

GABRIEL INDIA LIMITED

NOTICE OF EXTRA ORDINARY GENERAL MEETING

Notice is hereby given that the Extra Ordinary General Meeting of the members of Gabriel India Limited will be held on Monday, July 02, 2012 at 2.30 pm at the Auditorium, 29 Milestone, Pune-Nashik Highway, Village Kuruli, Taluka Khed, Pune – 410 501 to transact the following special businesses:-

Item No. 1 : Ordinary Resolution : – Increase in Authorised Share Capital of the Company

To consider and if thought fit, to pass, with or without modification/s, the following resolution as an ORDINARY RESOLUTION:

"RESOLVED THAT

- (i) pursuant to the provisions of Section 94 and all other applicable provisions, if any, of the Companies Act, 1956 and in accordance with the provisions of Article 4 and other applicable provisions of the Articles of Association of the Company and subject to the approvals, consents, permissions and sanctions, if any, required from any Authority (ies) and also subject to such terms, conditions, alterations, modifications, variations, and changes as may be specified while according such approval which the Board of directors of the company (hereinafter "Board"), be and is hereby authorized to accept, if it thinks fit and proper, consent of the members is hereby accorded for enhancement of the Authorised Share Capital of the Company from Rs. 15,00,00,000 (Rs. Fifteen Crore only) divided into 14,00,00,000 (Fourteen Crore only) Equity Shares of Rs. 1/- (Rupee One) each and 1,00,00,000 (One Lac only) Redeemable Cumulative Preference Shares of Rs. 100/- (Rupees Hundred) each to Rs. 16,00,00,000 (Rupees Sixteen Crores only) divided into 15,00,00,000 (Fifteen Crores only) Equity Shares of Re. 1/- (Rupee One) each and Rs. 1,00,00,000/- (Rupees One Crore only) divided into 1,00,000 (One Lac only) Redeemable Cumulative Preference Shares of Rs. 100/- (Rupees Hundred Each)
- (ii) for the purpose of giving effect to the aforementioned resolution, the Board be and is hereby authorised to do all such acts, deeds, matters and things whatsoever including settling any question, doubt, difficulties that may arise with regard to or in relation to above and to accept on behalf of the Company any conditions, modifications, changes, variations in this regard as prescribed by the Statutory Authorities and which Board in its discretion thinks fit and proper."

Item No. 2: Ordinary Resolution : Amendment of Memorandum of Association

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 Section 16 and all other applicable provisions, if any, of the Companies Act, 1956, read with applicable provisions of the Articles of Association of the Company, First Para of the existing Clause V of the Memorandum of Association of the Company be substituted with the following:-

"V. The Authorised Share Capital of the Company is Rs. 16,00,00,000 (Rupees Sixteen Crores only) comprising of Rs. 15,00,00,000 (Rupees Fifteen Crore only) divided into 15,00,00,000 (Fifteen Crore only) equity shares of Rs. 1/- (Rupees One each) and Rs. 1,00,00,000/- (Rupees One Crore only) divided into 1,00,000 (One Lacs) Redeemable Cumulative Preference Shares of Rs. 100/- (Rupees Hundred Each)"

Item No. 3. Special Resolution – Amendment of Articles of Association

To consider and if thought fit, to pass with or without modification/s, the following resolution as a SPECIAL RESOLUTION:

"RESOLVED THAT Article 3 of the Articles of Association of the Company be and is hereby altered by substituting the following as new Article 3:

"3. The Share Capital of the Company is Rs. 16,00,00,000 (Rupees Sixteen Crores only) comprising of Rs.15,00,00,000 (Rupees Fifteen Crore only) divided into 15,00,00,000 (Fifteen Crores only) Equity Shares of Re. 1/- (Rupee One) each and Rs. 1,00,00,000/- (Rupees One Crore only) divided into 1,00,000 (One Lac only) Redeemable Cumulative Preference Shares of Rs. 100/- (Rupees Hundred Each)"

Item No 4 : Ordinary Resolution : Issuance of Bonus Shares

To consider and if thought fit, to pass with or without modification/s, the following resolution as an Ordinary Resolution:

"RESOLVED THAT

Pursuant to Section 205 (3) and all other applicable provisions of the Companies Act, 1956 and Article 166 of the Articles of Association of the Company and subject to the guidelines issued by the Securities and Exchange Board of India and such consents and approvals as may be required by the appropriate Authorities and also subject to such terms, conditions, alterations, modifications, variations, and changes as may be specified while according such approval which the Board of directors of the company (hereinafter "Board"), be and is hereby authorized to accept, if it thinks fit and proper, the consent of the company be and is hereby accorded to capitalize a sum of Rs. 7,18,21,970/- (Rupees Seven Crore Eighteen Lacs Twenty One thousand Nine Hundred and Seventy only) out of the balances lying in Securities Premium/General Reserve Account or such other eligible accounts in the books of the company, and the said sum be set free for distribution amongst the holders of the existing fully paid up equity shares of Rs. 1/- each of the Company whose names shall appear in the Register of Members / Beneficial Owners position of the Company downloaded by the depositories as on a Record Date to be decided by the Board of Directors, on a later date, by way of an increase in the Equity Share Capital of the Company held by each such member and not as income or in lieu of dividend, credited as 7,18,21,970 new fully paid up equity shares of Rs.1/- each as bonus shares in the proportion of 1 (One) equity share of Re 1/- each for every 1 (One) equity share of Re. 1/- each held by the member subject to the following terms and conditions:

- (i) The New Equity Shares of Rs.1/- each to be allotted as "Bonus Shares" shall be subject to the Memorandum and Articles of Association of the Company and shall rank *pari-passu* in all respects with and carry the same rights as the existing Equity Shares and shall be entitled to participate in full in any dividends to be declared for the financial year in which these Bonus Shares are allotted.
- (ii) No Letter of Allotment shall be issued to the allottees of the Bonus Shares while the share certificates in respect of the Bonus shares to the shareholders who hold their existing shares in physical form shall be issued and dispatched to the allottees thereof and the Bonus Shares will be credited to the demat accounts of the allottees who hold the existing equity shares in electronic form within the period prescribed in this behalf as per the applicable statutory provisions.
- (iii) The allotment of the fully paid Bonus shares to the extent that they relate to non-resident members, Foreign Institutional Investors (FIIs) and other foreign investors of the Company, shall be subject to the approval of the Reserve Bank of India, under the Foreign Exchange Management Act, 1999, if necessary.
- (iv) For the purpose of giving effect to this Resolution, the Board be and is hereby authorised to do all such acts and deeds and give such directions as may be necessary or desirable and to settle all questions or difficulties whatsoever that may arise with regard to the issue, allotment and distribution of the "Bonus Shares".

Place : Mumbai
Date : May 30, 2012
Registered Office :
29 Milestone, Pune-Nashik Highway,
Village Kuruli, Taluka Khed, Pune - 410 501
Maharashtra, India

By Order of the Board
For Gabriel India Limited

Anshul Bhargava
Company Secretary

Notes:

1. Member entitled to attend and vote at the Extra Ordinary General Meeting may appoint a proxy to attend and vote on his behalf. A proxy need not be a member of the company. The instrument appointing a Proxy, in order to be effective, must be duly filled, stamped and signed and must reach the Registered Office of the Company not less than forty-eight hours before the commencement of the Extra Ordinary General Meeting.
2. The Explanatory Statement under section 173 (2) of the Companies Act, 1956 in respect of the business set out in Item nos. 1, 2, 3, 4 above is annexed hereto.
3. Members are advised that respective bank details and address as furnished by them or by NSDL / CDSL to the Company, for shares held in the certificate form and in the dematerialized form respectively, will be printed on their dividend warrants as a measure of protection to Members against fraudulent encashment.
4. Members holding shares in the certificate form are requested to notify / send the following to the Company's Registrars and Share Transfer Agents, Karvy Computershare Private Limited (Unit: Gabriel India Limited) at 'Karvy House', 46, Avenue 4, Street No. 1, Banjara Hills, Hyderabad - 500 034, (Tel. 040 23312454 / 23320751 / 752/ 251; Fax : 040 23311968, 23323049, email : mailmanager@karvy.com) to facilitate better servicing :
 - i) any change in their address / mandate / bank details,
 - ii) particulars of their bank account, in case the same have not been furnished earlier, and
 - iii) share certificates held in multiple accounts in identical names or joint accounts in the same order of names, for consolidation of such shareholdings into a single account.
5. Members are requested to
 - i. Bring their notice and the attendance slips at the Extra Ordinary General Meeting
 - ii. Intimate the Registrar and Transfer Agent about the change of address. Where the shares are held in electronic form, such change is to be informed to the Depository Participant and not to the RTA/Company.
 - iii. Quote Registered Folio No. or DP.Id and Client Id.
 - iv. Approach the R&TA of the Company for consolidation of Shares.
 - v. Furnish Bank Account Details to the R&TA and Depository Participant for avoiding fraudulent encashment of dividend warrants.
 - vi. Avail nomination facility by filling in and forwarding the nomination form to the R&TA, if not already done.
 - vii. Send all share transfer lodgements (physical mode) / correspondence to the R&TA of the Company upto M/S. Karvy Computershare Private Limited upto the date of Book Closure.
6. Members/ Proxies are requested to bring the attendance slips duly filled in for attending the meeting.
7. Corporate Members are requested to forward certified copies of the Board Resolution, authorizing their representative to attend and vote at the Extra Ordinary General Meeting.
8. The Company has listed its shares on National Stock Exchange and Bombay Stock Exchange and the listing fees till date have been paid.
9. All documents referred to in notice are open for inspection at the Corporate office of the Company between 10.30 am to 12.30 pm on all working days except Saturdays, Sundays & Public Holidays until the day of Extra Ordinary General Meeting or any adjournments thereof.

