



RELIANCE
CHEMOTEX INDUSTRIES LIMITED

Regd. Office : Village Kanpur,
Post Box No. 73, UDAIPUR-313 003 (Rajasthan)

NOTICE

NOTICE IS HEREBY GIVEN THAT AN EXTRA ORDINARY GENERAL MEETING OF THE MEMBERS OF RELIANCE CHEMOTEX INDUSTRIES LIMITED will be held at its Registered Office at Village Kanpur, Udaipur - 313 003 on Thursday, the 20th day of March, 2014 at 10:30 A.M. to transact the following 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 the Authorised Share Capital of the Company be increased from Rs. 38,75,00,000/- (Rupees Thirty Eight Crores Seventy Five Lakhs only) divided into 1,35,00,000 (One Crore Thirty Five Lakhs) Equity Shares of Rs.10/- (Rupees Ten) each and 25,25,000 (Twenty Five Lakhs Twenty Five Thousand) Preference Shares of Rs.100/- (Rupees One Hundred) each to Rs. 43,75,00,000/- (Rupees Forty Three Crores Seventy Five Lakhs only) divided into 1,35,00,000 (One Crores Thirty Five Lakhs) Equity Shares of Rs. 10/- (Rupees Ten) each and 30,25,000 (Thirty Lakhs Twenty Five Thousand) Preference Shares of Rs.100/- (Rupees One Hundred) each."

2. To consider and if thought fit, to pass with or without modification(s), the following Resolution as an Ordinary Resolution;

"RESOLVED THAT pursuant to provisions of section 94 of Companies Act, 1956, the existing Clause V(a) of Memorandum of Association of the Company be and is hereby substituted by the following:

"The Authorised Share Capital of the Company is Rs. 43,75,00,000/- (Rupees Forty Three Crores Seventy Five Lakhs only) divided into 1,35,00,000 (One Crores Thirty Five Lakhs) Equity Shares of Rs.10/- (Rupees Ten) each and 30,25,000 (Thirty Lakhs Twenty Five Thousand) Preference Shares of Rs. 100/- (Rupees One Hundred) each."

3. 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 (1A) and other applicable provisions, if any, of the Companies Act, 1956 ("The Act") (including any statutory modification(s) or re-enactments thereof for the time being in force), and in accordance with the Guidelines for Preferential issues contained in Chapter XIII of the Securities and Exchange Board of India (Disclosure and Investor Protection) Guidelines, 2000, (the SEBI (DIP) Guidelines), and the enabling provisions of the Memorandum and Articles of Association of the Company, the Listing Agreement entered into by the Company with the Bombay Stock Exchange, and subject to all necessary consents, permissions and approvals and/or sanctions from all appropriate

authorities, including the Securities and Exchange Board of India, Government of India, Reserve Bank of India, the Stock Exchanges and all other bodies and institutions as may be relevant (hereinafter singly or collectively referred to as "the Appropriate Authorities") and subject to such conditions and modifications as may be prescribed or imposed by any of them while granting any such consents, permissions, approvals and/or sanctions (hereinafter referred to as "the requisite approvals") and which may be agreed to by the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include a Committee or Sub-Committee thereof), consent of the Company be and is hereby accorded to the Board to issue and allot 1,90,000 Equity Shares of Rs.10/- each at a premium of Rs.23/- per Equity Share amounting to Rs.62,70,000/- to M/s. A.S.Chemotex Pvt.Ltd., a Promoter Group Company and / or their Nominee(s), by way of preferential allotment on such terms and conditions as may be decided by the Board."

"RESOLVED FURTHER THAT the " Relevant Date " for the Preferential Issue of Equity Shares as per the SEBI (DIP) Guidelines, as amended up to date, for the determination of applicable price including premium for the issue of the above mentioned Equity Shares is 30 days prior to the date of this Extra Ordinary General Meeting i.e. 17th February, 2014."

"RESOLVED FURTHER THAT the Board be and is hereby authorised to modify the aforesaid proposal as may be required by the relevant authorities at the time of their approval, to the extent necessary and as may be agreed to by the Board and acceptable to the Promoter Group".

"RESOLVED FURTHER THAT the aforesaid equity shares so issued and allotted shall rank pari passu with the existing equity shares of the Company in all respects and be listed on the Bombay Stock Exchange where the equity shares of the Company are currently listed."

