MUKAND
Infinite resolve

Certified True Copy
For MUKAND LIMITED
K.J. MALLYA
COMPANY SECRETARY

MUKAND LIMITED

Registered Office: 3rd Floor, Bajaj Bhawan, Jamnalal Bajaj Marg, 226, Nariman Point, Mumbai, Maharashtra - 400021

NOTICE is hereby given that an Extra-Ordinary General Meeting of the members of **MUKAND LIMITED** ("Company") will be held on Monday, 15th July, 2013 at 4.30 p.m. at Kamalnayan Bajaj Hall, Bajaj Bhawan, Jamnalal Bajaj Marg, 226, Nariman Point, Mumbai 400 021, Maharashtra to transact the following Special businesses:

1. **To consider, and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:**

   "RESOLVED THAT pursuant to the provisions of Sections 16, 94 and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification(s) or re-enactment thereof for the time being in force), and subject to necessary approval(s), if any, in this regard from appropriate authority(ies), the Authorized Share Capital of the Company be and is hereby increased from Rs.125,00,00,000/- (Rupees One Hundred Twenty Five Crores only) divided into 70,00,000 (Seventy Lakhs) preference shares of Rs.10/- (Rupees Ten only) each and 11,80,00,000 (Eleven Crores Eighty Lakhs) equity shares of Rs.10/- (Rupees Ten only) each to Rs.160,00,00,000/- (Rupees One Hundred Sixty Crores only) comprising of 70,00,000 (Seventy Lakhs) preference shares of Rs.10/- (Rupees Ten only) each and 15,30,00,000 (Fifteen Crores Thirty Lakhs) equity shares of Rs.10/- (Rupees Ten only) each and that the existing clause V of the Memorandum of Association of the Company be and is hereby altered and replaced by the following new clause V:

   'V. The Authorized Share Capital of the Company is Rs.160,00,00,000/- (Rupees One Hundred Sixty Crores only) comprising of 70,00,000 (Seventy Lakhs) Preference Shares of Rs.10/- (Rupees Ten only) each and 15,30,00,000 (Fifteen Crores Thirty Lakhs) Equity Shares of Rs.10/- (Rupees Ten only) each with power to increase or reduce the capital of the Company and to divide the shares in the capital for the time being into several classes and to attach thereto respectively such preferential, deferred, qualified or special rights, privileges or conditions as may be determined in accordance with the Articles of Association of the Company and to vary, modify, amalgamate or abrogate any such rights, privileges or conditions in such manner as may be for the time being be provided by the Articles of Association of the Company'.

   RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution and to settle any question, difficulty or doubt that may arise in this regard, the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things and execute all such documents, instruments, and writings as it may in its sole and absolute discretion deem necessary or expedient and further authorized to file the necessary document, paper, agreement, form in connection to the aforesaid with the appropriate authorities, including the office of the Registrar of Companies."

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

   "RESOLVED THAT pursuant to the provisions of Section 31 and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification(s) or re-enactment thereof for the time being in force), the first

paragraph, before sub-clause (a), in the existing Article 3 of the Articles of Association of the Company be and is hereby altered and replaced by the following new paragraph:

'The Authorized Share Capital of the Company is Rs.160,00,00,000/- (Rupees One Hundred Sixty Crores only) comprising of 70,00,000 (Seventy Lakhs) Preference Shares of Rs.10/- (Rupees Ten only) each and 15,30,00,000 (Fifteen Crores Thirty Lakhs) Equity Shares of Rs.10/- (Rupees Ten only) each.'

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution and to settle any question, difficulty or doubt that may arise in this regard, the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things and execute all such documents, instruments, and writings as it may in its sole and absolute discretion deem necessary or expedient and further be authorized to file the necessary document, paper, agreement, form in connection to the aforesaid with the appropriate authorities, including the office of the Registrar of Companies."

