



NOTICE

Notice is hereby given that an Extra-Ordinary General Meeting of the Members of the Company will be held on Thursday, the 24th day of May, 2012 at 9.30 A.M. at the Registered office of the Company situated at 274, Dhandari Khurd, G.T. Road, Ludhiana (Punjab) 141014 to transact the following business(es) as Special Business:

1. TO CONSIDER AND, IF THOUGHT FIT, TO PASS WITH OR WITHOUT MODIFICATION(S), THE FOLLOWING RESOLUTION AS AN ORDINARY RESOLUTION:

RESOLVED THAT in accordance with the provisions of Section 16, 94 and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the existing Authorised Share Capital of the Company be and is hereby increased from Rs. 400,00,00,000/- (Rs. Four Hundred Crores) only divided into 40,00,00,000 (Forty Crore) Equity Shares of Rs.10/- (Rs. Ten) each to Rs. 600,00,00,000/- (Rs. Six Hundred Crores) only divided into 60,00,00,000 (Sixty Crore) Equity Shares of Rs.10/- (Rs. Ten) each by creation of further 20,00,00,000 (Twenty Crore) Equity shares of Rs.10 (Rs. Ten) each aggregating Rs. 200,00,00,000/- (Rs. Two Hundred Crore) ranking pari passu with the existing equity shares of the company in all respects.

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 Clause V:

'V' The Authorised Share Capital of the Company is Rs. 600,00,00,000/- (Rs. Six Hundred Crore only) divided into 60,00,00,000 (Sixty Crore) Equity Shares of Rs.10/- (Rs. Ten) each.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized 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 it may in its absolute discretion, deem fit to give effect to this resolution.

2. 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 81, 81(1A) and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification(s), or re-enactment(s) thereof for the time being in force), the Foreign Exchange Management Act, (FEMA), and in accordance with the Guidelines, Rules and Regulations of the Securities and Exchange Board of India ("SEBI"), including the SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 2011, the Reserve Bank of India, and the Government of India (including any statutory amendment(s) or re-enactment(s) thereof, for the

time being in force) and the enabling provisions of the Memorandum and Articles of Association of the Company, the listing agreement entered into by the Company with the Stock Exchanges where the equity shares of the Company are listed and subject to such terms, conditions and modifications as may be considered appropriate and approved by the Board of Directors of the Company (hereinafter referred to as "the Board" which expressions shall include any committee thereof for time being constituted/to be constituted to which all or any of the power conferred on the Board by this Resolution, may have been delegated) and subject also to such approvals, consents, permissions or sanctions (including any conditions thereof, or modification to the terms contained therein), if any, required by the appropriate authorities, including those of the Ministry of Commerce, Ministry of Finance, Ministry of Company Affairs, Secretarial for Industrial Assistance, Foreign Investment Promotion Board, etc., as may be required and such terms and conditions, if any, as may be prescribed while granting such consents, approvals, permissions and sanctions, which may be agreed to by the Board, the consent of the Company be and is hereby accorded to the Board of Directors to create, offer, issue and allot upto 7,50,00,000 Equity warrants convertible into 7,50,00,000 Equity Shares on Preferential basis having face value of Rs.10/- each (where each such Equity warrant being exercisable, at the option of the holder being allotted one fully paid up equity share of Rs.10/- each) at such price including premium, being a price not less than the price, calculated in accordance with SEBI Guidelines for Preferential issue (Chapter VII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and which can be convertible, in such number of options exercised by the holder of such Equity warrants, in one or more lots, at the option of the holder of such Equity warrants, into equity shares within a period not exceeding eighteen months (18 months) from the date of issue of Equity warrants in accordance with SEBI (Issue of Capital And Disclosure Requirements) Regulations, 2009 to the following allottee(s) as detailed herein below:

S.No	Name of the Allottee	Category	Maximum No. of equity warrants to be allotted
1.	Mr. Ram Saran Saluja	Promoter	12500000
2.	Mr. Neeraj Saluja	Promoter	12500000
3.	Mrs. Sneha Lata	Promoter	12500000
4.	Mrs. Ritu Saluja	Promoter	12500000
5.	Mr. Dhiraj Saluja	Promoter	12500000
6.	Mrs. Reema Saluja	Promoter	12500000

RESOLVED FURTHER THAT the equity shares to be issued on conversion of the warrants shall rank pari passu with the existing equity shares of the Company in all respects including payment of dividend.



SEL Manufacturing Company Ltd.

