



MICRO TECHNOLOGIES (INDIA) LIMITED

(Registered Office: 46-C, Electronic Sadan No 1, Mahape, Navi Mumbai – 400 705)

NOTICE PURSUANT TO SECTION 192A OF THE COMPANIES ACT, 1956 READ WITH THE COMPANIES (PASSING OF THE RESOLUTION BY POSTAL BALLOT) RULES, 2001

Dear Shareholder(s)

As per Section 192A of the Companies Act, 1956 read with the Companies (Passing of the Resolution by Postal Ballot), Rules, 2001, the consent of members, under Section 81(1A) of the Companies Act, 1956, for the matters set out below is sought by means of voting by postal ballot. Accordingly, the said resolution and the explanatory statement is appended below and a Postal Ballot Form is enclosed herewith for your consideration. The Company has appointed M/s. Makarand M. Joshi & Co., Practicing Company Secretaries as Scrutinizer for conducting the postal ballot process in a fair and transparent manner.

You are requested to carefully read the instructions printed in the Postal Ballot Form and return the form duly completed in the attached self addressed, postage prepaid envelope, so as to reach the Scrutinizer on or before the close of working hours (**05.30 P.M. hrs**) on **January 25, 2011**. The Ballot Form received after the said date will be treated as not to have been received. The Scrutinizer will submit his report to the Chairman after completion of the scrutiny and the result of the voting by postal ballot will be declared on **January 28, 2011 at 4:00 p.m.** at the Company's registered office at Mahape, Navi Mumbai.

The date of declaration of the result shall be deemed to be the date of passing of the said resolution.

SPECIAL RESOLUTION

Item No. 1

ISSUE OF COMPULSORILY CONVERTIBLE DEBENTURES

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

"RESOLVED THAT pursuant to the provisions of Section 81(1A) and other applicable provisions, if any, of the Companies Act, 1956, the provisions of Chapter VII of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, (hereinafter referred to as the "SEBI Regulations"), as also of any other applicable Laws, Rules, Regulations, and Guidelines (including any amendment thereto or re-enactment thereof) and the enabling provisions in the Memorandum and Articles of Association of the Company and the Listing Agreements entered into by the Company with the Stock Exchanges where the Equity Shares of the Company are listed, and subject to all such approvals, consents, permissions and/or sanctions from all appropriate authorities, including the Securities and Exchange Board of India (SEBI), Government of India, Reserve Bank of India, Financial Institutions, Banks, Agents & Trustees and Stock Exchanges (hereinafter singly or collectively referred to as "the Appropriate Authorities") and subject to such conditions and modifications as may be prescribed or imposed by any of them while granting any such consents, permissions, approvals and/or



sanctions (hereinafter singly or collectively referred to as "the requisite approvals") 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(s), which the Board may have constituted or hereafter constitute in this behalf to exercise the powers conferred on the Board by this resolution), the consent of the Board be and is hereby accorded to the Board to create, issue, offer and allot upto 5,00,000 (Five Lakhs only), Compulsorily Convertible Debentures (CCDs) of Rs. 400/- each at par, to the person mentioned below, and referred to as the 'CCD holder', on a preferential allotment basis,

Sr. No	Names of the Allottee	Categories	Residential Status	No of Compulsorily Convertible Debentures (CCDs)
1.	M/S HT Media Limited	Body Corporate	Indian	5,00,000
	Total			5,00,000

on such terms and conditions and in such manner as the Board may think fit, each CCD shall be converted into such number of equity shares of Rs. 10 each at par / at premium as may be determined based on the price of equity shares on the stock exchange on the relevant date, in accordance with SEBI (ICDR) Regulations, 2009.

