



Item Nos. 4 and 5

The Equity Shares of the Company are listed on The National Stock Exchange of India Limited (NSE) and The Bombay Stock Exchange Limited (BSE). The Shares are actively traded on NSE and BSE. The market price of the Equity Shares of the Company has witnessed significant increase over the last few years. In order to improve the liquidity of the Company's shares in the stock market and to make it affordable to the small investors, the Board of Directors of the Company ('the Board') at their meeting held on 29th April, 2011, considered it desirable to recommend sub-division of one Equity Share of Rs 10 each into ten equity shares of Re 1 each subject to approval of the Members and such other authorities as may be necessary.

The Record Date for the aforesaid sub-division will be fixed by the Company after obtaining the shareholders' approval, which will be notified to the Stock Exchanges.

The sub-division as aforesaid would require consequential amendments to the existing Clause V in the Memorandum of Association and Article 8 of the Articles of Association of the Company as set out in the items of the Notice respectively.

The Resolution at Item No 4 of the Notice seeks the approval of the Shareholders for the proposed sub-division of the Equity Shares of the Company in the capital clause of the Memorandum of Association of the Company. The Resolution at Item No 5 seeks the approval of the Shareholders for the consequential amendment to the Articles of Association of the Company.

The Shareholders approval for the above resolutions is sought by voting through Postal Ballot pursuant to the provisions of Section 192 A of the Companies Act, 1956 read with the Companies (Passing of the Resolution by Postal Ballot) Rules, 2001.

The existing Memorandum and Articles of Association are available for inspection at the Registered Office of the Company between 11am to 1 pm till 10th June 2011 on any working day of the Company.

The Directors of the Company are deemed to be concerned or interested in the resolution only to the extent of shares held by them in the Company.

By Order of the Board

A. R. RAJARAM  
Head - Legal & Company Secretary

Bangalore  
5th May 2011

Registered Office:  
3, SIPCOT Industrial Complex,  
Hosur 635 126  
Tamil Nadu



TITAN INDUSTRIES LIMITED

Registered Office: 3, SIPCOT Industrial Complex, Hosur - 635126  
Corporate Office: Golden Enclave Tower A, HAL Airport Road, Bangalore - 560017

NOTICE

To The Members of Titan Industries Limited

Notice is hereby given pursuant to Section 192A of the Companies Act, 1956 read with the Companies (Passing of the Resolution by Postal Ballot) Rules, 2001 for the consent of the Members of Titan Industries Limited (hereinafter referred to as the "Company") to the draft resolutions mentioned below, which are proposed to be passed by Postal Ballot:

Item No 1

Alteration of the Memorandum of Association of the Company to increase Authorised Capital

To consider and if thought fit to pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 16 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) Clause V of the Memorandum of Association be altered by substituting the following in place of the existing Clause V:

"V. The authorized share capital of the Company is Rs 160,00,00,000 (Rupees One Hundred and Sixty Crores) divided into 12,00,00,000 (Twelve Crore) equity shares of Re 10 each and 40,00,000 (Forty Lakh) redeemable cumulative preference shares of Rs. 100 each with the rights, privileges and conditions attaching thereto as are provided by the Articles of Association of the Company for the time being, with the power to increase the share capital by such amounts as the Company thinks expedient by issuing new shares and to divide the shares in the capital for the time being into several classes and to attach thereto respectively such preferential, qualified or special rights or conditions as may be determined by or in accordance with the Articles of Association of the Company for the time being, and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may be permitted by the Companies Act, 1956 or provided by the Articles of Association for the time being of the Company "

Item No 2

Consequential Alteration of the Articles of Association of the Company to reflect increased Authorised Capital

To consider and, if thought fit, to pass the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 31 and all other applicable provisions, if any, of the Companies Act, 1956, (including any statutory modification(s) or reenactment thereof, for the time being in force) Article 8 of the Articles of Association of the Company be altered by substituting the following in place of the existing Article 8:

"8 The Authorized Share Capital of the Company is Rs 160,00,00,000 (Rupees One Hundred and Sixty Crores) divided into 12,00,00,000 (Twelve Crore) Equity Shares of Rs 10 (Rupees Ten) each and 40,00,000 (Forty Lakh) redeemable cumulative preference shares of Rs. 100 each."

