



Kiri Dyes and Chemicals Ltd.



Manufacturers & Exporters of Synthetic Organic Dyestuffs and Intermediates

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Fax : +91-79-25834960

Website : www.kiridyas.com
E-mail : exports@kiridyas.com

Works : Plot No. 299/1/A, Nr. Water Tank, Phase-II, GIDC, Vatva, Ahmedabad-382 445. Gujarat, India.

January 24, 2011

To,
Mr. Hari K.
Vice President
National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex,
Bandra (E), Mumbai- 400 051.

Dear Sir,

Sub: Postal Ballot Notice along with Postal Ballot Form

Further to our letter dated January 17, 2011, we enclose herewith three copies of Postal Ballot Notice along with Explanatory Statement and Postal Ballot Form for your reference, seeking consent of the members of the Company on the following items:

1. Increase in borrowing powers of the Company up to Rs. 1000,00 Crores.
2. Creation of charge/ mortgage on the properties of the Company.
3. Make investment/ give loan/ extend guarantee/ provide security.
4. Change of Name of the Company from Kiri Dyes and Chemicals Limited to Kiri Industries Limited.

This is in compliance with clause 31 of the Listing Agreement.

Kindly take note of the same.

Thanking you,

Yours faithfully,

For Kiri Dyes and Chemicals Limited

Gondalia

Suresh Gondalia
Company Secretary
Encl: As above

An ISO 9001:2008 Certified Company

Regd. Off. : 7th Floor, Hasubhai Chambers, Opp. Town Hall, Ellisbridge, Ahmedabad-380 006.
Phone : +91-79-26574371, 26574372, 26574373 Fax : +91-79-26574374

KIRI DYES AND CHEMICALS LIMITED

Reg. Office: 7th Floor, Hasubhai Chambers, Opp. Townhall, Ellisbridge, Ahmedabad – 380 006.

NOTICE FOR VOTING BY POSTAL BALLOT

Dear Shareholder(s)

Notice is hereby given pursuant to Section 192A (2) of the Companies Act, 1956 read with the Companies (Passing of the Resolutions by Postal Ballot) Rules, 2001, that the resolutions appended below are proposed to be passed by Postal Ballot for enabling the Company to authorize Board of Directors to borrow money up to Rs. 1000.00 crores for business of the Company by way of an Ordinary Resolution, to create mortgage/charge on the properties of the Company for secured borrowings by way of an Ordinary Resolution, to make investment or giving loans or extending guarantee or providing security by way of a Special Resolution and Change Name of the Company from Kiri Dyes and Chemicals Limited to Kiri Industries Limited by way of Special Resolution.

The Company seeks the shareholders' consent for the proposals contained in the resolutions appended below. The Explanatory Statement pertaining to the said resolutions setting out the material facts and the reasons thereof is annexed. The said Special/Ordinary Resolutions and the Explanatory Statement are being sent to you along with a Postal Ballot Form for your consideration.

The Company has appointed Mr. Kashyap Mehta, Practicing Company Secretary, Partner, Mehta Hurkat & Associates, Ahmedabad, as Scrutinizer for conducting the postal ballot process in a fair and transparent manner.

You are requested to carefully read the instructions printed on the Postal Ballot Form and return the same duly completed, in the enclosed postage pre – paid envelope so as to reach the Scrutinizer not later than the close of working hours i.e. 18.00 hours on February 24, 2011. Upon completion of the scrutiny of the Postal Ballot Forms, the Scrutinizer will submit his report to the Chairman or any Director of the Company. The result of the Postal Ballot will be announced by way of display at the Company's website on February 28, 2011. The results of the Postal Ballot will also be intimated to the Stock Exchanges and the same will be noted at the next General Meeting of the Company. The Members are requested to consider and, if thought fit, to pass the following resolutions:

ITEM NO. 1 - TO INCREASE BORROWING POWER OF THE COMPANY:

To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT in supersession of all the earlier resolutions in this regard, and pursuant to section 293(1)(d) and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modifications thereof) and subject to any other approval, if required, consent of the Company be and is hereby accorded to the Board of Directors or committee thereof to borrow by way of loan/ debentures (whether secured or unsecured)/ bonds/ deposits/ fund based/ non fund based limits/ guarantee for the purpose of the business of the company any sum or sums of money either in Indian or Foreign Currency from time to time from any Bank(s) or any Financial Institution(s) or any other Institution(s), firm(s), body corporate(s), or other person(s) or from any other source in India or outside India whomsoever in addition to the temporary loans obtained from the company's Banker(s) in the ordinary course of business provided that the sum or sums so borrowed under this resolution and remaining outstanding at any time shall not exceed in aggregate Rs. 1000.00 Crores (Rupees One Thousand Crores only)"

"RESOLVED FURTHER THAT the Board of Directors or its committee thereof be and is hereby authorized to take all such steps as may be deemed necessary, proper or expedient to give effect to this resolution."