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

"**RESOLVED THAT** pursuant to the provisions of Section 81 and all other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification(s) or re-enactment thereof for the time being in force), the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended ('**ICDR Regulations**'), Securities Contracts (Regulation) Act, 1956, as amended, Foreign Exchange Management Act, 1999, directions, regulations, guidelines issued by the Foreign Investment Promotion Board and the Reserve Bank of India ('**RBI**'), if and to the extent required, and in accordance with the provisions of Memorandum of Association and Articles of Association of the Company and the Listing Agreement(s) entered into by the Company with the Stock Exchanges where the Company's equity shares are listed and subject to such approval(s), consent(s), permission(s), modification(s) and/or sanction(s) as may be required, specified, imposed or suggested by the Securities and Exchange Board of India ('**SEBI**'), RBI and/or other appropriate authorities, and subject to such terms and conditions, consents, alterations/deletions and modifications as may be required or prescribed under the requisite approval(s), consent(s) and permission(s), modification(s) and/or sanction(s) which may be agreed to by the Board of Directors of the Company (hereinafter, '**Board**', which term shall be deemed to include any Committee or Committees constituted / to be constituted by the Board to exercise its powers, including the powers conferred by this Resolution), the consent and approval of the Shareholders of the Company be and is hereby accorded to the Board to create, offer, issue and allot on rights basis to the Shareholders of the Company, as on the record date/ book closure date(s), to be decided by the Board later on, such number of equity shares of the Company of face value of Rs.10/- (Rupees Ten only) each at such price per equity share to be determined by the Board at its absolute discretion, aggregating to an amount not exceeding Rs.160,00,00,000/- (Rupees One Hundred Sixty Crores only), including share premium, on such terms and conditions as may be deemed appropriate in its absolute discretion.

RESOLVED FURTHER THAT all new equity shares as aforesaid to be issued and allotted in the manner aforesaid shall be subject to the Memorandum of Association and Articles of Association of the Company and the equity shares to be issued and allotted shall rank *pari passu* in all respects with the existing equity shares of the Company, including entitlement of dividend except as may be otherwise provided pursuant to the terms of the issue in any of the issue documents.

RESOLVED FURTHER THAT the unsubscribed portions, if any, of the aforesaid shares to be so offered and issued, after considering the applications received from the Shareholders of the Company, shall be disposed off in such manner, as the Board may deem fit and proper at its absolute discretion and as most beneficial to the Company.

RESOLVED FURTHER THAT the Board be and is hereby authorized to issue in consultation with and subject to the approval, if necessary, of any concerned authorities, Draft Letter of Offer, Letter of Offer, including Abridged Letter of Offer, Composite Application Form and other documents to the persons stipulated above containing the terms and conditions of such issue as the Board may decide, including right to renunciation, eligibility or otherwise to apply for additional shares in the event of renouncement by the Shareholder, eligibility or otherwise of the renouncee to apply for additional shares, payment of subscription monies, listing of the new Equity Shares with the Stock Exchanges, restriction as to subscription and transfer as provided in the Articles of Association of the Company, order and basis of allotment in the event of over subscription, premium to be charged on the shares, finalize payment structure, to vary the size of the issue, appoint Lead Manager(s), Banker(s), Legal Advisor(s), Registrars and other intermediaries / agencies in relation to the issue of equity shares as aforesaid, to fix the record date / book closure date(s) in consultation with the Stock Exchanges and to finalise such other terms and conditions as may be deemed necessary or stipulated in such Draft Letter of Offer / Letter of Offer and such other documents as may be permitted by the concerned authorities in accordance with the applicable laws and the Board be and is hereby expressly authorized and empowered to accept such variations and modifications as the SEBI, Stock Exchanges or any other concerned authorities may stipulate in that behalf and also at its discretion to amend, modify, vary or alter all or any other terms of the issue including the right to increase, decrease or recalculate the number of Equity Shares to be created, offered and alter the terms as to premium and to include in the Draft Letter of Offer / Letter of Offer or such other documents it offers for subscription, all such other terms and conditions of offer as are necessary or expedient in the discretion of the Board and/or may have to be incorporated on account of any modifications or amendments required or accepted by any concerned authority.

RESOLVED FURTHER THAT for the purpose of giving effect to any offer, issue or allotment of equity shares, the Board be and is hereby authorized on behalf of the Company to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary or desirable for such purpose, including without limitation, the entering into arrangements for managing, marketing, underwriting, listing, trading and to issue any documents and writing(s) and to pay any fees, commission, remuneration, expenses relating thereto and with power on behalf of the Company to settle all questions, difficulties or doubts that may arise in regard to such offer(s) or issue(s) or allotment(s) as it may, in its absolute discretion, deem fit.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred to any Committee of the Board, constituted / to be constituted or any other officer or officers of the Company to give effect to the aforesaid resolution."