EXPLANATORY STATEMENT U/S 173 (2) of the COMPANIES ACT, 1956**ITEM NO. 1, 2, 3**

The present Authorised share capital of the company is Rs. 15,00,00,000/- (Rupees Fifteen Crore only) comprising of Rs.14,00,00,000 (Rupees Fourteen Crores only) divided into 14,00,00,000 (Fourteen Crore only) Equity Shares of Re. 1/- (Rupee One) each and Rs. 1,00,00,000/- (Rupees One Crore only) divided into 1,00,000 (One Lac only) Redeemable Cumulative Preference Shares of Rs. 100/- (Rupees Hundred Each). The Board of Directors in their meeting held on May 30, 2012, has subject to the approval of the members, proposed to give 1 bonus share of Rs. 1/- each for every 1 equity share of Rs. 1/- each held by the equity shareholders of the Company. Accordingly, after Bonus, the paid up equity share capital of the Company would increase from Rs. 7,18,21,970/- to Rs. 14,36,43,940/-. The current authorised share capital falls short to accommodate such increase in the paid up capital of the Company pursuant to allotment of bonus shares. As a result, the Board proposes to increase the authorised share capital of the Company from Rs. 15,00,00,000 (Rs. Fifteen Crore only) to Rs. 16,00,00,000 (Rs. Sixteen Crore only) by creation of 1 crore equity shares of Rs. 1/- each, which will rank *pari-passu* in all respects with the existing Equity Shares of the Company, and carry the same rights as the existing Equity Shares and shall be entitled to participate in full in any dividends to be declared for the financial year after these Bonus Shares are allotted. The proposed increase of Authorised Share Capital requires the approval of the Members in the Extra Ordinary General Meeting.

Consequent upon the increase of the share capital of the Company, Clause V of the Memorandum of Association and Article 3 of the Articles of Association of the Company will be required to be suitably altered so as to reflect the increase in share capital of the Company.

The Board recommends the resolutions to be passed as ordinary resolution for item nos. 1 & 2 and special resolution for item no. 3

ITEM NO. 4

In order to bring the paid up share capital of the Company more in line with the capital employed, the Board of Directors at its meeting held on May 30, 2012 have recommended, subject to the applicable provisions of Chapter IX of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and other applicable provisions of the Companies Act, 1956 and other allied applicable regulations, for the capitalization of Share Premium Account / General reserves or such other eligible accounts in the books of the Company, by way of issue of Bonus Shares in the proportion of 1 (One) new Equity Share of the Company of Rs.1/- each for every 1 (One) existing Equity Share of the Company of Rs.1/- each held by the Members on a date to be fixed by the Board, thereby by capitalizing a part of the Share Premium Account /General Reserve Account.

As per Article 166 of the Articles of Association of the Company, it is necessary for the members to approve the issue of Bonus Shares. It is also necessary to authorize the Board of Directors of the Company to complete all the regulatory formalities in connection with the issue of Bonus Shares that may be prescribed by SEBI, the Stock Exchanges on which the Company's securities are listed and / or any other regulatory authority.

In order to facilitate the capitalization of Share Premium Account / General reserves or such other eligible accounts in the books of the Company as set out in the Resolution at Item No. 4 of the Notice, the Authorised Equity Share Capital of the Company is being increased from Rs. 14,00,00,000 (Rs. Fourteen Crore only) divided into 14,00,00,000 Nos. Equity Shares of Rs. 1/- each to Rs. 15,00,00,000/- (Rs. Fifteen Crore only) divided into 15,00,00,000 Nos. Equity Shares of Rs. 1/- each as indicated in the Resolution at Item No.1 of the Notice. Consequently, Clause V of the Memorandum of Association and Article 3 of the Articles of Association are proposed to be suitably altered.

The Resolutions at Item Nos. 1,2,3 & 4 seek the approval of the members to increase the Authorized Share Capital, alter the Memorandum and Articles of Association and issue Bonus Shares on the terms and conditions set out in Resolutions at Item No.1,2,3 & 4. The Board recommends the Resolutions as set forth in Item Nos.1,2,3 & 4 above for approval of the shareholders. The Directors of the Company may be deemed to be concerned or interested in the issue of the Bonus Shares to the extent of their shareholdings in the Company.