MOHIT INDUSTRIES LIMITED
CIN NO. L17119GJ1991PLC015074
Regd office: A-601/B, International Trade Centre, Majura Gate Ring Road, Surat 395002, Gujarat, India.
Phone: +91-261-2463261, 2463262, 2463263 Fax: +91-261-2463264
Email: Contact@mohitindustries.com or cs_swati@mohitindustries.com
Website: www.mohitindustries.com

NOTICE OF POSTAL BALLOT

[Pursuant to Section 110 of the Companies Act, 2013]

Dear Member(s)

Notice is hereby given, pursuant to Section 110 of the Companies Act, 2013 ("the Act"), read with Rule 22 of the Companies (Management and Administration) Rules, 2014, other applicable provisions of the Act and Rules made there under and Clause 35B of the Listing agreement with Stock Exchanges, that it is proposed to transact the following Special Business by passing a Special Resolution through **Postal Ballot.**

1. **Creation of Charge on the Assets of the company in respect of Borrowing**
2. **Insertion of New Object Clause in Memorandum of Association of the company**

The Company seeks the consent of the Members for the aforesaid proposals through Special Resolutions as specified herein below. A Statement explaining the reasons for passing of the said Resolutions is also annexed.

Accordingly, the proposed Special Resolutions together with the said Statement setting out the material facts and reasons for the Resolution is being sent to you along with a Postal Ballot Form for your consideration.

The Company has appointed Mr. Dhiren R Dave (C.P No.4889), a Practicing Company Secretary, Surat as the Scrutinizer for conducting the Postal Ballot and electronic voting (e-voting) process thereto in accordance with the provisions of the Act and Rules made there under in a fair and transparent manner.

Members are requested to carefully read the instructions printed in the Postal Ballot Form and return the Form duly completed, in the attached self-addressed Business Reply envelope so as to reach the Scrutinizer on or before the close of working hours on Thursday 25th September, 2014.

For Members opting for E-Voting:-

In Compliance with Clause 35B of the listing Agreement and provisions of Section 110 of the Act read with the Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide e-voting facility as an alternate, to all its Members, to enable them to cast their votes electronically, instead of physical Postal Ballot Form. E-voting is optional. Please carefully read and follow the instructions on e-voting printed in this Notice.

The Scrutinizer, after completion of the scrutiny, will submit his report to the Chairman or Managing Director of the Company. The result of the voting by postal ballot will be declared in accordance with the provisions of Section 110 of the Act, 2013 read with Rule 22 of Companies (Management and Administration) Rules, 2014 on Monday 29th September, 2014 at the 24th Annual General Meeting (AGM) of the Company scheduled to be held at 10:00 AM at registered office of the company at A-601/B, International Trade Centre, Majura Gate, Ring Road, Surat 395002, Gujarat India.

The results of said postal ballot along with the Scrutinizer's report will be posted on the Company's website www.mohitindustries.com and will be communicated to the National Stock Exchange of India Limited and Bombay Stock Exchange Limited, where the equity shares of the Company are listed. The results of postal ballot shall also be announced through newspaper advertisement.

SPECIAL RESOLUTIONS TO BE PASSED THROUGH POSTAL BALLOT

ITEM NO. 1.
Creation of Security on the Assets of the company in respect of Borrowing

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

"RESOLVED THAT in supersession of the resolution passed by the members at its 21st Annual General Meeting of the Company held on 29th September, 2011, pursuant to the provisions of section 293(1)(a) of erstwhile Companies Act, 1956 and in accordance with provisions of Section 180(1)(a) and all other applicable provisions, if any, of the Companies Act, 2013, 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, book Debts, Receivables, Actionable Claims, Outstanding Loan, Advances and other Assets of the Company, both present and future, of the whole, or substantially the whole, of the undertaking of the Company,(including Assignment of Rights under all the projects Agreement, rights under insurance Policies and project guarantee) 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 long term, short term including working capital loans and medium term borrowings of the Company availed/to be availed by way of loan(s) (in foreign currency and/or rupee currency) and fully/partly convertible debentures and/or non-convertible debentures with or without detachable or non-detachable warrants and/or secured premium notes and/or floating rate notes/bonds or other debt instruments issued/to be issued by the Company and/or advances and/or guarantees and/or any financial assistance obtained or may be obtained from financial institutions, banks and/or any other persons, Trustees or institutions providing finance for the business of the Company or for working capital together with interest thereon and further interest, if any, costs, charges, expenses, penal/additional interest Liquidated damages and all other monies payable by the Company to the lender on the aforesaid security already borrowed or proposed to be borrowed by the company (apart from temporary loans obtained by the company from the bankers in the ordinary course of business) not to exceeding Rs.250 Crores(Rupees Two Hundred Fifty Crores only) 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 the Board of Directors or such Committee/ or person/(s) as authorized by the Board of Directors be and are hereby authorized to finalize the form, extent and manner of, and the documents and deeds, as may be applicable, for creating the appropriate mortgages and/or charges on such of the immovable and/or movable properties of the Company on such terms and conditions as may be decided by the Board of Directors or such Committee in consultation with the lenders and for reserving the aforesaid right and for performing all such acts, things and deeds as may be necessary for giving full effect to this resolution."

