



MANAPPURAM

General Finance and Leasing Limited

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NOTICE

Notice is hereby given that an Extra Ordinary General Meeting of the shareholders of Manappuram General Finance and Leasing Limited, will be held at Anugraha Auditorium, Valapad, Thrissur - 680 567 on Tuesday, 31st May 2011 at 10.30 AM, to transact the following business:

1. Amending the Capital Clause of Memorandum of Association of the company

To consider and, if, thought fit, to pass with or without modification, the following resolution as a special resolution:

"RESOLVED THAT the existing Clause V of the Memorandum of Association of the company be and is hereby altered by deleting the same and substituting in its place and stead, the following new Clause V:

V. The authorised share capital of the company is Rs. 200,00,00,000/- (Rupees Two Hundred Crore only) divided into 98,00,00,000 (Ninety Eight Crore) equity shares of Rs. 2/- (Rupees Two only) each and 4,00,000 (Four Lakh) redeemable preference shares of Rs 100/- (Rupees One Hundred only) each. The company has power from time to time to increase or reduce its capital and to divide the shares in the original or increased capital for the time being into several classes and to attach thereto respectively such preferential, special, deferred or qualified rights, privileges or conditions as regards to dividends, distribution of assets, repayment or reduction of capital voting or otherwise or sub divide them and generally on such terms as the company from time to time determine and to vary the Articles of Association of the company as far as necessary to give effect to the same subject to the provisions of law.

2. Amending Articles of Association of the Company

To consider and if thought fit, to pass with or without modification, the following resolution as a special resolution.

"RESOLVED THAT in accordance with the provisions of Section 31 and all other applicable provisions, if any, of the Companies Act 1956, the existing Article 3 of the Articles of Association of the company be altered by deleting the same and substituting in its place and stead the following new Article:

3. Share Capital

The authorized share capital of the company is Rs. 200,00,00,000/- (Rupees Two Hundred Crore only) divided into 98,00,00,000 (Ninety Eight Crore) equity shares of Rs. 2/- (Rupees Two only) each and 4,00,000 (Four Lakh) redeemable preference shares of Rs 100/- (Rupees One Hundred only) each. The company has power from time to time to increase or reduce its capital and to divide the shares in the original or increased capital for the time being into several classes and to attach thereto respectively such preferential, special, deferred or qualified rights, privileges or conditions as regards to dividends, distribution of assets, repayment or reduction of capital voting or otherwise or sub divide them and generally on such terms as the company from time to time determine and to vary the Articles of Association of the company as far as necessary to give effect to the same subject to the provisions of law".

3. Issue of Bonus Shares

To consider and if thought fit, to pass with or without modification, the following resolution as a Special Resolution:

"RESOLVED

- a) Subject to such consents and approvals as may be required under the applicable provisions of the Companies Act 1956 and listing agreement and further subject to the permission if any, required from Reserve Bank of India, and such conditions and modifications as the Board of Directors (hereinafter referred to as the **Board**, which expression shall mean to include any committee of directors constituted by the board in this behalf) of the company consider necessary and determined or agreed to by them while giving such consent, that a sum not exceeding Rs. 83,37,48,376/- (Rupees Eighty Three Crore Thirty Seven Lakh Forty Eight Thousand Three Hundred And Seventy Six only) out of the amount standing to the credit of the Share Premium Account of the company be capitalized and transferred from the said account to Share Capital Account and that the whole or part of the sum capitalized as aforesaid as may be determined by the Board shall be applied for the issue and allotment at par out of the company's un-issued equity shares in the ratio of

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one new equity share of Rs.2/- (Rupees Two only) each as fully paid bonus shares for every one existing equity share to the persons who hold such shares on the record date to be fixed by the Board upon the footing that they become entitled to the new bonus shares for all purposes as capital;

- b) The issue and allotment of bonus shares as aforesaid shall be subject to the clauses provided in the Memorandum and Articles of Association of the company and shall rank *paripassu* in all respects with and carry the same rights as the existing fully paid equity shares of the Company and shall be entitled to participate in full in any dividend to be declared for the financial year in which the bonus shares are allotted;
- c) No letters of allotment shall be issued except as provided in (d) below and share certificates in respect of the bonus shares shall be issued and dispatched to the allottees thereof within the period that may be prescribed in this behalf, from time to time, by statute or applicable regulation or rule;
- d) In the case of allottees who opt for allotment of bonus shares in Demat mode, the shares shall be credited to the respective Demat account whether or not they hold the existing shares in physical or Demat mode;
- e) The issue, allotment of bonus shares, if any, made to Non Resident Indians, shall be subject to such approval by the Reserve Bank of India as may be necessary under the applicable law and
- f) The Board be and is hereby authorized to take such steps as may become necessary or desirable to effect the resolution for the issue of bonus shares and that, for removal of any doubt or difficulty, the Board be and is hereby authorized to do all such acts, deeds, matters and things, to give from time to time such directions as may be necessary, expedient, usual or proper and to settle any question or doubt that may arise in relation thereto or otherwise reconsider the matter in the changed circumstances, if any, as the Board in its absolute discretion may think fit and its decision shall be final and binding on all members and other interested persons."

