

PUNJAB CHEMICALS AND CROP PROTECTION LIMITED

Registered Office: S.C.O: 417-418, Sector- 35C, Chandigarh-160 022

NOTICE OF EXTRA-ORDINARY GENERAL MEETING

NOTICE is hereby given that an Extraordinary General Meeting of the Members of "Punjab Chemicals and Crop Protection Limited" will be held on Wednesday, the 12th September, 2012 at PHD House, Sector-31, Chandigarh-160031 at 4.30 P.M., to transact the following business:

SPECIAL BUSINESS:

1. To raise additional long term funds:

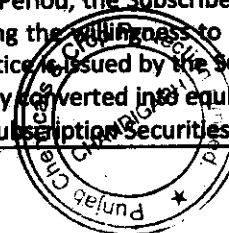
To consider and if thought fit, to pass with or without modification(s), the following Resolution as a **SPECIAL RESOLUTION**.

"RESOLVED THAT subject to the approval of the members of the Company in accordance with Section 81(1A) and other applicable provisions, if any, of the Companies Act, 1956 (the "Companies Act") (including any statutory modification or re-enactment thereof for the time being in force), and in accordance with the guidelines, regulations and clarifications issued by the Government of India ("GOI"), Securities and Exchange Board of India (the "SEBI") including Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (the "SEBI (ICDR) Regulations"), as amended and enabling provisions of the Articles of Association of the Company, the Listing Agreement entered into between the Company and the BSE Limited ("BSE") and the National Stock Exchange of India Limited ("NSE"), and subject to all such approvals, permissions, consents and sanctions of any authorities; as may be necessary, including SEBI or any other relevant authority, from time to time, or approval from banks, financial institutions or other lenders of the Company, and subject to such conditions and modifications as may be prescribed or imposed or stipulated by any one or more of them while granting any such approvals, consents, permissions or sanctions and as agreed to by the Board of Directors of the Company (hereinafter referred to as the "Board" which shall be deemed to include any committee thereof, which the Board may have or may hereafter constitute), the consent of the Company be and is hereby accorded to the Board to create, offer, issue and allot 30,00,000 (Thirty Lacs only) zero-coupon unsecured fully convertible debentures ("FCDs") of face value of Rs. 100/- each aggregating up to Rs. 30 crore (the "Subscription Securities"), convertible into equity shares of face value Rs. 10/- (Rupees Ten) each at a premium of Rs.90/- (Rupees Ninety only) per Subscription Security on a preferential basis, in accordance with SEBI (ICDR) Regulations and other relevant guidelines/regulations as may be applicable, in one or more tranches, to the following entity ("Subscriber") on such terms and conditions and in such manner as the Board may think fit:

Subscriber	No. of Subscription Securities
Gowal Consulting Services Private Limited	Up to 30,00,000

RESOLVED FURTHER THAT the terms and conditions for the issue of Subscription Securities be as follows:

Particulars	Description
Type of Issue	Preferential Issue as per Chapter VII of SEBI (ICDR) Regulations 2009, as amended
Type of Security	Zero-coupon unsecured fully convertible debentures ("FCDs")
Number of securities	up to 30,00,000 (Thirty Lacs only)
Issue Size	up to Rs 30,00,00,000 (Rupees Thirty Crore only)
Face Value / Issue Price per Subscription Security	Rs. 100
Relevant Date	13 th August, 2012 being the date, 30 days prior to the date of Extra Ordinary General Meeting
Conversion Price(Rs.)	Rs. 100 per Subscription Security i.e. each subscription security will be converted into one equity share of face value Rs. 10/- (Rupees Ten) each at a premium of Rs.90/- (Rupees Ninety) per equity share
Conversion Ratio	Each Subscription Security will be converted into one equity share
Conversion Period	The Subscription Securities conversion period shall be the period commencing from the date of allotment of the Subscription Securities up to 18 months from the date of allotment of the Subscription Securities ("Equity Conversion Period"). However, at any point of time during the Equity Conversion Period, the Subscriber is entitled to give 3 (three) days prior notice to the Company expressing the willingness to convert the Subscription Securities into equity shares. In case no such notice is issued by the subscriber to the Company, the Subscription Securities will be automatically converted into equity shares at the end of the 18 months from the date of allotment of the Subscription Securities.



Listing	The Subscription Securities will not be listed and traded. However, the equity shares resulting from the conversion of Subscription Securities will be listed and traded and shall rank pari passu with the existing equity shares of the Company in all respects including dividend.
Other terms	Each Subscription Security will be adjusted for any corporate action, as applicable, inter alia including any adjustment in connection with split, bonus and/or consolidation of the face value of the equity shares or any re-organisation of the equity share capital of the Company.