Item No 3

Issue of Bonus Shares

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT :

- a) In accordance with the applicable provisions of the Companies Act, 1956, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, Article 150 (a) of the Articles of Association of the Company and such other approvals as may be necessary, consent of the Members be and is hereby accorded for capitalization of a sum not exceeding Rs. 44,38,93,080/- (Rupees Forty Four Crores Thirty Eight Lakhs Ninety Three Thousand Eighty Only) from the General Reserve and/or Share Premium Account for the issue of Bonus shares in the ratio of 1 (One) Equity Share of Rs 10 each for every 1 (One) Equity Share of Rs 10 each credited as fully paid-up Equity Shares to the holders of the Equity Shares of the Company, whose name appear in the Register of Members or in the respective beneficiary account with their respective Depository Participants, on the 'Record Date' to be determined by the Board of Directors (the "Board", which expression shall also include a Committee thereof) for the purpose and that the Bonus Shares so distributed shall, for all purposes, be treated as an increase in the nominal amount in the Capital of the Company held by such Member, and not as income;
- b) The Bonus Shares so issued/ allotted shall be subject to the terms and conditions contained in the Memorandum and Articles of Association of the Company and shall rank pari-passu in all respects with the existing fully paid-up Equity Shares of the Company as at the Record Date to be notified by the Company;
- c) That in the case of Members who hold Equity Shares (or opt to receive the Bonus Shares) in dematerialized form, the Bonus Shares be credited to the respective beneficiary accounts of the Members with their respective Depository Participants and in the case of Members who hold Equity Shares in physical certificate form, the share certificates in respect of the Bonus Shares be dispatched, within such time as prescribed by law and relevant authorities;

- d) for the purpose of giving effect to this Resolution and matters connected with or incidental to issuance and/or listing of Bonus shares, the Board be and is hereby authorized to do all such acts/ deeds, matters and things and give such directions as may be necessary or expedient and to settle any question, difficulty or doubt that may arise in this regard as the Board in its absolute discretion deem fit, and to delegate all or any of the powers herein vested in the Board to the Managing Director or Company Secretary, to give effect to the aforesaid Resolution without being required to seek any further consent or approval of the shareholders or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this Resolution.”



Item No 4

Alteration of the Memorandum of Association of the Company for sub-division of Equity Shares

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

“RESOLVED THAT :

- a) pursuant to the provisions of Section 94 and other applicable provisions, if any, of the Companies Act, 1956 (“the Act”) (including any statutory modification(s) or re-enactment thereof, for the time being in force) and the provisions of the Memorandum and Articles of Association of the Company and subject to the approvals, consents, permissions and sanctions as may be necessary from the concerned authorities or bodies, 1 (one) equity share of the Company having a face value of Rs.10 each fully paid up be sub-divided into 10 (ten) equity shares having a face value of Re. 1 each fully paid up.
- b) upon the sub-division of the Equity Shares as aforesaid, the existing Share Certificate(s) in relation to the existing Equity Shares of the face value of Rs 10 each held in physical form shall be deemed to have been automatically cancelled and be of no effect on and from the Record Date to be determined by the Board of Directors (the “**Board**”, which expression shall also include a Committee thereof) and the Company may without requiring the surrender of the existing Share Certificate(s) directly issue and despatch the new Share Certificate(s), of the Company, in lieu of such existing Share Certificate(s), subject to the provisions of Companies (Issue of Share Certificate Rules) 1960, and in the case of the Equity Shares held in the dematerialized form, the number of sub-divided Equity Shares be credited to the respective beneficiary accounts of the Shareholders with the Depository Participants, in lieu of the existing credits representing the Equity Shares of the Company before sub-division.
- c) the Board be and is hereby authorized to take all such steps as may be necessary for obtaining such approvals, as may be necessary in relation to the above and to execute all such documents, instruments and writings as may be required in this connection and to delegate all or any of the powers herein vested in the Board to the Managing Director or Company Secretary, without being required to seek any further consent or approval of the shareholders or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution.”

Item No 5

Consequential Alteration of the Articles of Association of the Company to reflect the sub-division of Equity Shares

To consider and, if thought fit, to pass the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Section 31 and all other applicable provisions, if any, of the Companies Act, 1956, (including any statutory modification(s) or reenactment thereof, for the time being in force) Article 8 of the Articles of Association of the Company be altered by substituting the following in place of the existing Article 8:

“8 The Authorized Share Capital of the Company is Rs 160,00,00,000 (Rupees One Hundred and Sixty Crores) divided into 120,00,00,000 (One Hundred and Twenty Crore) Equity Shares of Re 1 (Rupee One) each and 40,00,000 (Forty Lakhs) redeemable cumulative preference shares of Rs. 100 each.”