Regd. Office: 274, DHANDARI KHURD, G.T. ROAD, LUDHIANA, 141014 PUNJAB (INDIA)

RESOLVED FURTHER THAT the Board be and is hereby authorized to take necessary steps for listing of the above mentioned equity warrants upon conversion on the stock exchanges where the company's shares are listed, as per the terms and conditions of the listing and other applicable guidelines, rules and regulations.

RESOLVED FURTHER THAT the "Relevant Date" as per the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 as applicable form time to time for the determination of applicable price for issue of Equity warrants is "24th April, 2012", being the date 30 days prior to the date of Extra Ordinary General Meeting.

RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution, the Board be and is hereby authorized to issue and allot such number of equity shares as may be required to be issued and allotted upon conversion of warrants in accordance with the terms of the offer.

RESOLVED FURTHER THAT the Board is hereby authorized to accept such terms and conditions as the SEBI and/or Stock Exchange(s) may stipulate in that behalf.

RESOLVED FURTHER THAT the Board be and is hereby authorized to decide and approve the other terms and conditions of the aforesaid Preferential Issue and shall be entitled to vary, modify or alter any of the terms and conditions, as it may deem expedient, including reduction of the size of the issue, withdrawal of the issue, as the Board of the Company may deem expedient, without being required to seek any further consent or approval from the Company in a general meeting.

RESOLVED FURTHER THAT for giving effect to this resolution, the Board be and is hereby authorized to take such steps and to do all such acts, deeds and things as the Board may, in its absolute discretion, consider necessary, expedient, proper or incidental to this resolution and to settle any question, remove any difficulty or doubt that may arise from time to time in relation to the issue and allotment of warrants/shares and to enter into any agreements or other instruments, and to take such actions or give such directions as it may consider as being necessary or desirable and to obtain any approvals, permissions, sanctions which may be necessary or desirable, as it may in its absolute discretion deem fit.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred to any committee of Director or any director(s) or Officer(s) of the Company to give effect to this resolution.

3. TO CONSIDER AND, IF THOUGHT FIT, TO PASS WITH OR WITHOUT MODIFICATION(S), THE FOLLOWING RESOLUTION AS AN ORDINARY RESOLUTION:

RESOLVED THAT pursuant to the provisions of Sections 198, 269, 309 and Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956, the rules framed there under, and as approved by the Remuneration Committee of the Board and subject to such other modification(s), amendment(s), alteration(s) as may be required by any letters etc., the consent of the Company be and is hereby accorded for the re-appointment of Sh. Neeraj Saluja, as the Managing Director of the Company for a further period of three years w.e.f. 26.05.2012 on a consolidated amount of Salary of Rs. 10,00,000/- per month.

RESOLVED FURTHER THAT he will be entitled to free use of Company's car for business purpose and of free use of telephone, at office and at residence, for business purposes of the Company.

RESOLVED FURTHER THAT The Board of Directors of the Company be and are hereby authorized to further increase the above said remuneration within the limits prescribed under the Companies Act, 1956 and the guidelines issued in this behalf by the Central Government from time to time, without referring the matter again for the approval of the members of the Company.

RESOLVED FURTHER THAT in case in any Financial year, the company has no profits or its profits are inadequate, the Company will pay the above remuneration as minimum remuneration to the Managing Director subject to compliance of Schedule XIII of the Companies Act, 1956 and other applicable provisions, and the rules framed there under as amended from time to time.

RESOLVED FURTHER THAT The Board of Directors of the Company be and are hereby authorized to execute all such documents, instruments, and writings, if any, and further to do all such acts, deeds or things as may be deemed necessary to give effect to the above said resolution.

By Order of the Board,
For SEL MANUFACTURING COMPANY LTD.

PLACE : LUDHIANA

DATED :27.04.2012

(RAHUL KAPOOR)
COMPANY SECRETARY



SEL Manufacturing Company Ltd.

Regd. Office: 274, DHANDARI KHURD, G.T. ROAD, LUDHIANA, 141014 PUNJAB (INDIA)

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THIS EXTRA ORDINARY GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. A BLANK PROXY FORM IS ENCLOSED.

PROXIES IN ORDER TO BE MADE EFFECTIVE, MUST BE DEPOSITED WITH THE COMPANY DULY EXECUTED NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF EXTRA ORDINARY GENERAL MEETING AT THE REGISTERED OFFICE OF THE COMPANY.

2. Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 in Respect of Item(s) of Special Business is annexed hereto and forms part of the Notice.
3. The Explanatory Statement for Item No. 3 together with the accompanying notice may also be regarded as an abstract of the terms of reappointment of Mr. Neeraj Saluja, Managing Director of the Company and Memorandum of Interest of Directors u/s 302 of the Companies Act, 1956.
4. Members/proxies should bring duly filled Attendance Slips sent herewith for attending the meeting.
5. The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the Companies and has issued circulars stating the service of notice/documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participants and with Registrar & Share Transfer Agent-M/s Link Intime India Private Limited in case of shares held in physical form. E-mail is a better method to receive the communications quickly, with least cost implications and have longer shelf life. Company proposes to send all permitted communications electronically to the email id's of Members unless specific request is received for a physical copy from Member. Please act and contribute to the cause of Environment.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956 IN RESPECT OF ITEMS OF SPECIAL BUSINESS:

FOR ITEM NO.1:

The present Authorised Share Capital of the Company is Rs. 400,00,00,000/- (Rs. Four Hundred Crores) only divided into 40,00,00,000 (Forty Crore) Equity Shares of Rs.10/- (Rs. Ten) each. In order to meet out the financial requirements of the

expansion plans of the company and to strengthen its financial position and in order to accommodate the issue of convertible securities/warrants convertible into shares under resolution(s) proposed in the aforesaid notice and in order to further increase in the capital of the company from time to time, as may be required, it is proposed that the Authorised Share Capital of the company be increased to Rs. 600,00,00,000/- (Rs. Six Hundred Crores) only divided into 60,00,00,000 (Sixty Crore) Equity Shares of Rs.10/- (Rs. Ten) each by creation of further 20,00,00,000 (Twenty Crore) Equity shares of Rs.10 (Rs. Ten) each aggregating Rs. 200,00,00,000/- (Rs. Two Hundred Crore) ranking pari passu with the existing equity shares of the company in all respects.

The increase in the Capital, as such, requires the approval of the Shareholders in the General Meeting u/s 94 of the Companies Act, 1956. Consequently, the Clause V of the Memorandum of Association is also proposed to be amended. Hence the proposed resolutions.

MEMORANDUM OF INTEREST

None of the Directors is, in any way, interested or concerned in the proposed resolutions.

FOR ITEM NO.2:

Pursuant to the provisions of Section 81(1A) and other applicable provisions of The Companies Act, 1956, and in terms of the provisions of the Listing Agreements executed by the company with the Stock Exchanges where the Company's shares are listed, approval of the shareholders in the General Meeting is required for issue and allotment of warrants which are convertible into equity shares, on preferential basis and hence the resolution is placed before the shareholders.

The Company proposes to issue and allot upto 7,50,00,000 convertible warrants (each such equity warrant carrying a right to apply for one equity share of Rs.10/- each of the Company in exchange of the said equity warrants) at such price as may be calculated in accordance with Chapter VII of the Securities and Exchange Board of India (Issue of Capital And Disclosure Requirements) Regulations, 2009 to the Promoters for cash consideration on preferential basis subject to necessary approval of RBI/FIPB etc., wherever required, and other Government/ statutory approvals, if any.

The following information is provided in accordance with the "Guidelines for Preferential Issue" contained in Chapter VII of the Securities and Exchange Board of India (Issue of Capital And Disclosure Requirements) Regulations, 2009 ("the Guidelines").

The object(s) of the issue:

The Company intends to raise the funds to meet the following requirements:

- Expansion of Manufacturing facilities and new projects viz. Spinning, Knitting, Dyeing, Garments, and Terry Towels etc.
- Expansion of Global operations and Market Reach..



SEL Manufacturing Company Ltd.

Regd. Office: 274, DHANDARI KHURD, G.T. ROAD, LUDHIANA, 141014 PUNJAB (INDIA)

- Augmentation of working capital.
- Mergers and Acquisitions (M&A) integration and growth activities
- Acquisition of new unit(s) in India and abroad

PRICING:

The issue price of warrants on preferential basis shall be at such price including premium, being a price not less than the price, calculated in accordance with SEBI Guidelines for Preferential issue (Chapter VII of the Securities and Exchange Board of India (Issue of Capital And Disclosure Requirements) Regulations, 2009.

The company hereby undertakes that:-

- It would re-compute the price of the Securities specified above in terms of the provisions of the SEBI (ICDR) Regulations, 2009 where it is required to do so.
- If the amount payable on account of re-computation of price is not paid within the time stipulated in the SEBI (ICDR) Regulations, 2009, the above specified securities shall continue to be locked in till the time such amount is paid by the allottees.