"RESOLVED FURTHER THAT for the purpose of giving effect to the issue and allotment of equity shares, the Board be and is hereby authorized on behalf of the Company to take all actions and do all such acts, deeds, matters and things as it may, in its absolute discretion deem necessary, proper or desirable for such purpose and with power on behalf of the Company to agree, make, accept all such term(s), condition(s), as it may deem fit including condition(s), modification(s) and alteration(s) stipulated or required by any relevant authority or by their bye-laws, rules, regulations or guidelines and the Board is also hereby authorized to resolve and settle all questions, difficulties or doubts that may arise in regard to such offer, issue and allotment of Equity Shares, to finalise and execute all agreement(s), document(s) and writing(s) and to do all acts, deeds and things in this connection and incidental as the Board may in its absolute discretion deem fit without being required to seek any further consent or approval of the Company or otherwise to the end and intent that they shall be deemed to have given approval thereto expressly under the authority of this resolution."

4. To consider and if thought fit to pass with or without modification(s) the following Resolution as a **Special Resolution**;

"RESOLVED THAT pursuant to provisions of section 81(1A) and other applicable provisions if any, of the Companies Act, 1956 and other applicable laws, if any, consent of the Company be and is hereby given and the Board of Directors is authorised to issue 6,00,000 (Six Lacs) 10% Cumulative Redeemable Preference Shares of Rs.100/- (Rupees one hundred) each amounting to Rs. 600.00 Lacs. forming part of the authorised share capital of the Company at par to any person(s) as the Board of Directors deem fit on the following terms and conditions:

- (a) The shares shall carry a right to a cumulative preference dividend of 10% per annum in relation to the capital paid up on them.
- (b) The said shares shall be redeemable on expiry of Twenty years from the respective dates of allotment. However redemption can also be done before maturity by the Board of Directors.
- (c) The holders of the said shares shall have a right to attend General Meetings of the Company and vote on resolutions directly affecting their interest or where the dividends in respect thereof are in arrear for not less than two years on the date of meeting on all resolutions at every meeting of the Company.
- (d) In a winding up, the holders of the said shares shall be entitled to a preferential right of return of the amount paid up on the shares together with arrears of cumulative preferential dividend due on the date of winding up but shall not have any further right or claim over the surplus assets of the Company."

"RESOLVED FURTHER THAT the Board of Directors of the Company, be and is hereby authorised to take all the steps as may be necessary in this regard and comply with the provisions of SEBI guidelines, Companies Act and Listing Agreement as may be necessary."

NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER.
2. The instrument appointing a proxy must be deposited with the Company at its Registered Office not less than 48 hours before the time for holding the meeting.
3. Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 relating to the Special Business to be transacted is annexed hereto.

By order of the Board
For RELIANCE CHEMOTEX INDUSTRIES LIMITED,

Place : Mumbai
Dated: February 18, 2014

M.K.GUPTA
Company Secretary

Annexure to Notice

Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 and information as required under SEBI (DIP) Guidelines, 2000 for Preferential Issues:

ITEM NO. 1

The Company contemplates to go for further modernization and expansion. Since substantial funds will be required for this project, it is desirable to increase the Authorised Share Capital of the Company from Rs.38.75 Crores to Rs.43.75 Crores.

None of the Directors is interested in the said resolution.

ITEM NO. 2

The Company intends to increase the Authorised Share Capital of the Company from Rs.38.75 Crores to Rs. 43.75 Crores. An ordinary Resolution is required to be passed pursuant to the provisions of section 94 of the Companies Act., 1956, to alter Clause V(a) of the Memorandum of Association of the Company. Hence this resolution is proposed for consideration of the shareholders.

None of the Directors of the Company is concerned or interested in the resolution.

ITEM NO. 3

It is proposed to issue equity shares of the Company on preferential basis to the Promoter Group Company as stated in the proposed resolution.

The information as required under SEBI (DIP) Guidelines, 2000 is as under:

Object of the issue

Members are aware that the Company had undertaken expansion at its existing plant at Village Kanpur, Udaipur, in the year 2008-2009 and 2009-2010 by adding another 12,480 Spindles for which the Company had been granted financial assistance from IDBI Bank Ltd. and State Bank of India. However while granting term loan, one of the conditions mentioned by IDBI Bank in its revised sanction letter dated 5th August, 2008 was that out of Rs. 8 Crores brought in by the Promoters / Promoter Group Companies as unsecured loans, 50% amount thereof will be converted into Equity Shares as per SEBI guidelines.