ITEM NO. 2 – CREATION OF CHARGE/MORTGAGE:

To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to section 293(1)(a) and all other applicable provisions, if any, of the Companies Act, 1956, consent of the Company be and is hereby accorded to the Board of Directors of the Company to create mortgages/ charges/ hypothecation on all or any of the immovable and movable properties of the Company present and future, of the whole, or substantially the whole, of the undertaking of the Company, ranking pari passu with or second or subservient or subordinate to the mortgages/ charges/ hypothecation already created or to be created in future by the Company for securing any loans and/or guarantees and/or any financial assistance obtained or may be obtained from financial institutions, banks and/or any other persons or institutions providing finance for the business of the Company or for the working capital together with interest thereon and further interest, if any, costs, charges, expenses, remuneration payable to the trustees and all other monies payable by the Company on such terms and conditions and at such times and in such form and manner and to vary and/or alter the terms and conditions of the security created/ to be created as aforesaid as the Board of Directors may deem fit."

"RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors be and is hereby authorized to do all such acts, deeds, matters and things as it may arise in respect of the creation of mortgage/ charge/ hypothecation as aforesaid and also to delegate all or any of the above powers to such Committee of Directors or the Managing Director or the Director of the Company and further to do all such acts, deeds and things and to execute all documents and writings as may be necessary, proper, desirable or expedient to give effect to this resolution."

ITEM NO. 3 -TO MAKE INVESTMENT/GIVE GUARANTEE/PROVIDE SECURITIES:

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

"RESOLVED THAT pursuant to Section 372A and all other applicable provisions, if any, of the Companies Act, 1956 and subject to further approval of Statutory and other authorities as may be necessary, the consent of the Company be and is hereby accorded to the Board of Directors of the Company to make investments in the securities of other bodies corporate including its subsidiaries/ group/ associates companies/ joint ventures Companies as it may in their absolute discretion deem beneficial and in the interest of the Company; to grant loans to any body corporate including its subsidiaries/group/associates companies/joint ventures companies on such terms and conditions as to repayment thereof and interest thereon; and to give guarantees or provide securities in connection with loans made by any bank/ financial institutions/other entities to any body corporate including its subsidiaries/ group/ associates companies/ joint ventures on such terms and conditions as the Board may think fit, provided the aggregate of the investments and loans made and the amounts for which guarantee or security provided to or in all bodies corporate including its subsidiaries/ group/ associates companies/ joint ventures at any time does not exceed Rs. 750.00 Crores (Rupees Seven Hundred Fifty Crores only) or equivalent amount in any other foreign currency."

"RESOLVED FURTHER THAT the Board of Directors or its committee thereof be and is hereby authorized to do all such acts, deeds, and things as may be necessary inter-alia for execution of deeds/ documents and for prescribing the limits for investment, loan, guarantee and security to be made or provided."

ITEM No. 4 – TO CHANGE NAME OF THE COMPANY:

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

"RESOLVED THAT subject to the approval of the Central Government under Section 21 read with Section 23 and other applicable provisions, if any, of the Companies Act, 1956, the name of the Company be changed from KIRI DYES AND CHEMICALS LIMITED to KIRI INDUSTRIES LIMITED made available for registration



by the Registrar of Companies, Gujarat, Dadra and Nagar Haveli and accordingly, the name KIRI DYES AND CHEMICALS LIMITED wherever appearing in the Memorandum and Articles of Association of the Company and on every place and document wherever the existing name of the Company is written or printed."

"RESOLVED FURTHER THAT Mr. Manish Kiri, Managing Director and/or Mr. Pravin Kiri, Chairman of the Company be and are hereby authorized to make application to the Central Government seeking its approval to the proposed change of name as aforesaid and to sign all such applications, papers, and other documents and to do all acts, deeds and things as may be necessary for giving effect to this resolution"

By Order of the Board
For Kiri Dyes and Chemicals Limited

Suresh Gondalia
Company Secretary

Date: January 17, 2011

Place: Ahmedabad

Note: Only a shareholder is entitled to exercise his/her vote through Postal Ballot.