4. Increasing the borrowing powers of the Company.

To consider and, if thought fit to pass with or without modification, the following resolution as an ordinary resolution:

"RESOLVED THAT pursuant to the provisions of Sec. 293 (1) (d) and other applicable provisions, if any, of the Companies Act, 1956, consent of the Company be and is hereby accorded to the Board of Directors to borrow from time to time all such sums of monies as may deem requisite or proper for the purpose of the business of the Company, apart from the temporary loans obtained from the Company's bankers in the ordinary course of business, exceeding the paid up share capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose, provided that the total amount up to which monies may be borrowed by the Board of Directors shall not exceed the sum of Rs. 20,000 Crores. (Rupees Twenty Thousand Crores only) at any time.

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the board be and is hereby authorized to do all such things and acts as may be necessary and expedient and to settle any question or matter that may arise in connection therewith."

5. Starting new line of business

To consider and, if thought fit to pass with or without modification, the following resolution as a special resolution:

"RESOLVED THAT pursuant to the provisions of Section 149(2A) of the Companies Act, 1956, the consent of the company be and is hereby accorded to carry on the business activities as stated in the new inserted Clause 19 under the Other Objects (Part C) of the Memorandum of Association of the company as reproduced below:-

19. To act as travel agents and tour operators, transport agents, contractors, to arrange and operate tours, and to act as representatives of airlines, railways and arrange the road, air, water ticket booking.

RESOLVED FURTHER THAT the Board of directors of the company be and is hereby authorized to take all such effective steps to implement the decision of the members of the company as they may consider appropriate in the interests of the company and to do all such acts, deeds and things from time to time for and on behalf of the company."

Notes:

1. A Member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself/ herself and the proxy need not be a member of the company. Proxy Form duly completed must be sent so as to reach the Registered Office of the company not later than 48 hours before the commencement of the meeting. A blank proxy form is enclosed.
2. Explanatory statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of the special resolutions are annexed hereto and forms part of this notice.
3. Members are requested to bring the Attendance Slips with them at the Extra Ordinary General Meeting.

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

Item No. 1 and 2.

As the members are aware, the present authorized capital of the company is Rs.110 Crores. With the capitalization of reserves by the issue of bonus shares, the paid up capital of the company would become Rs.166.75 Crores. Therefore, the authorized capital of the company needs to be increased to accommodate the additional shares being issued as bonus. This will also enable the company to meet the norms of capital adequacy in the coming years when the activities of the company will be increased.

The increase in authorized capital will necessitate consequential changes in the relevant clauses of the Memorandum and Articles of Association of the company. The resolution proposed against item No 2 is intended to make the consequential changes as stated above. Board recommends passing of the resolutions as special resolutions. None of the directors is interested or concerned in the resolution.

Item No.3

The proposal for bonus issue on the one hand, is directed to provide more liquidity to the shares by increasing the available number of shares in the market and on the other, to reward the share holders by allotting equal number of shares by way of bonus. By the issue of bonus shares, the total equity share capital will be increased from Rs .83.37 Crores to Rs. 166.75 Crores. The proposal for bonus issue is beneficial to the members as well as the company. Therefore, the board recommends passing the resolution as a special resolution. All directors are interested in the resolution as members to the extent of their shareholding in the company.

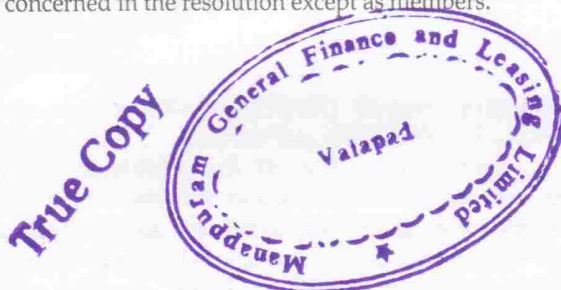
Item No. 4.

Members may please note that, there will be increased need for funds with the expansion in the business operations of the company in the coming years. To meet the increased needs, your directors propose to avail the facilities extended by debt market apart from financial sanctions made by commercial banks and other financial institutions. Presently the borrowing limit set for the company is Rs.10000 Crores. This limit would become insufficient with the expansion of business operations in the coming years. Therefore, your directors feel that the borrowing limit be increased to Rs.20000 Crores. The board recommends passing the resolution as an ordinary resolution. No director is concerned or interested in the resolution.

Item No. 5

Members may kindly recall the resolutions passed under the provisions of postal ballot. In order to start the new line of activity viz; travel and tourism related services, the company is required to get a fresh certificate of commencement of business from the Registrar of Companies, Kerala. Therefore the resolution is proposed for seeking the approval of members for the new line of activity. Your board recommends passing the resolution as a special resolution. None of the Directors of the Company is interested or concerned in the resolution except as members.

Valapad
24.04.2011



By order of the Board
Sd/-
C. Radhakrishnan
Company Secretary