

RICO AUTO INDUSTRIES LIMITED

Regd. Office : 69 KM Stone, Delhi-Jaipur Highway, Dharuhera, Distt. Rewari – 122106 (Haryana)

Corp. Office : 38 KM Stone, Delhi-Jaipur Highway, Gurgaon – 122001 (Haryana)

NOTICE OF EXTRA ORDINARY GENERAL MEETING

Notice is hereby given that an Extra Ordinary General Meeting of the Members of Rico Auto Industries Limited will be held on Saturday the 18th day of December, 2010 at 11.00 AM at the Registered Office of the Company at 69 KM Stone, Delhi-Jaipur Highway, Dharuhera, Distt. Rewari - 122106, Haryana to transact the following Special Business:

TO CONSIDER AND, IF THOUGHT FIT, TO PASS WITH OR WITHOUT MODIFICATION(S) THE FOLLOWING RESOLUTIONS:

1. AS AN ORDINARY RESOLUTION

"Resolved that pursuant to the provisions of Section 293(1)(d) and other applicable provisions, if any, of the Companies Act, 1956 and subject to the approval of other authorities under relevant enactments, wherever applicable, consent of the Company be and is hereby accorded to the Board of Directors of the Company including committee thereof (hereinafter referred to as "the Board") to borrow any sum or sums of money (including non-fund based facilities) from time to time from any one or more of the Company's Bankers and/or from any one or more, firms, bodies corporate (Indian or Overseas), financial institutions (Indian or Foreign), Non-resident Indians or Foreign Nationals or other persons whether by way of Advance, Deposits, Loans, External Commercial Borrowings (ECB) including other modes of External Borrowings, Debentures or other debt instruments or otherwise and whether unsecured or secured notwithstanding that the moneys to be borrowed together with moneys already borrowed by the Company (apart from temporary loans obtained from Company's Bankers in the ordinary course of business) may exceed the aggregate of the paid-up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose but so however that the total amount upto which the moneys may be borrowed by the Board and outstanding at any point of time shall not exceed in aggregate the limit of Rs.900.00 Crores (Rupees Nine hundred crores only) as against Rs.600.00 Crores (Rupees Six hundred crores only) approved by the members in the 23rd Annual General Meeting of the Company held on 30th September, 2006."

2. AS AN ORDINARY RESOLUTION

"Resolved that pursuant to the provisions of Section 293(1)(a) and all 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 subject to such other approvals, sanctions as may be required from other authorities under any laws or regulations or guidelines and after such alterations and modifications as may be specified by such other authorities while according the approval or sanction, wherever applicable, consent of the Company be and is hereby accorded to the Board of Directors of the Company including committee thereof (hereinafter referred to as "the Board") to mortgage and/or charge, in

addition to the existing mortgages/charges created by the Company, in such form and manner and with such ranking and at such time and on such terms as the Board may determine, on all or any of the movable and/or immovable properties, both present and future of the Company and/or conferring power to enter upon and to take possession of the assets of the Company and/or to take over the management of the business or concern of the Company in certain eventualities to or in favour of the Lender(s), Agent(s) and Trustee(s) for securing the borrowings of the Company availed/to be availed by way of Advance, Deposits, Loans, External Commercial Borrowings (ECB) including other modes of External Borrowings, Debentures or other debt instruments or otherwise, to be issued by the Company, from time to time on private placement basis or otherwise so however that the overall limit shall not exceed the limit of Rs.900.00 Crores (Rupees Nine hundred crores only) at any point of time together with interest at the respective agreed rates, additional interest, compound interest in case of default, accumulated interest, liquidated damages, commitment charges, premia on prepayment, remuneration of the Agent(s)/Trustee(s), premium (if any) on redemption, all other costs, charges and expenses, including any increase as a result of devaluation/revaluation/fluctuation in the rates of exchange and all other monies payable by the Company in terms of the Letters of Sanctions, Loan Agreement(s)/ Heads of Agreement(s), Debenture Trust Deed(s) or any other document, entered into between the Company and the Lender(s), Agent(s) and Trustee(s), in respect of the said borrowings and containing such specific terms and conditions and covenants in respect of enforcement of security as may be stipulated in that behalf and agreed to between the Board and the Lender(s), Agent(s) and Trustee(s), as against Rs.600.00 Crores (Rupees Six hundred crores only) approved by the members at the 23rd Annual General Meeting of the Company held on 30th September, 2006."

"Resolved further that for the purpose of giving effect to this resolution, the Board be and is hereby authorized to finalise, settle and execute such documents/deeds/writings/papers/agreements as may be required and to do all such acts, deeds, matters and things, as it may in its discretion deem necessary, proper or desirable."

"Resolved further that all mortgages and/or charges created hitherto by the Board under the authority of resolutions previously passed under the Companies Act, 1956 shall continue to remain in full force and effect without derogating from the same in any manner whatsoever."