RESOLVED FURTHER THAT

1. The Subscription Securities to be issued and allotted shall be subject to the provisions of the Memorandum and Articles of Association of the Company and the provisions of SEBI (ICDR) Regulations and the equity shares to be issued on conversion of Subscription Securities shall rank pari passu with the existing equity shares of the Company in all respects including dividend.
2. The Subscription Securities to be issued and allotted on Preferential basis shall be subject to lock-in period of 1 (one) year from the date of allotment and the lock-in of equity shares to be allotted pursuant to conversion of Subscription Securities shall be reduced to the extent the Subscription Securities have already been locked in as prescribed under the SEBI (ICDR) Regulations in this behalf. The Subscription Securities to be allotted to the Subscriber shall be subject to lock-in requirements in accordance with the SEBI (ICDR) Regulations.
3. The Board be and is hereby authorised to delegate all or any of the powers herein conferred by this resolution, to any one Director or Directors or any Committee of Directors or any other employee or officer of the Company (as it may consider appropriate) to give effect to the aforesaid resolutions;
4. The Board or the Committee constituted by the Board, be and is hereby authorised to, as it may deem expedient and without being required to seek any further consent or approval of the Company in the general body meeting of members, decide and approve the other terms and conditions of the issue of the Subscription Securities to the Subscriber, subject however in compliance with the provisions of all applicable laws, guidelines, notification, rules and regulations
5. The offer, issue and allotment of the Subscription Securities shall be made at such time or times as the Board may in its absolute discretion decide with the Subscriber but not later than fifteen (15) days from the date of this resolution (subject to the provisions of the SEBI (ICDR) Regulations);
6. The Board or the Committee constituted by the Board, be and is hereby authorised to accept any amendments, modifications, variations and alterations as the GOI, SEBI or any other regulatory authority may stipulate in that behalf;
7. For the purpose of giving effect to this resolution, the Board or any Committee constituted by the Board, be and is hereby authorised to take such steps and to do all such acts, deeds, matters and things, as it may in its absolute discretion deem necessary, proper or incidental to this resolution and to settle any question, difficulty or doubt that may arise from time to time in regard to the offer, issue and allotment of the Subscription Securities to the Subscriber including utilizing the issue proceeds thereof and in complying with any regulation(s) and further to do all such acts, deeds, matters and things and to finalise and execute all documents, papers, agreements, deeds and writings as may be necessary, desirable or expedient as it may deem fit;
8. The Board or any Committee constituted by the Board, be and is hereby authorized to decide and approve the other terms and conditions of the issue of the above mentioned Subscription Securities and shall also be entitled to vary, modify or alter any of the terms and conditions, as it may deem expedient."

By Order of the Board of Directors
For Punjab Chemicals and Crop Protection Limited

Place: Chandigarh
Date: 16th August, 2012

Sd/-
CS Punit K Abrol
Sr. VP (Finance) & Secretary

NOTES:

1. A Member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll, instead of himself/herself and the proxy need not be a Member. The instrument appointing proxy should, however, be deposited at the Registered Office of the Company not less than forty eight hours before the commencement of the Extra-Ordinary General Meeting to which this Notice relates, in order to be valid and effective.
2. The Explanatory Statement pursuant to Sections 173(2) of the Companies Act, 1956, setting out material facts, is annexed hereto.
3. All documents referred to in the accompanying Notice and the Explanatory Statement are available for inspection at the Registered Office of the Company during office hours on all working days except on Saturdays only between 10 AM and 2 PM up to the date of the Extra Ordinary General Meeting and the same will be available for inspection at the Extra Ordinary General Meeting.
4. Members/Proxies should bring the attendance slip duly filled in for attending the meeting. They should invariably write their Registered Folio No./ DP ID/Client ID in such slip.
5. In case of Joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
6. Corporate Members intending to send their authorised representatives to attend the Extra Ordinary General Meeting are requested to send a duly certified copy of the Board Resolution authorising their representatives to attend and vote at the meeting.

ANNEXURE TO THE NOTICE

Explanatory Statement pursuant to the provisions of Section 173 (2) of the Companies Act, 1956.

As required by Section 173(2) of the Companies Act, 1956, the following Explanatory Statement sets out the material facts relating to the items of Special Business mentioned in the Notice.