RESOLVED FURTHER THAT

- i) the proposed date of allotment of CCDs is February 12, 2011 subject to any changes as may be determined by the Board of Directors of the Company and/or statutory approvals pending if any;
- ii) the conversion date of the CCDs shall be 12 months from the date of allotment as specified in clause (i) above; i.e (February 11, 2012)
- iii) The relevant date for determining the ratio of conversion of CCDs into equity shares shall be January 12, 2012, i.e., 30 days prior to the date on which the CCDs shall be due for conversion, which is in accordance with Regulation 76(1) of the SEBI (ICDR) Regulations, 2009;
- iv) the equity shares to be so allotted by the Board as per terms of this issue, shall be subject to the provisions of the Memorandum and Articles of Association of the Company and shall be pari passu in all respect including entitlement for dividend with the then existing equity shares of the Company;
- v) The CCDs allotted on preferential basis, to any person other than the promoter / promoter group of the issuer shall be locked-in for a period of 1 year from the date of allotment;
- vi) the Board be and is hereby authorized to decide and approve the other terms and conditions of the Issue subject to agreement with the proposed allottees and is also entitled to vary, modify or alter any of the terms and conditions, as it may deem expedient, subject however to the compliance with the applicable guidelines, notification, rules and regulations;



- vii) the Board be and is hereby authorized to accept any amendments, modifications, variations and alterations as the GOI/RBI/SEBI or any other regulatory authority may stipulate in that behalf; and
- viii) the Board be and is hereby authorized to delegate all or any of its powers to any Director or Committee of Directors or employee or officer of the Company (as it may consider appropriate) to give effect to the aforesaid resolutions.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorized to do all such acts, deeds, matters and things, as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in regard to the offer/issue and allotment of CCDs or conversion/allotment into fresh equity shares as per terms of this issue, to effect any modification, to the foregoing in the best interest of the Company and its shareholders, as the Board may think fit, and further to do all such acts, deeds, matters and things and to finalise and execute all documents, papers, agreements, deeds and writings as may be necessary, desirable or expedient as it may deem fit.

RESOLVED FURTHER THAT the Board be and is hereby authorized to accept such terms and conditions as SEBI and/ or Bombay Stock Exchange may stipulate in this behalf.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers conferred on it by or under this Resolution to any Committee of the Directors of the Company or to any Director of the Company or to any other officer (s) or employee(s) of the Company as it may consider appropriate in order to give effect to this resolution."

FOR AND ON BEHALF OF THE BOARD
Micro Technologies (India) Limited


Sudipta V

Company Secretary



Date: December 10, 2010

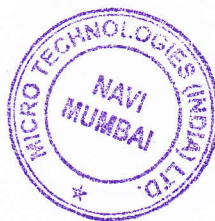
Place: Navi Mumbai

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

Item No. 1

In terms of the provisions of section 81(1A) of the Companies Act, 1956 read with Chapter VII of the SEBI (ICDR) Regulations, 2009 applicable for making of a preferential offer, a special resolution needs to be passed.





Accordingly consent of shareholders is being sought for issuance of 5,00,000, Compulsorily Convertible Debentures (CCDs) of Rs. 400/- each, pursuant to the provisions of section 81(1A) of the Companies Act, 1956 and Chapter VII of the SEBI (ICDR) Regulations, 2009 as applicable to the Company, subject to the guidelines and clarifications issued by RBI, SEBI and in terms of the provisions of the Listing Agreements executed by the Company with Bombay Stock Exchange, where the shares of the Company are presently listed.

The Company proposes to increase its capital base in order to fund its advertising and brand building exercise all over the country by way of preferential issue of 5,00,000, Compulsorily Convertible Debentures (CCDs) of Rs. 400/- each, to the proposed allottees as per the details given hereunder, which shall be converted, on such terms and conditions and in such manner as the Board may think fit, into such number of equity shares of Rs. 10 each at par / at premium as may be determined based on the price of equity shares on the stock exchange on the relevant date. The proposed date of allotment of CCDs is February 12, 2011 subject to any changes as may be determined by the Board of Directors of the Company and statutory approvals pending if any. The conversion date of CCDs shall be 12 months from the date of allotment. The relevant date for determining the ratio of conversion of CCDs into equity shares shall be January 12, 2012, i.e., 30 days prior to the date on which the CCDs shall be due for conversion which is in accordance with Regulation 76(1) of the SEBI (ICDR) Regulations, 2009.

