



RAJ RAYON INDUSTRIES LIMITED

(Formerly Known as RAJ RAYON LTD.)

(A Government Recognised Star Export House)



Corporate Off. : 5C/196 & 197, AKSHAY MITTAL INDUSTRIAL ESTATE, SAKINAKA, ANDHERI (E), MUMBAI - 400 059. (INDIA)
☎ 91 - 22 - 4034 3434 • FAX : 91 - 22 - 4034 3400 • E-mail : mumbai@rajrayon.com • Website : www.rajrayon.com

Date: 18th January, 2013

To,
The Listing Department
The National Stock Exchange India Ltd
Exchange Plaza, Plot No: C/1, G Block,
Bandra - Kurla Complex,
Bandra (East), Mumbai- 400 051

To,
The Corporate Services Department
Bombay Stock Exchange Limited
1st Floor, New Trading Ring,
Rotunda Building, P.I. Tower,
Dalal Street, Mumbai-400 001

Dear Sir,

Symbol: RAJRAYON

Series: EQ

Scrip Code: 530699

Sub: Notice of Extraordinary General Meeting

With reference to our earlier announcement made on 03rd January, 2013 for an Extraordinary General Meeting of Shareholders schedule to be held on 11th February, 2013 at the registered office of the Company, enclosed notice for the same.

Kindly acknowledge receipt.

Thanking You,

Yours faithfully,
For RAJ RAYON INDUSTRIES LIMITED

Gita Yadav
Company Secretary & Compliance Officer
Encl: As Above



RAJ RAYON INDUSTRIES LIMITED

(Formerly known as Raj Rayon Limited)

Regd. Office: Survey No. 177/1/3, Village – Surangi, Dist –Silvassa, Dadra & Nagar Haveli (U.T.) – 396 230

Email: investors@rajrayon.com, Website: www.rajrayon.com

NOTICE IS HEREBY GIVEN THAT AN EXTRAORDINARY GENERAL MEETING OF THE MEMBERS OF RAJ RAYON INDUSTRIES LIMITED WILL BE HELD ON MONDAY, 11TH FEBRUARY, 2013 AT 10.00 A.M AT THE REGISTERED OFFICE OF THE COMPANY AT SURVEY NO. 177/1/3, VILLAGE – SURANGI, DIST –SILVASSA, DADRA & NAGAR HAVELI (U.T.) – 396 230 TO TRANSACT THE FOLLOWING BUSINESS:

1) Sub-Division/ Split in Face Value of Equity Shares 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 Section 94 of the Companies Act, 1956 (including any modification or re-enactment thereof) and in accordance with Article 3 of Article of Association of the Company and other applicable provisions, if any, and subject to approvals, consents, permissions and sanctions as may be necessary from the concerned Statutory Authorities, the Authorised Share Capital of the Company comprising of 5,00,00,000 (Five Crores) Equity Shares of the face value of ₹ 10/- (Rupees Ten) each aggregating to ₹ 50,00,00,000 (Rupees Fifty Crores Only) be and is hereby sub-divided into 50,00,00,000 (Fifty Crore) Equity Shares of the face value of ₹ 1/- (Re. One) each, with effect from the 'Record Date' to be determined by the Board of Directors (hereinafter referred to as "the Board" which expression shall be deemed to include any duly authorised committee thereof).

RESOLVED FURTHER THAT the issued, subscribed and fully paid-up Equity Share Capital of the Company, comprising of 2,66,45,400 (Two Crores Sixty Six Lacs Forty Five Thousand Four Hundred) Equity Shares of the face value ₹ 10/- (Rupees Ten) each aggregating to ₹ 26,64,54,000 (Rupees Twenty Six Crores Sixty Four Lacs Fifty Four Thousand only) be sub-divided into 26,64,54,000 (Twenty Six Crores Sixty Four Lacs Fifty Four Thousand) Equity Shares of the face value of ₹ 1/- (Re. One) each, as on the Record Date that may be fixed by the Board.