"**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, doubt that 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 or the employee(s) 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(s)."

ITEM NO. 2.
Insertion of New Object Clause in Memorandum of Association of the company

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 13 and all other applicable provisions, if any, of the Companies Act, 2013 (including any modifications and reenactments thereof), the Members of the Company do and hereby approve the amendment in the Object Clause of the Memorandum of Association of the Company by way of insertion of new Object Clauses bearing No.6 [which is reproduced below] in PART III A of the Memorandum of Association of the Company, after the existing Main Object Clause No. 5:

6. To carry on India or elsewhere in the world the business of Manufacturer, retailers, online-sales, wholesalers, exporters & importers of all types of footwear, Sports Shoes, boots, shoes, leather shoes, bags, equipments for manufacturing footwear Components and accessories, moulds, boot tress, laces, buckles, rivets, eyelets, shanks, shoe hams, leggings, boot polishes, rubber goods, leather good, plastic goods and to establish, maintain, manage, prepare, process, coat, transport, refine, recover, improve, recycle, reclaim, utilize, extract, finish, import, export, buy, sell, market, install, survey, estimate and acquire retail stores, chain stores, exclusive stores and to enter into tie ups and other arrangement for selling, marketing, distributing and retailing of all types of footwear and footwear accessories and other consumer product of similar nature and description.

"RESOLVED FURTHER THAT Mr. Narayan Saboo, Managing Director, Mr. Naresh Saboo, Jt. Managing Director and Mr. Manish Saboo, Executive Director- CFO of the company be and are hereby severally authorized, on behalf of the company to sign and submit any form and other documents along with the altered copy of Memorandum of Association of the company with the Registrar of the companies, Ahmedabad and to do all such act, deed and things as may be necessary including to settle questions, difficulties or doubts that may be arise in this regards.

"RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such act, deeds, matters and things as it may, in its absolute, discretion, deem necessary and with power to settle questions, difficulties or doubts that may be arise in this regards without requiring the Board to secure any further approval of the Members of the company"

By Order of the Board
For Mohit Industries Limited

Sd/-
Swati Malu
Company Secretary

Date: 14/08/2014
Place: Surat

Regd. Office:
MOHIT INDUSTRIES LIMITED
CIN No. : L17119GJ1991PLC015074
A/601, International Trade Centre,
Majura Gate, Ring Road,
Surat-395002, Gujarat, India.

NOTES:-

1. **Voting period commences on the Monday, 25th August, 2014 and ends on Thursday, 25th September, 2014 for the members exercising their Voting either by Postal Ballot Form or through E-Voting.**

2. The Explanatory Statements pursuant to Section 102(1) of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014 ('the Rules'), in respect of the item no. 1 and 2 is annexed hereto.

3. The Notice is being sent to all the members by the prescribed mode under the Rules (and also electronically by email to those members who have registered their email IDs with the Company), whose names appear in the Register of Members/ Record of Depositories (Cutoff Date) as on 14th **August, 2014.**

4. The members, whose name appears in the Register of Members / Record of Depositories as on 14th **August, 2014** will only be considered for voting.

5. Resolutions passed by the members through this Postal Ballot are deemed to have been passed in the 24th Annual General Meeting of the Members, wherein the results of such Postal Ballot will be declared.

6. The Postal Ballot Form and the Self-addressed Business Reply envelope are enclosed for use by the Members.

7. Members have the option either to vote through the e-voting process or through the Postal Ballot Form. Members who have received the Postal Ballot Notice by email and who wish to vote through Postal Ballot Form can also download Postal Ballot Form from the Company's website www.mohitindustries.com.

8. The votes should be cast either in favour or against by putting the tick ***[v]*** mark in the column provided for assent or dissent. Postal Ballot Form bearing *[v]* in both the columns will render the form invalid. Incomplete, unsigned or Incorrect Postal Ballot Forms will be rejected. The Scrutinizer's decision on the validity of a Postal Ballot will be final and binding.

9. Kindly note that the shareholders can opt for only one mode of voting, i.e. either by physical Postal Ballot or e-voting. If you are opting for e-voting, then do not vote by physical Postal Ballot and vice versa, however, in case shareholders cast their vote by both physical Postal Ballot and e-voting, then voting done through valid physical Postal Ballot shall prevail and voting done by e-voting will be treated as invalid.