"Relevant Date" as per the SEBI (Issue of Capital And Disclosure Requirements) Regulations, 2009 as applicable from time to time for the determination of applicable price for issue of Equity warrants is "24th April, 2012".

PAYMENT & CONVERSION TERMS:

An amount equivalent to at least 25% of the consideration payable on the warrants shall be paid against each warrant on the date of allotment of warrants. The balance is payable at the time of conversion. In case the option is not exercised within a period of 18 months from the date of issue of warrants, the application money will be forfeited by the Company. The warrants are converted at the option of the allottee(s), in such number of options exercised by the holder of such Equity warrants, in one or more lots, at the option of the holder of such Equity warrants, into equity shares at any time, within a period, not exceeding eighteen months (18 months) from the date of issue of Equity warrants in accordance with SEBI (Issue of Capital And Disclosure Requirements) Regulations, 2009.

Intention of the Promoters/Directors/key Management persons to subscribe to the offer:

The select Promoters of the Company namely Mr. Ram Saran Saluja, Mr. Neeraj Saluja, Mrs. Sneh Lata, Mrs. Ritu Saluja, Mr. Dhiraj Saluja and Mrs. Reema Saluja intend to subscribe to the offer. However, none of the other Directors or Management personnel intend to subscribe to any warrants/shares in the Preferential offer of Equity warrants.

Shareholding pattern before and after considering the exercise of option in full against warrants proposed to be issued on preferential basis as per resolution:

Category code	Category of Shareholder	Pre-Issue:		Post Issue: (After conversion of warrants proposed to be issued on preferential basis as per resolution.)	
		No. of shares	% of holding	No. of shares	% of holding
(A)	Shareholding of Promoter and Promoter Group				
1	Indian				
(a)	Individuals/ Hindu Undivided Family				
	Total Shareholding of Promoter and Promoter Group	27729044	24.90	102729044	55.13
(B)	Public Shareholding	27729044	24.90	102729044	55.13*
1	Institutions				
(a)	Financial Institutions/ Banks				
(b)	Foreign Institutional Investors	708365	0.64	708365	0.38
B2	Non-Institutions	100000	0.09	100000	0.05
(a)	Bodies Corporate				
(b)	Individuals	24104437	21.65	24104437	12.93
	Individuals - I individual shareholders holding nominal share capital up to Rs. 1 Lakh	38062834	34.18	38062834	20.43
	ii) individual shareholders holding nominal share capital in excess of Rs. 1 lakh	16358146	14.69	16358146	8.78
	others				
	Total (B)	4284174	3.85	4284174	2.30
	Total (A) + (B)	83617956	75.10	83617956	44.87
		111347000	100	186347000	100

* to be converted in compliance with SEBI (SAST) Regulations, 2011



SEL Manufacturing Company Ltd.

Regd. Office: 274, DHANDARI KHURD, G.T. ROAD, LUDHIANA, 141014 PUNJAB (INDIA)

The Promoters shall convert the aforesaid warrants only in compliance with SEBI (SAST) Regulations, 2011 as notified and as amended from time to time. In case the allottees of said warrants exercise their right to acquire Equity Shares of the Company only in part or does not exercise their said right at all, then the paid-up Equity Share Capital of the Company and the shareholding pattern given above will change accordingly.

In the above table, the shareholding pattern (post-Issue) has been calculated on the basis of assumption of full conversion of all convertible warrants to be issued/allotted to the proposed allottees.

It is further assumed that other non-promoter holdings will remain unchanged.

The aforementioned shareholding pattern may change from time to time depending upon the transfer of shares by the existing shareholders and further issue of capital by the Company, either by issue of further shares under ESOP schemes or otherwise.

Proposed time within which the allotment shall be completed:

The Allotment shall be completed within 15 days from the date of passing of the resolution, or 15 days from the date of approval/permission of any regulatory authority or Central Government, if applicable, whichever is later.