RESOLVED FURTHER THAT no letter of sub- division shall be issued but the share certificates for the sub- divided new Equity Shares of face value of ₹ 1/- each be delivered to the shareholders who hold the existing shares in physical form without calling for surrender of the share certificates held by them and the respective beneficiary account be credited with the sub- divided new Equity Shares of face value of ₹ 1/- each for such shareholders who hold the existing shares in dematerialised form.

RESOLVED FURTHER THAT any Director and/or Company Secretary of the Company or any other Officer (s)/Authorised Representative(s) of the Company be and is hereby authorised to do, perform and execute and delegate all such acts, deeds and things as it may consider necessary, expedient, usual or proper to give effect to this resolution including but not limited to fixing the record date as per the requirement of the Listing Agreement, execution of all the necessary documents with the Stock Exchange (s) and the Depositories and /or any other relevant statutory authority, if any, cancellation or rectification of the existing physical share certificates in lieu of the old certificates and to settle any question or difficulty that may arise with regard to the sub- division of the Equity Shares as aforesaid or for any matters connected therewith or incidental thereto."

2) Alteration of the Memorandum and Articles of Association in Lieu of Sub-Division of Shares:

To Consider and if thought fit, to pass, with or without modification(s), the following resolutions as a **Special Resolutions**:

a) **"RESOLVED THAT** pursuant to Section 13,16 and 94 and all other applicable provisions, if any, of the Companies Act, 1956 including amendments thereto or re-enactments thereof, the existing Clause V of Memorandum of Association of the Company be and is altered and substituted by the following:

(V) The Authorised Share Capital of the Company is ₹ 50,00,00,000 (Rupees Fifty Crores Only) divided into 50,00,00,000 (Fifty Crore) Equity Shares of ₹ 1/- (Re. One) each.

Any share of the original or increased capital may from time to time be issued with guarantee or any rights or preference whether in respect of dividend or of repayment of capital or both or any other special privilege or advantage over any shares previously issued or then about to be issued or with deferred or qualified rights as compared with the shares previously issued or subject to any provisions or conditions and with any special right or limited rights or without any rights or voting and generally on such terms as the Company may from time to time determine.

The rights of the holders of any class of shares, for the time being forming part of the capital of the Company, be modified, affected, varied, extended or surrendered either with the consent in writing of the holders of three – fourths of the issued shares of the class or with the sanction of a special resolution passed at a separate meeting of the holders of those shares."



CERTIFIED TRUE COPY
For RAJ RAYON INDUSTRIES LIMITED
Gita Yadav
Company Secretary

- b) "RESOLVED THAT pursuant to Section 31 and all other applicable provisions, if any, of the Companies Act, 1956 including amendments thereto or re-enactments thereof, the existing Article 3 of the Articles of Association of the Company be and is altered and substituted by the following:

3. The Authorised Share Capital of the Company is ₹ 50,00,00,000 (Rupees Fifty Crores Only) divided into 50,00,00,000 (Fifty Crore) Equity Shares of ₹ 1/- (Re. One) each.

The Company shall have power to increase consolidate, sub divide, reduce, redeem or otherwise outsets share capital, subject to the provision of the Companies Act, 1956.

RESOLVED FURTHER THAT any Director and/or Company Secretary of the Company or any other Officer (s)/Authorised Representative (s) of the Company be and is hereby authorised to do, perform and execute all such acts, deeds and things and to settle all questions arising out of and incidental thereto, and to give such directions that may be necessary or arise in regard to or in connection with any such matter as they may in their absolute discretion, deem fit to give effect to the resolution for alteration of Memorandum and Article of Association of the Company in lieu of sub-division of shares."

3) Alteration of the Articles of Association of the Company to enable reclassification of Shares:

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

"RESOLVED THAT pursuant to Section 31 and all other applicable provisions of the Companies Act, 1956, (including any statutory modification (s), enactment(s) or re-enactment (s) thereof for the time being in force), the Articles of Association of the Company be and is hereby amended by adding a new Article 3(b) **Reclassification of shares** as follows:

"The Company may from time to time by Special Resolution in General Meeting classify and reclassify such shares from the shares of one class into shares of other class or classes and to attach thereto respectively such preferential, deferred, qualified or other special rights, privileges, conditions or restrictions as may be determined in accordance with the Articles of Association of the Company and to vary, modify or abrogate any such rights, privileges, conditions or restrictions in such manner and by such person as may for the time being be permitted under the provisions of the Articles of Association of the Company or legislative provisions for the time being in force in that behalf"