By order of the Board
for Rico Auto Industries Limited

Place : Gurgaon
Date : 12th November, 2010

B.M. Jhamb
Company Secretary

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING A PROXY SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. The relevant Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 setting out material facts is annexed hereto.
3. All documents referred to in the accompanying Notice and Explanatory Statement are open for inspection at the Registered Office of the Company during the office hours on all working days except Saturdays and Sundays between 11.00 AM and 1.00 PM upto the date of the ensuing Extra Ordinary General Meeting.
4. Members who hold shares in dematerialized form are requested to bring their Client ID and DP ID numbers for easy identification of attendance at the Meeting.
5. Members/proxies should bring along with them the attendance slip duly filled in at the time of attending the Meeting.
6. Members are informed that in case of more than one joint holder attending the Meeting, only such joint holder who is higher in order of the names will be entitled to vote.
7.
 - a) Shareholders of erstwhile Rico Agroils Limited who have not yet exchanged their Share Certificates may surrender the same at the Corporate Office of the Company.
 - b) The Equity Shares of the Company of face value of Rs.10/- (Rupees Ten only) each has been sub-divided into 10 Equity Shares of face value of Re.1/- (Rupee One only) each w.e.f. 18th March, 2005 being the Record Date for the same. Members holding shares in physical form and who have not yet surrendered the physical share certificate(s) for sub-division may send the share certificate(s) to the Corporate Office of the Company.
8. Members are requested to notify change in their address.
9. Investors/Shareholders Correspondence Address:
 - a) Registrar and Share Transfer Agent
M/s. MCS Limited
F-65, Okhla Industrial Area, Phase I
New Delhi - 110020
Tel : (011)41406149 Fax : (011)41709881
E-mail : admin@mcsdel.com
 - b) The Company Secretary
Rico Auto Industries Limited
38 KM Stone, Delhi-Jaipur Highway
Gurgaon – 122001, Haryana
Tel : (91)(0124) 2824221, 2824000
Fax: (91)(0124) 2824200
E-mail : cs@ricoauto.com

ANNEXURE TO THE NOTICE

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

Item No.1

At the 23rd Annual General Meeting held on 30th September, 2006 the Board was authorised by the Ordinary Resolution of the Shareholders to borrow a sum not exceeding Rs.600.00 Crores (Rupees Six hundred crores only) from time to time. Keeping in view the expansion plans and future funds requirements (including non-fund based facilities), it is considered necessary to increase the present borrowing powers. The consent of the members is, therefore, sought to increase the borrowing powers of the Board to Rs.900.00 Crores (Rupees Nine hundred crores only).

The Board recommends the resolution at Item No. 1 of the Notice for your approval.

None of the Directors of the Company is concerned or interested in the said resolution.

Item No.2

At the 23rd Annual General Meeting held on 30th September, 2006 the Board was authorised by the Ordinary Resolution of the Shareholders for creation of charges in terms of Section 293(1)(a) of the Companies Act, 1956. To meet its long and short term capital needs, the Company proposes to borrow from Financial Institutions/Banks (Indian or Overseas) by way of Indian or Foreign Currency Loan including External Commercial Borrowing (ECB) or by issue of Debentures or other debt instruments or otherwise on private placement basis or otherwise within the limits of Rs.900.00 Crores (Rupees Nine hundred crores only) including the existing borrowings. To secure such borrowings the Company would be required to mortgages and/or charges its movable and/or immovable properties (both present and future) in favour of the Financial Institutions/Banks/Other Lender(s), Agent(s) and Trustee(s). The mortgaging/charging etc. may be regarded as otherwise disposal of the Company's undertaking(s) within the meaning of Section 293(1)(a) of the Companies Act, 1956 and requires the approval of the members.

The Board recommends the resolution at Item No. 2 of the Notice for your approval.

None of the Directors of the Company is concerned or interested in the said resolution.

By order of the Board
for **Rico Auto Industries Limited**

Place : Gurgaon
Date : 12th November, 2010

B.M. Jhamb
Company Secretary

RICO AUTO INDUSTRIES LIMITED

Regd. Office : 69 KM Stone, Delhi-Jaipur Highway, Dharuhera, Distt. Rewari-122106 (Haryana)

ATTENDANCE SLIP

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

NAME AND ADDRESS OF THE SHAREHOLDER

DP. Id*	
Client Id*	
Folio No.	
No. of Shares held	

I hereby record my presence at the Extra Ordinary General Meeting of the Company held on Saturday, the 18th December, 2010 at 11.00 A.M. at 69 KM Stone, Delhi-Jaipur Highway, Dharuhera, Distt. Rewari-122106 (Haryana).

* Applicable for Shareholding in electronic form

** Strike out whichever is not applicable

SIGNATURE OF THE SHAREHOLDER/PROXY**

RICO AUTO INDUSTRIES LIMITED

Regd. Office : 69 KM Stone, Delhi-Jaipur Highway, Dharuhera, Distt. Rewari-122106 (Haryana)

PROXY FORM

DP. Id*
Client Id*

Folio No.	
No. of Shares held	

I/We _____
of _____ being a member/members
of Rico Auto Industries Limited hereby appoint _____
of _____
or failing him _____
of _____

as my/our Proxy to attend and vote for me/us and on my/our behalf, at the Extra Ordinary General Meeting of the Company to be held on Saturday, the 18th December, 2010 at 11:00 A.M. and/or at any adjournment thereof.

Signature of the Shareholder(s)

Signed _____ day of _____ 2010

*Applicable for Shareholding in electronic form

Affix Fifteen Paise Revenue Stamp
--

Note : The Proxy Form must be deposited at the Registered Office of the Company not less than FORTY-EIGHT HOURS before the time for holding the meeting. The Proxy need not be a member of the Company.

BOOK - POST

If undelivered, please return to :

RIKO AUTO INDUSTRIES LIMITED

38 KM STONE, DELHI-JAIPUR HIGHWAY,
GURGAON - 122001 (HARYANA) INDIA