NOTICE

NOTICE IS HEREBY GIVEN PURSUANT TO SECTION 110 OF THE COMPANIES ACT, 2013 (HEREINAFTER REFERRED TO AS "THE ACT"), READ WITH COMPANIES (MANAGEMENT AND ADMINISTRATION) RULES, 2014 (HEREINAFTER REFERRED TO AS "THE RULES"), TO THE SHAREHOLDERS OF JAIN IRRIGATION SYSTEMS LIMITED (HEREINAFTER REFERRED TO AS "THE COMPANY"), TO SEEK THEIR APPROVAL BY WAY OF POSTAL BALLOT FOR THE FOLLOWING SPECIAL BUSINESS.

Mortgage/ Charge on Movable/ Immovable Properties of the Company :

1. **To consider and if thought fit, to pass, with or without any modification as may be deemed fit, the following resolution as a Special Resolution**

"**RESOLVED THAT** consent of the Company be and is hereby accorded to the Board of Directors of the Company in terms of Section 180(1)(a) of the Companies Act, 2013 and, any other applicable provisions of the Companies Act, 2013 subject to requisite approvals, consents from the Company's Bankers, Financial Institutions, Trustees to the Debenture holders and/ or other Institutions/ bodies, if and wherever necessary, to mortgage/ charge/ hypothecate or otherwise create an encumbrance, on such terms and conditions and in such form and manner, as it may think fit, whether as Interim or final security, on the whole or substantially the whole or substantially the whole of one or more of the Company's undertakings, (whether by way of equitable or registered mortgage) including its movable and immovable properties, against Working Capital facilities, Non-Convertible Debentures (NCD), Rupee Short Term Loans, Rupee Long Term Loans, Corporate Loans, External Commercial Borrowings and Standby Letter of Credit obtained/ to be obtained, together with interest thereon, at the respective rates agreed, additional/ further/ compound interest in the event of default, commitment charges, premium (if any) on redemption, all other costs, charges and expenses and all other monies payable by the Company to Security Trustees for Joint Consortium Lenders, Financial Institutions, Banks, NCD subscribers and other lenders in terms of the letter of sanction and/or Loan agreement(s) or any other deeds or documents as are entered into by the Company or any modification in respect of the said Loans.

RESOLVED FURTHER THAT the Board of Directors of the Company or an authorized committee thereof be and is hereby authorised to finalise the manner and method and all necessary agreements, deeds and documents and subsequent modifications thereto, for creating the aforesaid mortgage and/or charge etc. and to do all such acts, deeds, matters and things as may be necessary desirable or expedient for the purpose of giving effect to the resolution."

By order of Board
For Jain Irrigation Systems Ltd.

Sd/-
A. V. Ghodgaonkar
Company Secretary

Jalgaon
14th August, 2014

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

ITEM NO. 1 - Mortgage/ Charge on select Immovable Properties/ Movable properties of the Company

The Company through the Board of Directors borrows from time to time and within the limits prescribed for by Shareholders, lastly in 20th AGM in 2007, currently at ₹ 3,000 Crores (other than working capital loans in the ordinary course of business).

To borrow from Term Lenders the Company has to create charge / mortgage on its immovable and movable properties, (whether equitable or registered) including the equipment attached to the property. Generally, the term lenders secure the borrowings of Company by first pari-passu charge on fixed assets of the Company and the working capital lenders in addition to hypothecation of stocks and receivables generally seek on additional second charge on the fixed assets of the Company.

The resolution seeks the permission of Shareholders for creation of mortgage/charge/ encumbrance on assets/ undertakings as is required under the provisions of Section 180(1)(a) of the Companies Act, 2013 and a possible disposal on invocation of the security by the lenders if any. Although, creation of such charge on assets of the Company does not by itself amount to "disposal" as is interpreted by various Courts, there is an alternative view which is prevalent in India, hence as a matter of abundant caution the approval of Shareholders is sought as per provisions of Section 180(1)(a) of the Companies Act, 2013 read Section 110 and further read with the Companies (Management and Administration) Rules, 2014.

The Company has recently borrowed amounts under the following loans:

Sanctioned/ disbursed

Sr. No.	Name of Trustee/ Lender(s)	Nature of facility	Amount (₹ in Crores)	Nature of Charge
1	IDBI Trusteeship Services Ltd	Working Capital Facilities (FB+NFB) Renewal for 2013-14	2,970.00	Second Charge on immovable Properties
2	IFCI Ltd	Corporate Loan	*100.00	Exclusive Charge (Interim Security) on specific immovable properties. Pari Passu charge as final security
3	The South Indian Bank Ltd	Corporate Term Loan	*50	Exclusive Charge on specific immovable properties
4	Export Import Bank of India	Non-Fund Based facility	*6.65 (USD 1.05 Mn)	Exclusive Charge on specific immovable property

* Already executed

The Company has appointed IDBI Trustee Services Ltd. as Security Trustee for Consortium of Working Capital Bankers led by State Bank of India CAG Branch, Bandra Kurla Complex, Bandra (East), Mumbai, and Consortium has enhanced/ renewed WC Facilities from ₹ 2,570 Crores (FY 2013) to ₹ 2,970 Crores (FY 2014) and Company needs to secure the facilities by creating second charge on fixed assets as Hypothecation on stocks and receivables is done on 17th june, 2014 for the enhanced/ renewed Working Capital facilities.

IFCI has sanctioned long term loan of ₹ 100 Crores and disbursed the amount on creation on Interim Security on specific immovable properties and on creation of final pari passu charge, the interim security shall be released.

The South Indian Bank Ltd has sanctioned and disbursed ₹ 50 Crores by way of long term loan on mortgage of specific immovable properties.