RESOLVED FURTHER THAT any Director and/or Company Secretary of the Company or any other Officer (s)/Authorised Representative(s) of the Company be and is hereby authorised to perform all acts, deeds and things, execute documents and make all the filings, as may be necessary to give effect to the above resolution and to take all such steps for giving any such direction as may be necessary or desirable and to settle any questions or difficulties whatsoever that may arise for the purpose of giving effect to this resolution."

4) Reclassification of Authorised Capital and amendment in Memorandum of Association:

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 16 and 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), approval of the Members be and is hereby accorded for reclassification of the Authorised Share Capital of the Company from ₹ 50,00,00,000/- (Rupees Fifty Crore) divided into 50,00,00,000 (Fifty Crore) Equity shares of ₹ 1/- (Re. One) each and 1,50,00,000 (One Crore Fifty Lacs) Preference shares of ₹ 10/- (Rupees Ten) each with power to increase, reduce, divide and/or sub-divide the share capital or reclassify them into several classes and attach thereto respectively such preferential, priority, deferred, qualified or special rights, privileges, conditions or restrictions, whether in regard to dividend, voting, return of capital, distribution of assets or otherwise, as may be determined in accordance with the laws, rules and regulations from time to time and to vary, modify or abrogate such rights, privileges, conditions or restrictions in such manner as may from time to time be provided by the regulations/resolutions of the Company or are provided for in the Articles of Association of the Company and to consolidate or sub-divide or reorganise shares or issue shares of higher or lower denominations.

RESOLVED FURTHER THAT the Memorandum of Association of the Company be and is hereby altered by substituting the existing Clause V thereof by the following new 'Clause V':

"(V) The Authorised Share Capital of the Company is ₹ 50,00,00,000/- (Rupees Fifty Crore) divided into 35,00,00,000 (Thirty Five Crore) Equity shares of ₹ 1/- (Re. One) each and 1,50,00,000 (One Crore Fifty Lacs) Preference shares of ₹ 10/- (Rupees Ten) each.

Any share of the original or increased capital may from time to time be issued with guarantee or any rights or preference whether in respect of dividend or of repayment of capital or both or any other special privilege or advantage over any shares previously issued or then about to be issued or with deferred or qualified rights as compared with the shares previously issued or subject to any provisions or conditions and with any special right or limited rights or without any rights or voting and generally on such terms as the Company may from time to time determine.



CERTIFIED TRUE COPY
For RAJ RAYON INDUSTRIES LIMITED

G. Jayaram
Company Secretary

The rights of the holders of any class of shares, for the time being forming part of the capital of the Company, be modified, affected, varied, extended or surrendered either with the consent in writing of the holders of three - fourths of the issued shares of the class or with the sanction of a special resolution passed at a separate meeting of the holders of those shares."

RESOLVED FURTHER THAT any Director and/or Company Secretary of the Company or any other Officer (s)/Authorised Representative(s) of the Company be and is hereby authorised to do, perform and execute all such acts, deeds and things and to settle all questions arising out of and incidental thereto, and to give such directions that may be necessary or arise in regard to or in connection with any such matter as they may in their absolute discretion, deem fit to give effect to the resolution."

5) Alteration of Articles of Association for reclassification of Authorised Capital:

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

"RESOLVED THAT pursuant to Section 31 and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification or re-enactment thereof for the time being in force), the existing Article 3 of the of the Articles of Association of the Company be and is altered and substituted by following new Article 3:

3. The Authorised Share Capital of the Company is ₹ 50,00,00,000/- (Rupees Fifty Crore) divided into 35,00,00,000 (Thirty Five Crore) Equity shares of ₹ 1/- (Re. One) each and 1,50,00,000 (One Crore Fifty Lacs) Preference shares of ₹ 10/- (Rupees Ten) each.

The Company shall have power to increase consolidate, sub divide, reduce, redeem or otherwise outsets share capital, subject to the provision of the Companies Act, 1956.