By Order of the Board

A. R. RAJARAM  
Head - Legal & Company Secretary

Bangalore  
5th May 2011

Registered Office:  
3, SIPCOT Industrial Complex,  
Hosur 635 126  
Tamil Nadu

Notes:

1. An explanatory statement as required under the Companies Act 1956 in respect of the business specified above is annexed hereto.
2. In terms of Section 192A of the Companies Act, 1956 read with the Companies (Passing of the Resolution by Postal Ballot) Rules, 2001, the items of business set out in the Notice above are sought to be passed by Postal Ballot.
3. Messrs B R Bahl & Associates, Practising Company Secretaries, has been appointed as the Scrutinizer for conducting the Postal Ballot voting process in accordance with the law and in a fair and transparent manner.
4. The Shareholders are requested to carefully read the instructions printed in the attached Postal Ballot Form. The Postal Ballot Form, duly completed and signed, should be returned in the enclosed self-addressed, postage prepaid envelope directly to the Scrutinizer so as to reach the Scrutinizer before the close of working hours (1700 hours) on or before 10th June 2011.
5. The shareholders are requested to exercise their voting rights by using the attached Postal Ballot Form only. No other form or photocopy of the form is permitted.
6. The Scrutinizer will submit a report to the Chairman or the Managing Director of the Company after completion of scrutiny of the Postal Ballot Forms.
7. The results of the Postal Ballot will be announced by the Chairman of the Company or by the Managing Director or any other Director, duly authorized by the Chairman on or before 14th June 2011 at the Registered Office of the Company at 3, SIPCOT Industrial Complex, Hosur 635 126 and will also be published in newspapers.
8. The Special Resolutions mentioned at Item numbers 2 and 5 above shall be declared as passed if the number of votes cast in its favour are not less than three times the number of votes cast against the said resolution. The Ordinary Resolutions mentioned at Item numbers 1, 3 and 4 above shall be declared as passed if the number of votes cast in its favour exceeds the number of votes cast against the resolution.
9. **The Ministry of Corporate Affairs (“MCA”), Government of India has taken a “Green Initiative in Corporate Governance” by allowing paperless compliances by Companies. MCA has issued a Circular on 29th April, 2011 stating that the service of notice / document by a company to its Members may now be made through electronic mode, after giving an advance opportunity to the Member to register his e-mail address and changes therein from time to time with the Company or with the concerned depository. Keeping this in view, your Company proposes to send documents such as the Notice of the Annual General Meeting, Audited Financial Statements, Directors’ Report, Auditors’ Report, Balance Sheet, Profit & Loss Account, Explanatory Statement etc., henceforth to such Members in electronic mode, who opt for the same. We have enclosed a form for you to exercise your option by submitting the same to us after your signature. In this behalf, we are confident that you would appreciate the “Green Initiative” taken by MCA. We solicit your cooperation in helping the Company to implement the e-governance initiatives of the Government.**

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

Item No 1 & 2

The present Authorized Share Capital of the Company is Rs.120,00,00,000 (Rupees One Hundred Twenty Crores) comprising of 8,00,00,000 (Eight Crores) equity shares of Rs. 10 each and 40,00,000 (Forty Lakhs) redeemable cumulative preference shares of Rs. 100 each. In view of the proposal to issue Bonus shares, the Board of Directors vide resolution passed on April 29, 2011 have approved the increase of Authorised Share Capital of the Company to Rs. 160,00,00,000 (Rupees One Hundred Sixty Crores) divided into 12,00,00,000 (Twelve Crores) equity shares of Rs. 10 each and 40,00,000 (Forty Lakhs) redeemable cumulative preference shares of Rs. 100 each by creation of additional 4,00,00,000 (Four Crores) equity shares of Rs. 10 each, ranking pari passu with the existing equity shares of the Company.

The consequential alteration to the Article 8 of the Articles of Association of the Company is also proposed to be altered accordingly to reflect the increase in the Authorized Capital.

Item No 3

In view of the accrued position of Reserves & Surplus of the Company as at 31st March 2011, the Board of Directors have great pleasure in proposing issue of Bonus shares in the ratio of 1 (one) equity share for every 1 (one) existing share subject to approval by the shareholders of the Company and other statutory approvals as may be required, by capitalizing a sum not exceeding Rs. 44,38,93,080/- (Rupees Forty Four Crores Thirty Eight Lakhs Ninety Three Thousand Eighty Only) from the balance lying in General Reserve and/or Share Premium Account of the Company (as per the Audited Accounts of the Company for the financial year ended 31st March 2011) and applying the said sum in paying up in full for issue of up to 4,43,89,308 Equity Shares of Rs. 10 each to the Members of the Company in proportion of One (1) Bonus Equity Share of Rs. 10 each for every One (1) fully paid-up Equity Share of Rs. 10 each held by them.

The record date for the issue of bonus shares to determine the eligibility of shareholders entitled to receive the bonus shares, will be intimated separately to the Stock Exchanges and advertised in the newspapers.

The Board recommends resolution no. 3 for approval by the Members.

The Directors of the Company may be deemed to be concerned or interested in this resolution to the extent of their respective holding of shares in the Company.