The proposed preferential allotment shall not result in any change in management control of the Company. The existing promoters will remain in control and management of the Company and the subscribers to the CCDs will only be financial investors with rights available to them as Debenture holders, and subsequently on conversion into equity shares, rights available to them as equity shareholders.

The consent of the shareholders is being sought pursuant to the provisions of Section 81(1A) of the Companies Act, 1956 and other applicable provisions, if any. The Directors recommend the resolution as stated in the notice to be passed by the members of the Company as Special Resolution as mentioned in the notice.

The disclosures in terms of the Securities and Exchange Board of India (ICDR) Regulations, 2009 for Preferential Issues are as under:

1. Object of the issue through preferential offer:

The proceeds of the preferential issue are proposed to be utilized for funding acquisitions and for working capital requirements of the Company.

2. The intention of the promoters/ directors/ key management persons to subscribe to this offer:

None of the promoters/ directors/ key management persons intend to subscribe to the preferential issue.

3. Shareholding Pattern of the Company before and after the proposed issue of CCDs:



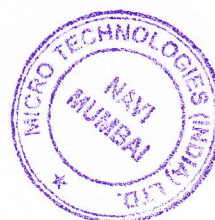
	Category	Pre-preferential issue holding	%	*Post-preferential issue holding	*%
A	Equity Share Capital				
	Promoters holding				
	Indian Promoter	4,758,182	34.18	4,758,182	34.18
	Foreign Promoters	-			
	Persons acting in concert	-			
	Sub total	4,758,182	34.18	4,758,182	34.18
	Non – Promoters holding				
	Institutions	1390	0.01	1390	0.01
	Non – Institutions	933442	6.71	933442	6.71
	Bodies Corporate	4427138	31.81	4427138	31.81
	Individuals	3799482	27.29	3799482	27.29
	Sub Total	9161452	65.82	9161452	65.82
	Total	13919634	100	13919634	100
B	Compulsorily Convertible Debentures	-	-	5,00,000	100

(*Note:- The equity shareholding pattern of the Company shall not change pursuant to issue of aforesaid Debentures. As on the date of this notice, the shareholding pattern of the Company post conversion of the aforesaid CCDs into equity shares cannot be determined, as the relevant date for determining the conversion rate of Debentures into equity shares is 30 days prior to the date on which the shares shall be due for conversion. Hence, it cannot be determined as on the date of passing this resolution.)

The Company will ensure that the provisions as to lock-in and other conditions/ prohibitions/ restrictions contained in Chapter VII of the Securities and Exchange Board of India (ICDR) Regulations, 2009 are complied with.

4. Proposed time within which allotment to be completed:

The Company authorizes the Board of Directors to allot CCDs in the Board Meeting subject to any changes as may be determined by the Board of Directors of the Company and statutory approvals pending if any i.e. within 15 (Fifteen days) from the date of passing of resolution through Postal ballot or within 15 days from the date of receipt of in-principle approval, whichever is later, In case the allotment is pending on account of pendency of any approval for such allotment by any regulatory authority or the Government, the allotment shall be completed within 15 (Fifteen) days from the date of receipt of such approval.



5. Identification of proposed allottees:

Sr. No	Names of the Allottee	Categories	Residential Status	No of Compulsorily Convertible Debentures (CCDs)	% of the Total Debentures of the Company
1.	M/S HT Media Limited	Body Corporate	Indian	5,00,000	100%
	Total			5,00,000	100%

The shareholding of equity share capital of the Company would remain unchanged. There shall be no change in control of the Company consequent to the aforesaid preferential issue.

Since the pricing of the CCDs is determined in terms of Regulation 76(1) of the SEBI (ICDR) Regulations, 2009 and the pricing under Regulation 76(2) of the SEBI (ICDR) Regulations, 2009 is not applicable, the provisions regarding re-computation of the price of the CCDs pursuant to Regulation 76(3) of the SEBI (ICDR) Regulations, 2009 are also not applicable.

The Board of Directors recommend the same for approval of the members of the Company.

None of the directors are interested or concerned in the said resolution.