RESOLVED FURTHER THAT any Director and/or Company Secretary of the Company or any other Officer (s)/Authorised Representative (s) of the Company be and is hereby authorised to do, perform and execute all such acts, deeds and things and to settle all questions arising out of and incidental thereto, and to give such directions that may be necessary or arise in regard to or in connection with any such matter as they may in their absolute discretion, deem fit to give effect to the resolution."

6) Issue of 15% Non Convertible Non Cumulative Redeemable Preference Shares:

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 Sections 80, 81, 81(1A) 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) and in accordance with the enabling provisions of the Memorandum and Articles of Association of the Company, the Listing Agreement entered into by the Company with Stock Exchanges where the shares of the Company are listed and subject to such approvals, consents, sanctions and permissions of appropriate authorities, departments and bodies as may be required and subject to such terms and conditions, alteration and modifications as may be consider appropriate and agreed to by the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall include a duly authorised committee thereof for the time being exercising the powers conferred by the Board) consent of the Company be and is hereby accorded to the Board to offer, issue and allot in one or more tranches within a period of 12 months **1,40,00,000 (One Crore Forty Lacs) 15 % Non Convertible Non Cumulative Redeemable Preference Shares of face value of ₹ 10/- each at a premium of ₹ 20/- each** (hereinafter called as "Preference Shares") for an aggregate amount not exceeding to ₹ **42,00,00,000/- (Rupees Forty Two Crores)** to Nakoda Limited belonging to Non Promoter Category on preferential basis, with such rights and privileges and on such terms and conditions including but not limited as to the rate of dividend, redemption periods, manner of redemption, amount of premium, if any, and to modify, alter and re-set all or any of the said terms from time to time, as the Board of Directors or Committee at its absolute discretion deem appropriate and that such authority shall be continuing authority to the Board to make such further issue(s) of Preference Shares within such limit on appropriate terms and conditions on any subsequent redemption of such and/or outstanding Preference Shares or any part thereof from time to time as may be considered fit and proper by the Board, so however that the total preference share capital outstanding at any point of time shall not exceed the amount stipulated under the Memorandum and Articles of Association of the Company.

RESOLVED FURTHER THAT the said Preference Shares shall be issued for a period of **fifteen (15) years** and the redemption will start for 1/3rd preference shares from the end of **thirteenth year** on yearly basis till the end of **fifteenth year**. The issue and redemption of the preference shares would be as per the terms and conditions decided by the Board and/or any committee authorised by Board in this regard.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorised to take all such steps and actions and give such directions as may be in its absolute discretion deem necessary and to settle any question that may arise in this regard, without being required to seek any further consent or approval of the members or otherwise to the end and intent that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of the powers herein conferred to any committee of Directors or any other Officer (s)/Authorised Representative(s) of the Company to give effect to the aforesaid resolution."



7) Alteration in Articles 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 31 and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification or re-enactment thereof for the time being in force) and Rules framed there under and the provisions of other statutes as applicable and subject to such approvals, consents, permissions and sanctions as may be necessary from the appropriate authorities or bodies, the Articles of Association of the Company be and is hereby amended in the manner and to the extent as is set out herein below:

(i) After the existing Article 80A, the following new Article no. 80 B titled **"Participation through Electronic Mode- Shareholder's Meeting/ Postal Ballot"** be inserted:

80B Notwithstanding anything contrary contained in the Articles of Association of the Company, the Company may provide Video Conference facility, Electronic Postal Ballot Voting mechanism and/or any other permissible electronic or communication facility to enable the Shareholders of the Company to participate in General Meeting (s) and/or vote on matters requiring approval of Shareholder (s) of the Company. Such participation by the Shareholder (s) at General Meeting (s) or in the Postal Ballot voting process of the Company through Video Conference facility, e-mail or approved electronic platforms and/or use of any other permissible electronic or communication facility shall be subject to the Rules, Guidelines and Permissions issued/ laid down by the Regulatory/ Statutory Authorities in this regard and shall be governed by Legal or Regulatory Provisions applicable to the Company from time to time.