Registered Office:

3rd Floor, Bajaj Bhawan,
Jamnalal Bajaj Marg,
226, Nariman Point,
Mumbai 400021
Dated: 6th June, 2013

BY ORDER OF THE BOARD

K. J. Mallya
Company Secretary

NOTES:

(a) **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/ HERSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.** The instrument appointing a proxy, to be effective, should however, be deposited at the Registered Office of the Company not less than 48 (fourty-eight) hours before the commencement of the Meeting.

(b) The Explanatory Statement pursuant to Section 173 of the Companies Act, 1956, in respect of the Special Businesses is annexed hereto.

(c) The notice of the above Extra-Ordinary General Meeting has been sent to all the members (including the Preference shareholders) as per the provisions of Section 172 of the Companies Act, 1956 (Act). The preference shareholders will be entitled to attend the meeting but will not have any right to vote on any of the businesses to be considered at the above meeting pursuant to the provisions of Section 87 of the Act.

(d) As per the 'Green Initiative in the Corporate Governance' taken by the Ministry of Corporate Affairs, the aforesaid notice is sent in electronic form to those members whose e-mail IDs are available with the Company's Share Transfer Agents (STAs) as per the information furnished to them by the members or their Depository Participants. In case a member wishes to receive a physical copy of the notice , he/she is requested to intimate the same by e-mail to the STAs at the earliest, duly quoting his/her Folio Number(s)/ DP ID and Client ID.

The aforesaid notice is uploaded on the website of the Company viz., www.mukand.com .

(e) All the documents referred to in the Notice and the Explanatory Statement are open for inspection at the Registered Office of the Company on any working day between 11.00 a.m. to 1.00 p.m. excluding Saturdays up to the date of the Extra-Ordinary General Meeting.

(f) Members who hold shares in the dematerialised form, are requested to bring their depository account number for identification.

Annexure to the Notice

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

Item Nos. 1 and 2

Your Company is proposing to raise funds up to Rs.160 crores by issue of further equity shares to its existing Shareholders on rights basis to strengthen the financial position of the Company by augmenting long term funds and *inter-alia* (a) to pay dues of the secured lenders i.e., banks and financial institutions; (b) to utilize part of the proceeds towards working capital requirement of the Company (inventory and debtors); and (c) towards general corporate purpose. This issue will be subject to necessary approvals from secured lenders, bankers and others as may be necessary.

The present authorized Share Capital of the Company is Rs.125,00,00,000/- (Rupees One Hundred Twenty Five Crores only) divided into 70,00,000 (seventy lakhs) Preference Shares of Rs. 10/- (Rupees Ten only) each and 11,80,00,000 (eleven crores eighty lakhs) Equity Shares of Rs. 10/- (Rupees Ten only) each which would not be sufficient to accommodate the proposed rights issue.

It is, therefore, deemed necessary to increase the authorized share capital of the Company from present Rs.125,00,00,000/- (Rupees One Hundred Twenty Five Crores only) to Rs.160,00,00,000/- (Rupees One Hundred Sixty Crores only) by creation of new equity shares as set out in the draft resolution at Item No. 1 of the Notice.

Consequent upon increase of authorized share capital as aforesaid, Clause V of the Memorandum of Association and Article 3 of the Articles of Association of the Company will have to be suitably altered/ replaced in the manner set out in the draft resolutions at Item Nos. 1 and 2 of the Notice respectively.

As per the provisions of Sections 16 read with Section 94 of the Companies Act, 1956 such proposed increase and alteration in the authorized share capital requires approval of the shareholders by way of an ordinary resolution. Furthermore, as per provisions of Section 31 of the said Act, any alteration of Articles of Association requires approval of the shareholder by way of a special resolution.

None of the Directors of the Company is interested in the said resolutions, save and except as a Shareholder and to the extent of their shareholding in the Company either by themselves and/or by companies owned/controlled by them or any of them.

Item No.3

Your Company is proposing to raise funds up to Rs.160 crores by issue of further equity shares to its existing Shareholders on rights basis to strengthen the financial position of the Company by augmenting long term funds and *inter-alia* (a) to pay dues of the secured lenders i.e., banks and financial institutions; (b) to utilize the part of the proceeds towards working capital requirement of the Company (inventory and debtors); and (c) towards general corporate purpose.