10. There will be only one Postal Ballot Form for every folio Irrespective of the number of Joint Shareholder(s).

11. In case of shares held by Companies, Trusts, Societies etc, the duly completed Postal Ballot Form should be accompanied by a Certified True Copy of Board Resolution /Authority Letter.

12. You are requested to carefully read the instructions printed in the Postal Ballot Form and return the Form duly completed with the Assent (For) or Dissent (Against) in the attached Business Reply envelope so as to reach the Scrutinizer **on or before 25th September, 2014** to be eligible for being considered, failing which, it will be strictly treated as if no reply has been received from the member. Hence the members are requested to send the duly completed Postal Ballot Form well before 25th September, 2014, being the last date for receipt of Postal Ballot Form by Scrutinizer, providing sufficient time for postal transit.

13. The Special Resolution mentioned above shall be declared as passed on the date of declaration of result if the number of votes cast in its favour is not less than three times the number of votes cast against the said Special Resolution.

14. The results of the Postal Ballot will be announced at the 24th Annual General Meeting of the Company. The results will be informed to the National Stock Exchange of India Limited and Bombay Stock Exchange Limited and will also be posted on the Company's website www.mohitindustries.com. The result of postal ballot shall be announced through newspaper advertisement.

15. Members who are holding shares in electronic form are requested to notify any correction/ change in their name / address immediately to the Depository Participants. In the event of non- availability of Member's latest address either in Company's records or in Depository Participant's records (National Securities Depository Limited / Central Depository Services (India) Limited to the Company), Members are likely to miss notices and other valuable correspondence sent by the Company.

16. Members who hold shares in physical form are requested to notify any correction in their particulars like change in address, bank particulars, etc. to the Company's Registrar and Share Transfer Agents, "Adroit Corporate Services Private Limited" 17-20, Jafferbhoy, Industrial Estate, 1stFloor, Makwana Road, Marol Naka, Andheri (E) Mumbai-400059, India Ph:+91-022- 42270400,28596060. E: pratapp@adroitcorporate.com

17. Members are requested to kindly mention their Folio Number/ DP ID & Client Id Number (in case of Demat shares) in all their correspondence with the Company's Registrar in order to reply to their queries promptly.

INSTRUCTIONS FOR VOTING:

1. Voting through Physical Postal Ballot Form

Please refer "Instructions" appearing in the Postal Ballot Form, which is being enclosed along with this Postal Ballot Notice.

2. Voting through Electronic Means

The procedure and instructions for the voting through electronics means are as follows:

A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participants(s)]:

I. Open email and open PDF file viz "MIL_E-Voting.pdf" with your DP ID & Client ID or Folio No. as Password. The said PDF file contains your User ID and Password for e-voting. Please note that the Password is an initial password.
II. Launch the internet browser by typing the following URL: https://www.evoting.nsdl.com
III. Click on "Shareholder Login".
IV. Put User ID and Password as initial Password noted in step (i) above. Click Login. If you are already registered with NSDL for e-voting then you can use your existing User ID and Password for Login.
V. If you are logging in for the first time, Password change menu appears. Change the Password with new Password of your choice with minimum 8 digits/characters or combination thereof. Please note the new Password for all the future e-voting cycles offered on NSDL e-voting platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
VI. Home page of "e-voting" opens. Click on "e-Voting": Active Voting Cycles.
VII. Select "EVEN (E-Voting Event Number)" of Mohit Industries Limited. For an EVEN , you can login any number of times on e-voting platform of NSDL till you have voted on the resolution or till the end of voting period i.e. up to close of 25th September, 2014 whichever is earlier.
VIII. Now you are ready for "e-voting" as "Cast Vote" page opens.
IX. Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted. Kindly note that vote once cast cannot be modified.
X. Upon confirmation, the message "Vote cast successfully" will be displayed.

XI. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to mohitindustries@drdcs.net with a copy marked to evoting@nsdl.co.in.

B. In case a Member receiving the Postal Ballot Form by Post [for members whose email IDs are not registered with the Company/ Depository Participants(s) or requesting physical copy] may also vote electronically through the following procedure:

I. Initial password will be provided separately

EVEN (E Voting Event Number)	**USER ID**	**PASSWORD**
	Your user ID has been printed on the Postal Ballot form / e-mail forwarding electronic notice.	Your unique Password has been printed on the Postal Ballot form /e-mail forwarding electronic notice.

II. Please follow all steps from Sl. No. 1. A (ii) to Sl. No. 1. A (xi) above, to cast your vote.

3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and e-voting user manual for members available at the Downloads section of www.evoting.nsdl.com/

4. The voting period begins from start of Business Hours on Monday, 25th August, 2014 and at the close of Business Hours ends on Thursday, 25th September, 2014, During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. 14th August, 2014 , may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter.

ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT IN RESPECT OF SPECIAL BUSINESSES SET OUT IN THE NOTICE OF POSTAL BALLOT PURSUANT TO THE PROVISION OF SECTION 102 OF THE COMPANIES ACT, 2013 READ WITH RULE 22(1) OF COMPANIES (MANAGEMENT AND ADMINISTRATION) RULES, 2014

ITEM NO. 1

The Member may kindly note that in the 21st Annual General Meeting of the Company held on 29th September, 2011, the Shareholders had authorized the Board of Directors:

1. To borrow up to Rs. 250 Crores under Section 293(1) (d) of the companies Act, 2013 as well as
2. To Secure the Same by suitable mortgage/charge on all or any of the movable and/or immovable whether present and future properties of the Company in favour of lenders up to a limit of Rs.250 Crores under section 293(1) (a) of the companies Act, 1956

Now, As per the provisions of Clause (a) of Sub- Section (1) of Section 180 of Companies Act, 2013, the Board of Directors of the Company shall not create charge / mortgage / hypothecate the movable and / or immovable properties of the Company unless the same is authorized by the Members of the Company by **way of Special Resolution**.

However, as per the corresponding Provision of Section 180(1)(a) and 180(1)(c) of the companies Act, 2013 which were notified on the 12th September,2013 and based on the clarification thereof issued by GOI, MCA vide General Circular No.04/2014 dated 25th March,2014, the resolution passed u/s 293 of the companies Act,1956 prior to 12.09.2013 with reference to borrowing (subject to the limit Prescribed) and or Creation of Security on the assets of the company will be regarded as sufficient compliance of the requirement of Section 180 of New Act, for a period of 1 year from the date of notification of Section 180.

Further, the provision of the companies Act, 1956 Act requires consent of Shareholders as an ordinary resolution for borrowing and creation of Security; however the provision of the companies Act, 2013 Act **stipulates Consent of the members by way of a Special resolution:**

Hence, in order to remain compliant with the relevant provisions on borrowing and Creation of Security under the 2013 Act beyond 12.09.2014, consent of members is hereby requested by way of **Proposed Special resolution(s)**

The Board of Directors of the company has approved this item in the Board Meeting Held on 14th August, 2014 and recommends the resolutions as set out in the accompanying Notice for the Approval of the Shareholders of the company as **Special Resolutions.**

None of the Directors, Key Managerial Personnel and relatives thereof is interested or concerned in the proposed resolution except to the extent of their Shareholding in the company, if any.

ITEM NO. 2

The Company is presently engaged in the business of Manufacture of Texturised yarns, Grey Cloth Fabrics, Finished Fabrics and Manufacture, Marketing and Distribution of Building Products i.e. AAC (Aerated Autoclave Concrete) Blocks. The company was incorporated by starting business activities in textile industry in 1991 and boosted the business activities of the company by starting another business of AAC block in March 2010.

The Board of Directors intend to enhance the business activity by adding one more business channel by entering into business of manufacturing of Footwear, Sports Shoes, boots, Footwear Accessories along with the current businesses.

The board discussed the matter and opportunities in footwear industry in the meeting of board held on 14.08.2014 and proposed to undertake the new business opportunities and challenges.

In order to enable the Company to undertake businesses as above, it is proposed to amend the Main Objects Clause of the Memorandum of Association of the Company. Accordingly, it has been found desirable that the Objects Clause of the Memorandum of Association of the Company be amended suitably so as to include the said objects therein.

Pursuant to Section 13 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014 Board recommends the resolutions as set out in the accompanying Notice for the Approval of the Shareholders of the company as **Special Resolutions**.

The Board of Directors of the company has approved this item in the Board Meeting Held on 14th August, 2014 and recommends the resolutions as set out in the accompanying Notice for the Approval of the Shareholders of the company as **Special Resolutions.**

None of the Directors, Key Managerial Person of the Company or their relatives is deemed to be concerned or interested in the aforesaid Resolution.

Your approval is being sought, either by voting through Physical Postal Ballot or through e-voting process, as the case may be, pursuant to the provisions of Section 110 of the Companies Act, 2013 read with Rule 22 of The Companies (Management and Administration) Rules, 2014 for passing the Special Resolutions under Item No. 1 and 2 as set out in this Notice.

By Order of the Board
For Mohit Industries Limited

Sd/-
Swati Malu
Company Secretary

Date: 14/08/2014
Place: Surat

Regd Office:
MOHIT INDUSTRIES LIMITED
CIN No. : L17119GJ1991PLC015074
A/601, International Trade Centre,
Majura Gate, Ring Road,
Surat-395002, Gujarat India.