Export Import Bank of India has also sanctioned and disbursed ₹ 6.65 Crores (USD 1.05 million) by way of Standby Letter of Credit (SBLC) on mortgage of specific immovable properties.

The Company intends to raise some more long term funds for refinancing as under;

Proposed borrowings

Sr. No.	Name of Trustee/ Lender(s)	Nature of facility	Amount (₹ in Crores)	Nature of Charge
1	Any Lender/ Subscriber	Non-Convertible Debentures/ Rupee Short Term Loans/ Rupee long Term Loans/ Corporate Loan/ External Commercial Borrowings/ SBLC	500.00	Mortgage or specific charge on exclusive or pari passu basis.

The Company intends to raise a further amount of ₹ 500 Crores by way of Non-Convertible Debentures/ Rupee Short Term Loans/ Rupee Long Term Loans/ Corporate Loan/ External Commercial Borrowings/ SBLC for refinance of Rupee or foreign Currency loans as the case may be, to reduce cost and realign maturity dates in line with cash flows within the available security. Hence, as the opportunity arises Company shall tie up the loans and offer adequate security to prospective lenders for the same as per terms agreed with them. This is just an enabling authority for security creation in case need arises.

The Directors recommend the resolution for your approval.

None of the Directors of the Company are interested in the resolution placed before the meeting directly or indirectly.

By order of Board
For Jain Irrigation Systems Ltd.

Sd/-
A. V. Ghodgaonkar
Company Secretary

Jalgaon
14th August, 2014

Jain Irrigation Systems Ltd.
Small Ideas. Big Revolutions.

Regd. Office: Jain Plastic Park, N.H. No. 6, Bambhori, Jalgaon - 425 001. (M.S.) India.
Tel: +91-257-2258011; Fax: +91-257-2258111; **CIN: L29120MH1986PLC042028;**
E-mail: jisl@jains.com, shares@jains.com; Visit us at: www.jains.com

POSTAL BALLOT FORM

1) Name(s) of Member(s) (including Joint-holders, if any) :

2) Registered Address of the Sole / First named Member :

3) Registered Folio No./ DP ID No./Client ID No.* : (*Applicable to investors holding Shares in dematerialized form)

4) Number of Shares held : **Ordinary Equity** **DVR** (on 8th August 2014)

5) I/ we hereby exercise my/ our vote in respect of the Ordinary Resolution to be passed through Postal Ballot for the business stated in the Notice of the Company dated 4th August 2014 by conveying my/ our assent or dissent to the said Resolution by placing the tick (a) mark at the appropriate boxes below;

Item No.	Description	No. of Shares held		I/We assent to the Resolution		I/We dissent to the Resolution	
		Ordinary Equity	DVR Equity	Ordinary Equity	DVR Equity	Ordinary Equity	DVR Equity
1	Authority for charge by way of mortgage/ hypothecation of undertaking(s) of the Company u/s 180(1)(a) of the Companies Act, 2013 in favour of specified lenders/ Security Trustees						

Place :

Date :

_____

Signature of the Member

INSTRUCTIONS

1) A Member desiring to exercise his/her vote by Postal Ballot may complete this Postal Ballot form (no other form or photocopy thereof is permitted to be used for the purpose) and send it to the Scrutinizer at the address of the Company in the attached prepaid Business Reply self-addressed envelope attached. Postage will be borne and paid by the Company. Envelopes containing Postal Ballots, if deposited in Person at Registered Office of Company or if sent by courier at the expense of the Member, shall also be accepted.

2) The self-addressed envelops bears the name of the Scrutinizer appointed by the Board of Directors/ Committee of the Company.

3) This form should be completed and signed by the Member. In case of joint shareholding, this form should be completed and signed [as per the specimen signature(s) registered with the Company/ furnished by the Depositories] by the first named Member and in his/her absence, by the next named Member. Holders of Power of Attorney (POA) on behalf of Member may vote on the Postal Ballot mentioning the Registration No. of the POA or enclosing an attested copy of POA.

4) Unsigned, incomplete, improperly or incorrectly marked Postal Ballot forms will be summarily rejected.

5) The exercise of vote by Postal Ballot is not permitted through proxy. There will be only one Postal Ballot Form for every folio /client ID irrespective of the number of Joint Member(s).

6) Duly completed Postal Ballot forms should reach the Company not later that by the close of working hours on **22nd September, 2014.** Postal Ballot forms received after this date will be strictly treated as if the reply from such Members has not been received. The Members are requested to send the duly completed Postal Ballot Forms well before **19th September, 2014** providing sufficient time for postal transit.

7) In the case of shares held by companies, trusts, societies etc. the duly completed Postal Ballot form should be accompanied by a certified true copy of the relevant Board Resolution /Authorisation.

8) Voting rights shall be reckoned in proportion to a Member's share of the Paid-Up Share Capital of the Company on the date of dispatch of the Notice or as per terms of issue for DVR Equity.

9) Members are requested not to send any other paper along with the Postal Ballot form in the enclosed self-addressed postage prepaid Business Reply envelope, as such envelopes will be sent to the Scrutinizer and any extraneous paper found in such envelope would be destroyed by the Scrutinizer.

10) The Scrutinizer's decision on the validity of Postal Ballot shall be final. The result of voting on the resolution will be declared at the Registered Office of the Company on or before **26th September, 2014.** The result will thereafter be published in newspapers, for the information of the Members.

11) As you have not registered your email id with Company or your Depositories or RTA agent of the Company i.e. Bigshare Services Pvt. Ltd the option to cast the vote through e-voting system is not provided in terms of Companies (Management and Administration) Rules, 2014.