The identity of the proposed Allottees and the percentage of the post preferential issue capital that may be held by them is given as under:

Sr. No.	Name of the allottees	Category	Pre-Issue	% to total	Post Issue	Post Issue: (After conversion of warrants proposed to be issued on preferential basis as per resolution). % to total equity
1.	Mr. Ram Saran Saluja	Promoter	4621505	4.15	17121505	9.19
2.	Mr. Neeraj Saluja	Promoter	4621510	4.15	17121510	9.19
3.	Mrs. Sneh Lata	Promoter	4621510	4.15	17121510	9.19
4.	Mrs. Ritu Saluja	Promoter	4621506	4.15	17121506	9.19
5.	Mr. Dhiraj Saluja	Promoter	4621506	4.15	17121506	9.19
6.	Mrs. Reema Saluja	Promoter	4621507	4.15	17121507	9.19

Auditor's Certificate:

A copy of the certificate of Statutory Auditors of the company certifying that the issue of Equity Warrants/Shares is being made in accordance with the requirement of SEBI's Guidelines for Preferential Issue as contained in the SEBI (Issue of Capital And

Disclosure Requirements) Regulations, 2009 shall be placed before the shareholders at the Extra Ordinary General Meeting.

Lock-In:

The convertible warrants to be allotted on preferential basis and the shares allotted upon conversion thereof shall be subject to lock-in as per applicable SEBI guidelines in this behalf.

Change in Management:

The issue of Equity warrants/shares will not result in any change in management or control of the Company. However there will be corresponding changes in the shareholding pattern as well as voting rights consequent to preferential allotment upon conversion into shares.

The consent of the members is being sought under Section 81(1A) of the Companies Act, 1956 and other applicable provisions of the Companies Act, 1956, if any, and in terms of the provisions of the Listing Agreements executed by the Company with the Stock Exchanges where the company's shares are listed.

Memorandum of Interest

None of the Directors except Mr. Ram Saran Saluja, Mr. Neeraj Saluja and Mr. Dhiraj Saluja, the subscribers are interested in the proposed resolution.

FOR ITEM NO.3:

The Board of Directors of your Company have re-appointed Mr. Neeraj Saluja as the Managing Director of the Company for a further period of three years w.e.f. 26.05.2012 subject to the confirmation of his re-appointment and remuneration by the members of the Company. The remuneration proposed to be paid to Managing Director has been approved by the Remuneration Committee of the Board and the resolution is put for your approval in this meeting. Mr. Neeraj Saluja working as the Managing Director of the Company is responsible for the overall management of the Company and provides strategic direction in selection of technology and machineries, in setting up new manufacturing facilities, improvement of production processes and exploring and diversifying into new ventures etc. .

As per the provisions of the Companies Act, 1956 under Schedule XIII and Rules framed there under, confirmation of the members of the Company is required for the appointment/reappointment as such of a managerial person. Hence the proposed resolution is recommended for your consideration and approval.

MEMORANDUM OF INTEREST

None of the Directors except Mr. Ram Saran Saluja, Mr. Dhiraj Saluja being relatives and Mr. Neeraj Saluja being the appointee is, in any way, interested or concerned in the proposed resolution.



SEL Manufacturing Company Ltd.

Regd. Office: 274, DHANDARI KHURD, G.T. ROAD, LUDHIANA, 141014 PUNJAB (INDIA)

DETAILS OF SH. NEERAJ SALUJA SEEKING REAPPOINTMENT IN EXTRA ORDINARY GENERAL MEETING IS GIVEN BELOW:

Resume including Expertise in specific functional area	List of other Companies in which Directorship held	Chairman/Member of the Committee of Board of Directors of other Companies	Inter-Se relationship with other Directors of the Company	Shareholding in the Company
Mr. Neeraj Saluja aged 45 years is the elder son of Mr. Ram Saran Saluja and has over 20 years of experience in the textile industry. He holds a diploma in Business Administration, from Punjab University. He is responsible for the overall management of our Company and provides strategic direction in selection of technology and machineries, in setting up new manufacturing facilities, improvement of production processes and exploring and diversifying into new ventures etc.	<ol style="list-style-type: none">1. Shiv Narayan Investments Pvt. Ltd.2. SEL Aviation Pvt. Ltd.3. SEL Developers Pvt. Ltd.4. SEL Textiles Ltd.5. Silverline Corporation Ltd.6. Omega Hotels Ltd.7. Rythm Textile & Apparels Park Ltd.8. Ahuja Cotspin Pvt. Ltd.9. Young Presidents Organisation (Punjab Chapter)10. SEL Ecochem Pvt. Ltd.11. Shri Lakshmi Narayan Financial Services Ltd.	Chairman of Audit Committee of Rythm Textile & Apparels Park Ltd	Son of Mr. Ram Saran Saluja and brother of Mr. Dhiraj Saluja, other Directors of the Company	4621510

By Order of the Board,
For SEL MANUFACTURING COMPANY LTD

PLACE : LUDHIANA
DATED : 27.04.2012

(RAHUL KAPOOR)
COMPANY SECRETARY