Enclosure: Postal Ballot Form and Postage pre – paid envelope.

Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956.

ITEM No. 1

The Shareholders of the Company at their Annual General Meeting held on 30th September, 2009 have approved borrowing power of the Board of Directors of the Company up to Rs. 700.00 Crores. Looking to the fund requirement for part financing of expansion of existing manufacturing facilities, diversification in to fine chemicals and acquisition of one or more companies outside India, it is necessary to increase borrowing power of the Board of Directors up to Rs. 1000.00 crores (Rupees One Thousand Crores only).

The proposed resolution is intended to obtain the consent of the Company in conformity with requirements of Section 293(1)(d) of the Companies Act, 1956 .

None of the Directors of the Company is in any way concerned or interested in the resolution.

ITEM NO. 2

The Company proposes to borrow monies for the purpose of expansion of existing manufacturing facilities, diversification in to fine chemicals and acquisition of one or more companies outside India which is likely to exceed its capital and reserves. As per the prevalent practice the lenders may insist for creation of charge on the properties/undertaking of the Company. As per the provisions of Section 293(1)(a) of the Companies Act, 1956 the Board of Directors, cannot, except with the consent of the Shareholders of the Company hypothecate / mortgage, lease, or otherwise dispose off whole or substantially whole of the undertakings of the Company. The Company proposes to pass resolution for giving permission for creation of mortgage/charge on undertaking of the Company.

The proposed resolution is intended to obtain the consent of the Company in conformity with requirements of Section 293(1)(a) of the Companies Act, 1956 .

None of the Directors of the Company is in any way concerned or interested in the resolution.



ITEM NO. 3

The Company during the course of business may require to give loans, advances, inter-corporate deposits, makes investments, provides guarantees to bodies corporate including its subsidiaries/ group/ associates companies/ joint ventures etc. For this purpose the company requires to obtain approval of the shareholders of the company pursuant to the provision of section 372A of the Companies Act, 1956.

The loans/ guarantees/ investments etc. proposed by the company shall be provided out of the share capital, internal accruals, loans raised or debentures issued and/ or raising of funds in the form of term loans or such other mode as may be decided by the Board of Directors subject to the approvals, as may be required from the Financial Institutions/Banks/Lenders.

The proposed resolution is intended to obtain the consent of the Company in conformity with requirements of Section 372A of the Companies Act, 1956.

None of the Directors of the Company are deemed to be concerned or interested in the resolution.

ITEM NO. 4.

The Company initially started core business of manufacturing and exporting of dyestuff. In year 2006-07 the Company started manufacturing of Vinyl Sulphone and H. Acid, as part of strategic backward integration. In year 2009-10 the company started manufacturing of Sulphuric acid, Oleum and Chlorosulphonic Acid as a part of second stage backward integration. The company is planning for expansion of intermediates facilities and also planning to set up manufacturing facility of fine chemical of Hydrogen Peroxide. The existing name of the company does not reflect our expanding business activities. The Board of directors at their meeting held on January 17, 2011 approved the proposal to change the name of the company from KIRI DYES AND CHEMICALS LIMITED to **KIRI INDUSTRIES LIMITED**.

The Registrar of Companies, Gujarat, Dadra and Nagar Haveli has made available the proposed new name "**KIRI INDUSTRIES LIMITED**".

The proposed resolution is intended to obtain the consent of the Company in conformity with requirements of Section 21 read with Section 23 of the Companies Act, 1956.

None of the Directors of the Company are deemed to be concerned or interested in the resolution.

By Order of the Board
For Kiri Dyes and Chemicals Limited

Suresh Gondalia
Company Secretary

Date : January 17, 2011
Place: Ahmedabad



KIRI DYES AND CHEMICALS LIMITED

Regd. Office: 7th Floor, Hasubhai Chambers,
Opp. Townhall, Ellisbridge, Ahmedabad 380 006.