(ii) After the existing Article 154, the following new Article no. 154A titled **"Service of Document in Electronic Mode"** be inserted:

Service of Document in Electronic Mode

154A Notwithstanding anything contrary contained in the Articles of Association of the Company, any document may be served by the Company on any Member of the Company by such electronic mode by communication as may be permitted under Applicable laws from time to time and such service of document shall be deemed to have been effected in the manner provided by law, subject to compliance with applicable Legal or Regulatory provisions applicable to the Company in this regard from time to time."

By Order of the Board
For RAJ RAYON INDUSTRIES LIMITED
(Formerly known as Raj Rayon Limited)

Sd/-
Gita Yadav
Company Secretary

Place: Mumbai
Date: 03rd January, 2013

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE EXTRAORDINARY GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.

Proxies, in order to be effective, must be duly filled, stamped, signed and must reach the Registered Office of the Company not less than 48 hours before the commencement of the meeting.

2. Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956, relating to the Special Businesses to be transacted at the Extraordinary General Meeting, setting out material facts, is annexed hereto.
3. Corporate Members intending to send their authorised representatives to attend the Extraordinary General Meeting are requested to send a duly certified copy of their Board Resolution authorising their representative to attend and vote on their behalf at the Extraordinary General Meeting.
4. Members/Proxies/Representatives are requested to bring the enclosed Attendance Slip, duly filled in, for attending the Extraordinary General Meeting.



CERTIFIED TRUE COPY
For RAJ RAYON INDUSTRIES LIMITED

Gita Yadav
Company Secretary

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

ITEM NO.1 & 2

The Equity Shares of the Company are listed on the Bombay Stock Exchange Ltd. (BSE) and the National Stock Exchange of India Ltd. (NSE). Presently the face value of the equity shares of the Company is ₹ 10/- each. In order to enhance the liquidity in the capital market, widen shareholder base and to make the shares more affordable to the small investors, the Board of Directors of the Company, at its meeting held on 03rd January, 2013, has recommended sub-division of the face value of Equity Shares of the Company from ₹ 10/- each to the face value of ₹ 1/- each.

Consequent to the above sub-division it is necessary to alter the Capital Clause of the Memorandum and Articles of Association of the Company.

The special resolution in item no.2 seeks to make corresponding amendments in Clause V of the Memorandum of Association and Article 3 of the Articles of Association of the Company to give effect to the sub-division of shares which is proposed in the special resolution mentioned in item no. 1.

The Board of Directors is of the opinion that the aforesaid sub-division of the face value of Equity Shares, is in the best interest of the Company and the investors and hence recommends the passing of the above special resolutions.

The Board of Directors of the Company may be deemed to be concerned or interested in the resolutions at item 1 & 2 only to the extent of their respective shareholding, if any, in the Company to the same extent as that of every other member of the Company.

ITEM NO.3

The present Articles of Association of the Company does not authorise for reclassification of shares. The alteration proposed by adding a new Article 3 (b) is to enable the Company to reclassify its shares into such shares as may be required within its total Authorised Share Capital limit.

The Board of Directors accordingly recommends the resolution set forth in item no. 3 above for approval of the Members.

None of the Directors of the Company are in any way concerned or interested in the said resolution except to the extent of shares held by them.

ITEM NO. 4 and 5

The Company, in order to meet its growth objectives and to strengthen its financial position requires to generate long term resources by issuing securities. It is therefore deemed appropriate to reclassify the Authorised Share Capital of the Company and for that purpose; the Memorandum and Articles of Association of the Company are proposed to be suitably altered as set out at item no. 4 and 5 of the accompanying Notice.

The provisions of the Companies Act, 1956 require the Company to seek the approval of the Members for reclassification of the Authorised Share Capital and for the alteration of capital clause of the Memorandum and Articles of Association of the Company.

The Board of Directors accordingly recommends the resolutions set out at item no. 4 and 5 for the approval of the Members.

None of the Directors of the Company is in any way, concerned or interested in the said resolutions except to the extent of shares held by them.