Item no. 1: To raise additional long term funds

The Company requires additional capital to enhance its long term financial resources with the objective of improving its operating performance. In this regard, the Company has identified the Subscriber and the Subscriber has expressed its willingness to subscribe to the Subscription Securities.

The Special Resolution contained in the Notice, has been proposed under the provisions of Section 81(1A) of the Companies Act, 1956, in view of the fact that the Subscription Securities proposed to be issued by the Company will be offered to persons who may or may not be the existing members. Further, under the Listing Agreement entered with the Stock Exchanges, the Company, in the first instance is required to offer all securities to be issued for subscription, pro-rata to the existing equity shareholders, unless they decide otherwise in a meeting of the members.

Accordingly, consent of the members is being sought pursuant to the provisions of Section 81(1A) and other applicable provisions of the Companies Act, 1956, SEBI (ICDR) Regulations as applicable to the Company and subject to the guidelines, regulations and clarifications issued by the Government of India (the "GOI"), SEBI and in terms of the provisions of the Listing Agreement executed by the Company with the Stock Exchanges.

The Resolution to be passed relates to the proposal by the Company to issue and allot 30,00,000 (Thirty Lacs only) zero-coupon unsecured fully convertible debentures ("FCDs") of face value of Rs. 100/- each aggregating up to Rs. 30 crore (the "Subscription Securities"), convertible into equity shares of face value Rs. 10/- (Rupees Ten) each at a premium of Rs. [90]/- (Rupees Ninety only) per Subscription Security on a preferential basis in accordance with SEBI (ICDR) Regulations and other relevant guidelines/regulations as may be applicable.

The issue price and conversion price of each of the Subscription Securities and equity shares to be issued and allotted upon conversion of such Subscription Securities, to the Subscriber is in accordance with the price calculated in accordance with SEBI (ICDR) Regulations.

Disclosures as required under the provisions of the SEBI (ICDR) Regulations are as follows:

1) Objects of the Preferential Issue:

In order to enhance the long term financial resources of the Company, which will enable it to improve its operating performance, the Company needs to raise additional funds. These funds will be utilized to part finance the capital expenditure, working capital requirements and other general corporate purposes.

2) Intention of the Promoters/ Directors/ Key Management Personnel of the Company to subscribe to the Subscription Securities:

Promoter(s) of the Company, Directors of the Company and Key Managerial Personnel of the Company do not intend to subscribe to any of the Subscription Securities.

3) Shareholding Pattern of the Company before and after the issue and allotment of Subscription Securities:

Sr. No	Shareholders Category	Pre issue		Post-issue presuming conversion of all Subscription Securities	
		No. of shares held	%	No. of shares held	%
A)	Promoters Holding	56,43,867*	60.93%	56,43,867	46.03%
B)	Non Promoters Holding				
1.	Gowal Consulting Services Private Limited (New Subscriber)			30,00,000	24.46%
2.	Bank/financial Institutions/FIs	6,04,408	6.53%	6,04,408	4.93%
3.	Body Corporates	6,12,424	6.61%	6,12,424	4.99%
4.	Indian Public	23,84,603	25.75%	23,84,603	19.46%
5.	NRIs/OCBs	16,883	0.18%	16,883	0.13%
6.	Any Other (still to be credited to the respective accounts)				
	Sub -Total (B)	36,18,318	39.07%	66,18,318	53.97%
	Grand Total (A+B)	92,62,185	100.00%	1,22,62,185	100.00%

*** NOTE:**

The Promoters' shareholding have been increased to the extent of 20,00,000 equity shares, which are to be issued pursuant to a scheme of Corporate Debt Restructuring (CDR) under the CDR framework of Reserve Bank of India by way of Postal Ballot.

4) Proposed time within which the Preferential Issue shall be completed:

The Subscription Securities of the Company will be allotted within fifteen (15) days from the date of the Extra Ordinary General Meeting provided that where the allotment is pending on account of pendency of any approval or permission for such allotment by any regulatory authority including GOI and SEBI, the allotment shall be completed within fifteen (15) days from the date of receipt of such approval or permission.

5) Identity of the Proposed Allottees and the Percentage of Post Preferential Issued Capital that may be held by them consequent to the preferential issue:

The Subscriber of the proposed Subscription Securities have been identified keeping in view the current financial requirement of the Company. They have confirmed their willingness in writing to subscribe for the Subscription Securities of the Company as per the price formula fixed as per SEBI (ICDR) Regulations.

Name of the proposed allottee	No. of Subscription Securities to be allotted	% of Post Preferential Issued Capital assuming conversion of all Subscription Securities
Gowal Consulting Services Private Limited	30,00,000	24.46%

6) Change in control, if any, in the Company consequent to the preferential issue:

The proposed preferential allotment will not result in change in the control of the Company.