Intention of Promoters to subscribe to the offer

To fulfill the condition mentioned in the preceding para, the Company has already issued 1,64,600 Equity Shares to a Promoter Group Company on Preferential / Private Placement basis during the year 2008-09 at a price of Rs. 27/- per Equity Share (including premium of Rs. 17/- per equity share) amounting to Rs. 44,44,200/- and 1,80,000 Equity Shares to another Promoter Group Company during the year 2012-2013 at a price of Rs.41/- per Equity Share (including premium of Rs. 31/- per equity share) amounting to Rs. 73,80,000/- respectively. Now it is proposed to issue further 1,90,000 equity shares of Rs. 10/- each i.e. 5% of total issued Share Capital of the Company, at a premium of Rs.23/- per equity share amounting to Rs.62,70,000/- determined 30 days prior to the date of the proposed Extra Ordinary General Meeting i.e. 17th February 2014.

Therefore, your permission is sought to issue 1,90,000 Equity Shares to Promoter Group Company on Preferential / Private Placement basis during the financial year at a premium of Rs.23/- per Equity Share.

Allotment

The offer, issue and allotment of 1,90,000 Equity Shares at a premium of Rs.23/- per equity share of the Company to the Promoter Group Company i.e. M/s. A.S.Chemotex Pvt. Ltd. and / or their Nominee(s) shall be completed within the prescribed period of fifteen days from the date of passing of the said resolution or within fifteen days from the date of approval, if any, from any Regulatory Authority as may be required or is necessary in accordance with the provisions of SEBI(DIP) Guidelines, 2000.

Lock-in-period

The Equity Shares will be subject to lock-in for a period of three years from the date of allotment.

Proposed Allottee

1,90,000 Equity Shares of Rs.10/- each are proposed to be allotted to M/s. A.S.Chemotex Pvt. Ltd., a promoter group company and post preferential issue it will be holding 4.75 % of the increased Equity Capital of the Company.

Shareholding pattern

The shareholding pattern before and after the proposed preferential issue:

Category of Shareholders		No. of shares	%	No. of shares	%
(A)	Shareholdings of Promoters and Promoter Group	Before the proposed Preferential Issue of Equity Shares as on 31 st January, 2014.		After the proposed Preferential Issue of Equity Shares	
(1)	Indian				
	Individuals/ Hindu Undivided Family	586900	15.40	586900	14.67
	Bodies Corporate – Preferential Allottee – A.S.Chemotex Pvt. Ltd.	1231179	32.30	1231179	30.76
				190000	4.75
	Total	1818079	47.70	2008079	50.18
(B)	Public Shareholdings				
(1)	Institutions				
	Financial Institutions/ Banks	150	-	150	-
	Sub-Total (B)(1)	150	-	150	-
(2)	Non-Institutions				
	Bodies Corporate	249117	6.53	249117	6.22
	i.) Individuals - Holding upto 1 lakh share capital	1118895	29.35	1118895	27.96
	ii.) Individuals - Holding in excess of 1 lakh share capital	566301	14.86	566301	14.15
	Trusts	1000	0.03	1000	0.03
	Any Other (Specify)				
	i. Clearing Member	324	0.01	324	0.01
	ii. NRI	57984	1.52	57984	1.45
	Sub-Total (B)(2)	1993621	52.30	1993621	49.82
	Total Public Shareholding (B) = (B)(1)+(B)(2)	1993771	52.30	1993771	49.82
	GRAND TOTAL (A) + (B)	3811850	100.00	4001850	100.00

Price

The proposed price of Rs.33/- per Equity Share (including premium of Rs.23/- per Equity Share) as on the relevant date i.e. 17.02.2014 is determined in accordance with the SEBI (DIP) Guidelines.

Statutory Auditors Certificate

A copy of the Certificate from M/s. G.P Kejriwal & Co., Statutory Auditors of the Company, certifying that the issue of Equity Shares is being made in accordance with the SEBI (DIP) Guidelines for Preferential Issues shall be placed before the Shareholders at the Extra Ordinary General Meeting.

Management Control

The proposed allotment on preferential basis, if made, will not result in any change in management or control of the Company as per the provisions of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and amendments thereof.

