not exercised within the aforesaid period, the entitlement of the Warrant holders to apply for equity shares of the Company along with the rights attached thereto shall expire and any amount paid on such Warrants shall stand forfeited.

- 4 Upon receipt of the requisite payment as above, the Board (or a Committee thereof) shall allot one equity share per Warrant by appropriating Rs. 1/- towards equity share capital and the balance amount paid against each Warrant, towards the securities premium.
- 5 The Warrant by itself until converted into equity shares, does not give the holder(s) thereof any rights of the shareholders of the Company.
- 6 The equity shares issued as above shall rank *pari passu* in all respects with the then existing fully paid up equity shares of the Company subject however to the provisions of the Memorandum and Articles of Association of the Company.
7. In the event of the Company making a rights offer by way of issue of new equity shares prior to allotment of equity shares resulting from the exercise of the option under the Warrants, the entitlement of the equity shares under the Warrants shall stand increased in the same proportion in the rights offer and such additional equity shares will be offered to the warrant holder(s) at the same price at which the existing shareholders are offered equity shares.

vii. **Particulars of subscribers to Warrants:**

The Promoter and Promoter Group Companies viz. IGH Holdings Private Limited, Surya Kiran Investments Pte. Ltd., TGS Investment & Trade Private Limited and Umang Commercial Company Limited intend to subscribe upto 15,00,00,000 warrants under this Preferential Issue.

viii. **Under subscription, if any :**

Any of the Warrants issued as above, that may remain unsubscribed for any reason whatsoever, may be offered and allotted by the Board in its absolute discretion to any person / entity / investor controlled by the Promoter Group, on the same terms and conditions.

ix. **Shareholding Pattern:**

The Shareholding patterns giving the present position as also considering full allotment of warrants to Promoters and Promoter Group in terms of and equity shares arising out of the conversion thereof, of the Notice is given below:

Category of shareholders	Pre-Allotment Holding		Post-Allotment Holding	
	Total Number of Shares	%age of Total Voting Rights	Total Number of Shares	%age of Total Voting Rights
Promoter and Promoters Group	613797188	32.06	763797188	37.00
Mutual Funds/UTI	69689884	3.64	69689884	3.38
Financial Institutions / Banks	86282624	4.51	86282624	4.18
Foreign Institutional Investors	530022140	27.68	530022140	25.67
Non Resident Individuals/OCB	43062355	2.25	43062355	2.09
Resident Individual/Other	412961991	21.57	412961991	20.00
GDRs	158717926	8.29	158717926	7.69
Total	1914534108	100.00	2064534108	100.00

The percentage of post preferential issue capital that may be held by the proposed allottees is as follows:

Name of the Proposed allottee	Shares held pre-allotment		Shares held post-allotment	
	Total Number of Shares#	%age of Total Voting Rights	Total Number of Shares#	%age of Total Voting Rights
IGH Holdings Private Limited Surya Kiran Investments Pte. Limited# TGS Investment & Trade Private Limited Umang Commercial Company Limited	255991497	13.37	405991497	19.67

Total number of shares excludes 1500 GDR underlying 1500 Equity shares held by Surya Kiran Investments Pte. Ltd. There will no change of control of the Company pursuant to the preferential allotment.

x. **Currency of Resolution:**

The Company shall complete the allotment(s) of Warrants as aforesaid on or before the expiry of 15 days from the date of passing the resolution of the shareholders granting consent for preferential issue. In case the allotment is pending on account of pendency of any approval for such allotment by any regulatory authority, then the allotment shall be completed within 15 days of such approval.

None of the Directors is in any way concerned or interested in the above referred Resolutions except Mr. K. M. Birla and Mrs. Rajashree Birla being associated with the Promoter Company(ies)/Promoter Group.

Your Directors therefore recommend the resolutions for your approval.

By Order of the Board
For Hindalco Industries Ltd.

Anil Malik
Company Secretary

Place : Mumbai
Date : 9th February 2012

ADITYA BIRLA

**HINDALCO INDUSTRIES LIMITED**

Registered Office: "Century Bhavan", Third Floor, Dr. Annie Besant Road, Worli, Mumbai - 400 030.

PROXY FORM

Folio No.

No. of Shares held:

I/We of being a Member /Members
 of the above named Company, hereby appoint Mr./Ms.
 of or failing him Mr./Ms.
 of or failing him Mr./Ms.
 as my/our proxy to vote for me/us on my/our behalf at the Extra Ordinary General Meeting
 of the Company to be held on Wednesday, 7th March 2012 at 12.30 P.M. and any adjournment thereof.

As witness my/our hand(s) this day of

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Signature.....

NOTE: The Proxy must be deposited at the Registered Office of the Company not less than 48 hours before the time for holding the Meeting.

BOOK-POST

Proposed allottee		Name of the	
Category of shareholders	Total Number of Shares	Category of shareholders	Total Number of Shares
IGH Holdings Private Limited	252881487	IGH Holdings Private Limited	252881487
Surya Kisan Investments Private Limited	1237	Surya Kisan Investments Private Limited	1237
TGS Investment & Trade Private Limited		TGS Investment & Trade Private Limited	
Uman Commercial Company Limited		Uman Commercial Company Limited	
Share held pre-allotment	Share held post-allotment	Share held pre-allotment	Share held post-allotment
Total Number of Shares	Page of Total Voting Rights	Total Number of Shares	Page of Total Voting Rights
405881487	1237	405881487	1237

If undelivered, please return to:
HINDALCO INDUSTRIES LIMITED
 Ahura Centre, 'B' Wing, 1st Floor,
 82 Mahakali Caves Road,
 Andheri (E),
 Mumbai - 400 093.

Place: Mumbai
 Date: 07 February 2012