7) Undertaking that the issuer shall re-compute the price of the securities in terms of the provision of SEBI (ICDR) Regulations where it is required to do so

It is not required to re-compute the price, as the closing prices of equity shares of our Company are available for calculating the price/conversion price as per Regulation 76(1) of SEBI (ICDR) Regulations.

8) Undertaking that if the amount payable on account of the re-computation of price is not paid within the time stipulated in the SEBI(ICDR) Regulations, the securities shall continue to be locked- in till the time such amount is paid by the allottees

Not applicable, as the price/conversion price is calculated as per Regulation 76(1) of SEBI (ICDR) Regulations.

9) Relevant Date:

The relevant date for the purpose of determining the conversion price of the Subscription Securities in accordance with the SEBI (ICDR) Regulations is intended to be fixed as 13th August, 2012, being thirty (30) days prior to 12th September, 2012 (i.e. thirty (30) days prior to the date on which the Extra ordinary General Meeting of the members is to be held, in terms of Section 81 (1A) of the Companies Act to consider the proposed preferential issue.

10) Undertaking:

The Subscription Securities to be issued and allotted on Preferential basis shall be subject to lock-in period of 1 (one) year from the date of allotment and the lock-in of equity shares to be allotted pursuant to conversion of Subscription Securities shall be reduced to the extent the Subscription Securities have already been locked in as prescribed under the SEBI (ICDR) Regulations in this behalf. The Subscription Securities to be allotted to the Subscribers shall be subject to lock-in requirements in accordance with the SEBI (ICDR) Regulations.

11) Statutory Auditor Certificate:

Copy of the certificate from M/s S.R. Batliboi & Co., Chartered Accountants, Statutory Auditors of the Company, certifying that the issue of Subscription Securities is being made in accordance with the requirements of SEBI (ICDR) Regulations, will be placed before the shareholders at the Extra Ordinary General Meeting.

Memorandum of Interest:

No Director of the Company is directly or indirectly concerned or interested in this resolution except to the extent of their shareholding in the Company.

As per Section 81(1A) of the Companies Act, 1956 and SEBI (ICDR) Regulations, approval of the members by way of Special Resolution is required to be obtained for issuance of Subscription Securities on preferential allotment basis.

The Board believes that the proposed issue of Subscription Securities of the Company is in the interest of the Company and the shareholders and therefore recommends the resolution for their approval.

By Order of the Board of Directors

For Punjab Chemicals and Crop Protection Limited

Sd/-

Place: Chandigarh
Date: 16th August, 2012

C S Punit K Abrol
Sr. VP (Finance) & Secretary

PUNJAB CHEMICALS AND CROP PROTECTION LIMITED

Registered Office: S.C.O: 417-418, Sector- 35C, Chandigarh-160 022

D. P. ID*	
Client ID*	

L.F. No.	
No. of Equity Shares held	

ATTENDANCE SLIP

I/We hereby record my/our presence at the Extra Ordinary General Meeting of the Members of the Company held on Wednesday, the 12th September, 2012 at PHD House, Sector-31, Chandigarh-160031 at 4.30 P.M...

NAME OF THE SHAREHOLDER (IN BLOCK LETTERS)	
SIGNATURE OF THE SHAREHOLDER (S)	
NAME OF THE PROXY (IN BLOCK LETTERS)	
SIGNATURE OF THE PROXY	

*Applicable for investors holding shares in Electronic form.

NOTE:

1. You are requested to sign and hand over this slip at the entrance to the Meeting Venue.
2. If you intend to appoint a proxy to attend the Meeting instead of yourself, the form of proxy must be deposited at the Registered Office of the Company not less than 48 hours before the time for holding the Meeting.

..... (Tear Here)

PUNJAB CHEMICALS AND CROP PROTECTION LIMITED

Registered Office: S.C.O: 417-418, Sector- 35C, Chandigarh-160 022

PROXY FORM

D. P. Id*	
Client Id*	

L.F. No.	
No. of Shares	

I/We of being a Member/Members of Punjab Chemicals and Crop Protection 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 Wednesday, the 12th September, 2012 at PHD House, Sector-31, Chandigarh-160031 at 4.30 P.M. and any adjournment thereof.

Signature

Date



BOOK-POST

If Undelivered, please return to:

PUNJAB CHEMICALS AND CROP PROTECTION LIMITED

SCO: 417-418, Sector 35C, Chandigarh-160 022