Your Directors therefore, recommend the above resolution for your approval.

None of the Directors is in any way concerned or interested in the above resolutions except Shri Shanker Lal Shroff, Shri Sanjiv Shroff, Shri Rahul Shroff, Shri Ameya Shroff and Shri N.G.Khaitan being associated with the Promoter Group Company / Promoter Group.

The following documents are available for inspection for Members at the registered office of the Company on any working day (Except Sundays) between 11 A.M. and 1 P.M.

1. A copy of the Certificate from M/s. G.P Kejriwal & Co., Statutory Auditors of the Company, certifying that the issue of Equity Shares is being made in accordance with the SEBI (DIP) Guidelines for Preferential Issues.
2. A copy of the sanction letter.No.448/IDBI/MCG dated 5th August, 2008 of IDBI Bank.

ITEM NO. 4

The Company has further plans for expansion/ modernization/diversification and for this purpose the Company will be issuing 6,00,000 (Six Lacs) 10% Cumulative Redeemable Preference Shares of Rs. 100/- each amounting to Rs.600.00 Lacs on Private placement basis to Promoters, their relatives, associates and other Companies which Directors deem fit. Pursuant to section 81(1A) and other applicable provisions of the Companies Act., 1956. your permission is sought as stated in the above mentioned resolutions.

The Directors recommend this resolution for your approval.

None of the Directors of your Company is, in any way, concerned or interested in this resolution except those Directors who may be deemed to be concerned or interested to the shares that may be subscribed to, by them or their relatives and associates including the Companies in which they or their relatives are Directors and / or Members.

By order of the Board
For RELIANCE CHEMOTEX INDUSTRIES LIMITED,

Place : Mumbai
Dated: February 18, 2014

Registered Office:
Village : Kanpur
Post Box No. 73
Udaipur - 313 003

M.K.GUPTA
Company Secretary



RELIANCE
CHEMOTEX INDUSTRIES LIMITED
 Regd. Office : Village Kanpur, Udaipur -313 003

PROXY FORM

Regd. Folio / Client ID No. No. of Shares held

I/We of

being a member/members of the above named Company hereby appoint

.....of

or failing himof

as my/our proxy to vote for me/us on my/our behalf at the EXTRA ORDINARY GENERAL MEETING of the Company to be held on 20th March, 2014 at 10.30 a.m. and at any adjournment thereof.

Signed thisday of2014.

Signature

Affix a
 Revenue
 Stamp of
 Rupee
 One

Note : The Proxy duly completed must be deposited at the Registered Office of the Company not less than 48 hours before the time for holding the Meeting.



RELIANCE
CHEMOTEX INDUSTRIES LIMITED
 Regd. Office : Village Kanpur, Udaipur -313 003

ATTENDANCE SLIP
EXTRA ORDINARY GENERAL MEETING

Regd. Folio / Client ID No. No. of Shares held

I certify that I am registered shareholder/proxy for the registered shareholder of the Company. I hereby record my presence at the EXTRA ORDINARY GENERAL MEETING of the Company at its Regd. Office at Village Kanpur, Udaipur - 313 003 on Thursday the 20th March, 2014 at 10.30 a.m.

Member's/Proxy's Name in BLOCK Letters

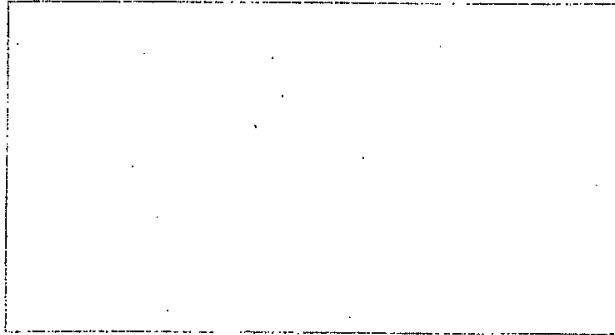
Member's/ Proxy's Signature

Note :

1. Please fill in this attendance slip and hand it over at the ENTRANCE OF THE HALL.
2. In view of the high cost of paper and printing, Members are requested to bring their copy of Notice at the Meeting.

Book Post

To,



If undelivered please return to, :-



RELIANCE
CHEMOTEX INDUSTRIES LIMITED

Village : Kanpur, Post-Box No. 73
UDAIPUR - 313 003 (Raj.)