POSTAL BALLOT FORM

1. Name(s) & Registered Address of the Sole/
First named shareholder (in Block Letters)
2. Name of the Joint Holder(s)
if any (in Block Letters)
3. Registered Folio No. #/DP ID*/Client ID* No.
(# Applicable to investors holding shares
in physical form)
(* Applicable to investors holding
shares in dematerialized form)
4. Number of Shares held
5. I/We hereby exercise my/our vote in respect of the following Resolutions (Ordinary or Special, as the case may be) to
be passed through Postal Ballot for the business stated in the Notice dated January 17, 2011 of the Company by sending
my/our assent or dissent to the said Resolutions by placing the tick (✓) mark at the appropriate column below:

Sr. No.	Description	No. of Shares	I/We assent to the Resolution (FOR)	I/We dissent to the Resolution (AGAINST)
1.	Ordinary Resolution under section 293(1)(d) of the Companies Act, 1956, for increasing the borrowing power of the company.			
2.	Ordinary Resolution under section 293(1)(a) of the Companies Act, 1956, for creating charge/ mortgage.			
3.	Special Resolution under Section 372A of the Companies Act, 1956, for making investment/ give guarantee/ provide securities.			
4.	Special Resolution under section 21 read with section 23 of the Companies Act, 1956, for change of name of the company.			

Place:
Date:

(Signature of the Shareholder / Beneficial Owner)

Important Note: Please complete and return this form to the Scrutinizer at the Registered Office of the Company by using the enclosed self-addressed envelope. Last date for receipt of this Postal Ballot Form by the Scrutinizer is February 24, 2011.

NOTE : PLEASE READ CAREFULLY THE INSTRUCTIONS PRINTED OVERLEAF BEFORE EXERCISING THE VOTE.



INSTRUCTIONS

1. A Shareholder desiring to exercise vote by Postal Ballot may complete this Postal Ballot Form (no other form or photocopy thereof is permitted to be used for this purpose) and send it to the Scrutinizer in the enclosed postage pre-paid self addressed envelope. Postage will be borne and paid by the Company. Envelopes containing Postal Ballots, if sent by courier at the expense of the Shareholder will also be accepted.
2. This Form should be completed and signed by the Shareholder (as per the specimen signature registered with the Company/ Depository Participants). In case of joint holding, this Form should be completed and signed by the first named Shareholder and in his absence, by the next named Shareholder.
3. In case of shares held by companies, trust, societies etc. the duly completed Postal Ballot Form should be accompanied by a certified copy of the Board Resolution giving requisite authority to the person voting on the Postal Ballot Form. Where the form has been signed by a representative of the President of India or of the Governor of a State, a certified copy of the nomination should accompany the Postal Ballot Form. A shareholder may sign the form through an Attorney appointed specifically for this purpose, in which case an attested true copy of the Power of Attorney should be attached to the Postal Ballot Form. The self-addressed envelope bears the name of the Scrutinizer appointed by the Board of Directors of the Company. 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. The assent or dissent received in any other manner shall not be considered valid.
4. A Shareholder need not use all the votes nor does he need to cast all the votes in the same way. In such case, instead of placing tick mark (✓), shareholder may mention the number of shares voted in FOR and/or AGAINST column appropriately against the respective resolution in the Postal Ballot Form.
5. The right of voting by Postal Ballot shall not be exercised by a Proxy.
6. An unsigned or incorrect or incomplete Postal Ballot Form will be rejected. Duly completed Postal Ballot Form should reach the Scrutinizer not later than the close of working hours on February 24, 2011. Any Postal Ballot Form received after this date will be treated as if reply from such Shareholder has not been received.
7. A Shareholder may request for a duplicate Postal Ballot Form, if so required. However the duly filled in duplicate Postal Ballot Form should reach the Scrutinizer not later than the close of working hours on February 24, 2011.
8. Shareholders are requested not to send any other paper along with the Postal Ballot Form in the enclosed self-addressed envelope, other than those elucidated in point number 3. If any extraneous papers are found, the same will be destroyed by the Scrutinizer.
9. Shareholders are requested to fill the Postal Ballot Form in indelible ink (and avoid filling in by using erasable writing like pencil).
10. Voting rights shall be reckoned on the paid up value of the shares registered in the name of the Shareholder on cut off date which is the last date of dispatch of the Notice.
11. There will be only one Postal Ballot Form for every Folio No. / Client ID, irrespective of the number of Joint holders.
12. The Company has appointed Mr. Kashyap Mehta, Practicing Company Secretary, as Scrutinizer for conducting the postal ballot process in fair and transparent manner.
13. The Scrutinizer's decision on the validity of a Postal Ballot Form will be final.
14. The results of the Postal Ballot will be declared at the Registered Office of the Company in the manner as specified in the Notice.