ITEM NO.6

The proposed special resolution set out at item no. 6 is an enabling resolution authorising the Board of Directors (including any committee thereof for the time being exercising the powers of the Board) to raise resources by issue of 1,40,00,000 (One Crores Forty Lacs) 15% Non Convertible Non Cumulative Redeemable Preference Shares of face value of ₹ 10/- each at a premium of ₹ 20/- each (hereinafter called as "Preference Shares") for an aggregate amount not exceeding to ₹ 42,00,00,000/- (Rupees Forty Two Crores) to Nakoda Limited belonging to Non Promoter Category on preferential basis.

The purpose of the said issue is to part finance Company's expansion plans; repay its long term borrowings, to strengthen the long-term resource to meet up the working capital requirements and general corporate purposes.

Terms and conditions relating to issue, dividend, redemptions are as follows:

- i) The said issue is meant only for Resident Indians or Resident Companies incorporated in India under the Companies Act, 1956.
- ii) Preference Shares will be issued at a price of ₹ 10/- each at a premium of ₹ 20/- for a period of fifteen (15) years.
- iii) The Preference Shareholders shall be entitled to receive dividend @ 15 % per annum from the date of allotment till the date of redemption on proportionate basis.



CERTIFIED TRUE COPY
For RAJ RAYON INDUSTRIES LIMITED

Gulrajpal
Secretary

- iv) The Company shall redeem starting from the end of thirteenth year on yearly basis $1/3^{rd}$ preference shares from the date of allotment at the rate of ₹ 10/- each at a premium of ₹ 20/- till the end of fifteenth year.
- v) The Preference Shares shall rank in priority to Equity Shares for repayment of Capital and payment of Dividend or in any manner as per the provisions of Articles of Association of the Company and provisions of the Companies Act, 1956.
- vi) The Preference Shareholders shall have the right to receive all notices of General Meetings of the Company but shall not confer thereon the right to vote at any meetings of the Company save to the extent and in the manner provided in the Companies Act, 1956 or any enactment thereof.
- vii) The Preference Shares shall be transferred in the same manner as Equity shares.
- viii) The Company shall have the option to prematurely redeem in part or in full the outstanding amount on 1,40,00,000 (One Crore Forty Lacs) Preference Shares at a price of ₹ 10/- each at a premium of ₹ 20/- at any point of time after the end of three years from the date of allotment, by giving three month notice in writing to the preference shareholders, subject to the provisions of Section 80 of The Companies Act, 1956.
- ix) The Preference Shares shall not confer any right on the holders thereof to participate in any offer or invitation by way of rights or otherwise to subscribe additional shares in the Company nor shall the preference shares confer on the holders thereof any right to participate in any issue of bonus share.
- x) In the event if 1,40,00,000 (One Crores Forty Lacs) 15% Non Convertible Non Cumulative Redeemable Preference Shares are under subscribed the issue of preference shares will be treated to the extent of preference shares already subscribed.

The Consent of the Members is being sought by a special resolution in terms of Section 80, 81, 81(1A) and other applicable provisions of the Companies Act, 1956.

The Board of Directors of the Company recommends the resolution set out at item no. 6 for the approval of the Members.

None of the Directors of the Company are in any way, concerned or interested in the said resolution except to the extent of shares held by them.

ITEM NO. 7

The Ministry of Corporate Affairs ("MCA"), Government of India, New Delhi vide General Circular No. 27/2011 and 28/2011 dated 20th May, 2011 and Circular No. 35/2011 dated 06th June, 2011 has permitted Companies to hold Board Meetings and Shareholders Meetings through Video Conference facility, as part of the Green Initiatives under Corporate Governance. Further, the MCA vide its Circular No. 72/2011 dated 27th December, 2011 has made the Video Conference facility at the Shareholders Meetings optional to the listed companies.

Section 53 of the Companies Act, 1956 ("the Act") and Article 154 of the Articles of Association of your Company provide for modes of service of documents on a Members of the Company. The MCA has, vide Circular No. 17/2011 dated 21st April, 2011, notified that a Company would have complied with Section 53 of the Act, if the service of a document has been made through electronic mode, provided the Company has obtained e-mail addresses of its Members for sending Notices/Documents through e-mail by giving every opportunity to every Shareholder to register their e-mail addresses with the Company. Clause 32 of the Listing Agreement of the Stock Exchanges also permits a Company to send soft copies of full Annual Reports to all Shareholders who have registered their e-mail addresses for the purpose.