Section 81 of the Companies Act, 1956 ('**Act**'), provides *inter alia*, that where it is proposed to increase the subscribed share capital of the Company by allotment of further shares, such further shares shall be offered to the persons who on the date of the offer are holders of the equity shares of the Company, in proportion to the capital paid up on those shares as of that date unless the shareholders decide otherwise. The Listing Agreement with the Stock Exchanges also provides that the Company shall issue or offer in the first instance all securities to the existing equity shareholders, unless the shareholders decide otherwise. The Special Resolution seeks the consent and authorization of the Shareholders accordingly.

Pursuant to the provisions of Sections 81 of the Act, any offer or issue of shares by a company to persons other than the holders of the equity shares of the company or to such holders otherwise than in proportion to the capital paid up, requires prior approval of the shareholders by passing of a Special Resolution. Under the proposed Rights Issue, the equity shares will be offered to existing shareholders of the Company on the basis of shares held by them. Furthermore, in case of renunciation, the equity shares may be offered and allotted to persons other than the existing shareholders and hence, the draft resolution as set out at Item No. 3 of the Notice is proposed to be passed as a special resolution as a measure of abundant precaution.

The Special Resolution proposes to authorize the Board to decide and finalise all aspects of the issue, including the terms and conditions of the Issue, price and size of the issue in consultation with the Lead Manager(s), Legal Advisor(s) and other experts and/or such other agency or authorities as need to be consulted, including in relation to the pricing of the issue which will be fixed keeping in view the then prevailing market conditions and in accordance with the applicable provisions of laws, rules, regulations, or guidelines. The detailed terms and conditions of the rights issue will be intimated to the shareholders through the Letter of Offer / Abridged Letter of Offer and / or other documents to be issued in this regard.

None of the Directors of the Company is interested in the said resolution, save and except as a Shareholder and to the extent of their shareholding in the Company either by themselves and/or by companies owned/controlled by them or any of them.

Registered Office:

3rd Floor, Bajaj Bhawan,
Jamnalal Bajaj Marg,
226, Nariman Point,
Mumbai 400021
Dated: 6th June, 2013

BY ORDER OF THE BOARD

K. J. Mallya
Company Secretary

ATTENDANCE SLIP

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MUKAND LIMITED

Registered Office: 3rd Floor, Bajaj Bhawan, Jamnalal Bajaj Marg, 226, Nariman Point, Mumbai, Maharashtra - 400021

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL

D.P. Id*		Client Id*		Ledger Folio No.		No. of Shares held	

NAME AND ADDRESS OF THE SHAREHOLDER : _____

_____

_____

I/We hereby record my/our presence at the **EXTRA-ORDINARY GENERAL MEETING** of the Company being held on Monday, 15th July, 2013 at 4.30 p.m. at Kamalnayan Bajaj Hall, Bajaj Bhawan, Jamnalal Bajaj Marg, 226, Nariman Point, Mumbai 400 021.

Signature of the shareholder or proxy : _____

*Applicable for investors holding shares in electronic form.

PROXY FORM

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MUKAND LIMITED

Registered Office: 3rd Floor, Bajaj Bhawan, Jamnalal Bajaj Marg, 226, Nariman Point, Mumbai, Maharashtra - 400021

D.P. Id*		Client Id*		Ledger Folio No.		No. of Shares held	

I/We ..... of .....

..... being a member/members of **Mukand Limited**

hereby appoint ..... of .....

..... or failing him/her .....

of ..... as my/our proxy to vote for me/us and on my/our behalf at the **EXTRA-ORDINARY GENERAL MEETING** of the Company held on Monday, 15th July, 2013 at 4.30 p.m. at Kamalnayan Bajaj Hall, Bajaj Bhawan, Jamnalal Bajaj Marg, 226, Nariman Point, Mumbai 400 021 or at any adjournment therof.

Affix a Revenue Stamp

Signed this ..... **day of** ..... **, 2013**

*Applicable for investors holding shares in electronic form.

Note: The Proxy in order to be effective should be duly stamped, completed and signed and must be deposited at the Registered Office of the Company not less than 48 hours before the time for holding the aforesaid meeting. The Proxy need not be a member of the Company.