The Ministry of Corporate Affairs has recently introduced various measures which are contributing towards green initiative in Corporate Governance by allowing paperless compliances by the Companies.

In lines of the said circulars, the Board of Directors of the Company proposes to insert certain additional provisions in the Articles of Association of the Company in order to enable the Company to provide Video Conferencing facilities for shareholders to attend and vote on the resolutions to be passed at General Meetings and also for Directors to participate at the meetings of Board of Directors or Committee Meetings. It is also intended to enable the Company to provide electronic voting facility for passing of resolutions by Postal Ballot process. Hence it is proposed to insert the relevant provisions in the Articles of Association of the Company.

The Board of Directors accordingly recommends the resolution set forth in item no. 7 above for approval of the Members.

None of the Directors of the Company are concerned or interested in the said resolution except to the extent of shares held by them.

By Order of the Board
For RAJ RAYON INDUSTRIES LIMITED
(Formerly known as Raj Rayon Limited)

Sd/-
Gita Yadav
Company Secretary

Place: Mumbai
Date: 03rd January, 2013



CERTIFIED TRUE COPY
For RAJ RAYON INDUSTRIES LIMITED

Gita Yadav
Company Secretary



RAJ RAYON INDUSTRIES LIMITED

(Formerly known as Raj Rayon Limited)

Regd. Office: Survey No. 177/1/3, Village – Surangi, Dist – Silvassa, Dadra & Nagar Haveli (U.T.) – 396 230

Email: investors@rajrayon.com, Website: www.rajrayon.com

ATTENDANCE SLIP

I hereby certify that I am a registered member / proxy for the registered member of the Company.

I hereby record my presence at the Extraordinary General Meeting of the Company on Monday, 11th February, 2013 at 10.00 a.m. at registered office of the Company at Survey No. 177/1/3, Village – Surangi, Dist – Silvassa, Dadra & Nagar Haveli (U.T.) – 396 230 (INDIA).

Name of the Attending Shareholder : _____
(In Block Letters)

Name of the Proxy : _____
(If the proxy attends instead of the Shareholder)

Signature of the Shareholder/ Proxy

Ledger Folio No: _____

* D.P. ID : _____

* Client ID : _____

* Applicable for persons holding shares in Electronic Form

Notes: Shareholders/Proxy holders are requested to bring the Attendance Slips with them, duly completed and handover the same at the entrance of the Meeting Hall. Joint Shareholders may obtain additional Attendance Slips on request.



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(Formerly known as Raj Rayon Limited)

Regd. Office: Survey No. 177/1/3, Village – Surangi, Dist – Silvassa, Dadra & Nagar Haveli (U.T.) – 396 230

Email: investors@rajrayon.com, Website: www.rajrayon.com

PROXY FORM

I/We _____
of _____
being a member / members of **Raj Rayon Industries Limited**, hereby appoint _____
of _____ or failing him _____ of _____ as my/our proxy to
attend and vote for me/us on my/our behalf at the Extraordinary General Meeting of the Company on Monday, 11th February, 2013 at 10.00 a.m. at
registered office of the Company at Survey No. 177/1/3, Village – Surangi, Dist – Silvassa, Dadra & Nagar Haveli (U.T.) – 396 230 (INDIA).

Signed this _____ day of _____ 2013

Ledger Folio No : _____

* D.P.ID : _____

* Client ID : _____

₹1
Revenue
Stamp

Signature

* Applicable for persons holding shares in Electronic Form

Note: The proxy form must be deposited at the registered office of the Company not less than 48 hours before the time fixed for holding the aforesaid meeting. The proxy need not be a member of the Company.



CERTIFIED TRUE COPY
For **RAJ RAYON INDUSTRIES LIMITED**

Gulabkumar
Company Secretary

Book Post

If undelivered, please return to :

LINK INTIME
INDIA PVT LTD



UNIT : RAJ RAYON INDUSTRIES LIMITED
C-13, Pannalal Silk Mills Compound,
L. B. S. Marg, Bhandup (W), Mumbai - 400 078.