



SHRENUJ & COMPANY LTD.

Registered Office: 405, Dharam Palace, 100-103, N. S. Patkar Marg, Mumbai – 400 007, India.

CIN : L99999MH1982PLC026903

Tel.: +91 022 66373500 Fax : +91 022 23632982

Website: www.shrenuj.com, E-mail address: investor@shrenuj.com

POSTAL BALLOT NOTICE

Notice issued to the Members pursuant to Section 110 of the Companies Act, 2013.

Dear Members,

Notice is hereby given pursuant to Section 110 of the Companies Act, 2013, ("Act") read with the Companies (Management and Administration) Rules 2014 and the Companies (Passing of the Resolution by Postal Ballot) Rules, 2011 ("Postal Ballot Rules"), that the Company is seeking the Members' consent to pass the proposed Special/Ordinary Resolutions set out below by way of Postal Ballot, more specifically described in the Explanatory Statement appended to this notice, for the following:

- 1) To adopt a new set of Articles of Association of the Company;
- 2) To issue Bonus Equity Shares by way of capitalization of profits and/or reserves;
- 3) To authorize the Board of Directors or a Committee thereof to borrow money in excess of aggregate of its paid up share capital and free reserves upto ₹ 30,000 millions;
- 4) To authorize the Board of Directors or a Committee thereof to sell, lease mortgage or otherwise dispose of the whole or substantially the whole of the undertaking(s), the movable and immovable properties of the Company both present and future.

In terms of Companies (Passing of Resolution by Postal Ballot) Rules, 2011 ("Rules"), passing of the resolutions at Sr. No. 2 and 3 through Postal Ballot are not mandatory, however in accordance with the Postal Ballot Rules, a listed Company may propose any resolution to be passed by the members through Postal Ballot. Accordingly the Company is seeking approval of the Members by means of Postal Ballot.

The Company has appointed Mr. Hemanshu L. Kapadia, Proprietor, M/s. Hemanshu Kapadia & Associates, Practicing Company Secretaries, Mumbai as the Scrutinizer for conducting the postal ballot process.

E-Voting option: In compliance with Clause 35B of the Listing Agreement and Section 110(1) of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014, the Company is pleased to provide an option to the members holding shares in demat form and in physical form, to vote on the postal ballot by way of electronic voting / e-voting to enable members to cast their vote electronically. Voting by electronic mode may be a more convenient means for exercising the voting rights and may help to increase members' participation in the decision-making process.

The Company has availed electronic voting platform of National Securities Depositories Limited, (NSDL) to provide e-voting facility to its members. Members having shares in demat form and in physical form may vote either by way of Postal Ballot Form or by way of e-voting. In case the member has exercised the vote in physical as well as electronic mode, the vote by electronic mode only will be considered.

Members entitled to vote, who have not received postal ballot forms or the manner and process of voting by electronic mode (PIN MAILERS) may apply to the Company and obtain a duplicate postal ballot form or the manner and process of voting by electronic mode (Duplicate PIN MAILERS).

You are requested to carefully read the e-Voting instructions attached alongwith the Postal Ballot Form, before casting your vote on e-Voting site: <http://www.evoting.nsdl.com>

You are also requested to carefully read the instructions printed on the Postal Ballot Form and return the same duly completed (no other form or photocopy thereof is permitted), in case of physical voting, in the attached self addressed, postage pre-paid envelope (if posted in India) so as to reach the Scrutinizer or cast the votes by electronic mode, as applicable, not later than 6.00 p.m. on Saturday 5th July, 2014. Upon completion of the scrutiny of the forms/e-voting, the Scrutinizer shall submit his report to the Company.

The Chairman & Managing Director or any Whole-time Director of the Company or any person authorised by the Director of the Company will announce the result of the postal ballot on Monday, 7th July, 2014 at 5.00 p.m., at the Registered Office of the Company at C-405, Dharam Palace, 100-103, N. S. Patkar Marg, Mumbai - 400007, besides being communicated to the Stock Exchanges on which the Company's Equity Shares are listed. The results will also be published in the newspaper circulating in the district in which the Registered Office of the Company is located and will be displayed on the web-site of the Company at www.shrenuj.com for the information of the Members. The date of declaration of the results of postal ballot will be taken to be the date of passing of the resolutions.

Accordingly, notice is hereby given to the members of the Company, for seeking the approval of the members by way of Postal Ballot, for the following Ordinary/ Special Resolutions, together with the Explanatory Statements as required under Section 102(1) of the Act, setting out the material facts and reasons for the Resolutions, alongwith a Postal Ballot Form ("Form") for your consideration:

SPECIAL BUSINESS:

ITEM NO. 1: ADOPTION OF A NEW SET OF ARTICLES OF ASSOCIATION OF THE COMPANY

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

"RESOLVED THAT pursuant to and in accordance with the provisions of Section 14 of the Companies Act, 2013 ("Act") and all other applicable provisions, if any, of the Act or any other law for the time being in force (including any statutory modification or amendment thereto or re-enactment thereof), the new set of Articles of Association of the Company, as available for inspection in the registered office of the Company, be and is hereby approved and adopted as the new set of Articles of Association of the Company, in substitution for, and to the exclusion of, the existing Articles of Association of the Company."

"RESOLVED FURTHER THAT Board of Directors of the Company and the Company Secretary of the Company be and are hereby severally authorized to take all actions and do all such acts, deeds, matters and things as may be necessary or desirable in connection with or incidental to give effect to the above resolution."

ITEM NO. 2: ISSUE OF BONUS EQUITY SHARES BY WAY OF CAPITALIZATION OF PROFITS AND/OR RESERVES

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 63 and all other applicable provisions of the Companies Act, 2013 or any amendment or re-enactment thereof and as authorised by Articles of Association of the Company and in accordance with the Securities & Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and subject to such consents and approvals as may be required from the appropriate authorities and subject to such terms and modifications as may be specified while according such approvals, the Board of Directors (which term shall include any Committee thereof) of the Company be and is hereby authorised to capitalize a sum of ₹ 192,907,258/- (Rupees One Hundred Ninety Two Million Nine Hundred Seven Thousand Two Hundred and Fifty Eight Only) out of the Company's Free Reserve, Securities Premium Account, Capital Reserve, Capital Redemption Reserves Account, or such other accounts as are permissible to be utilized for the purpose, as per the audited accounts of the Company for the financial year ended 31st March, 2014 and that the said amount be transferred to the Share Capital Account and be applied for issue and allotment of 96,453,629 (Ninety Six Million Four Hundred and Fifty Three Thousand Six Hundred and Twenty Nine) Equity Shares of ₹ 2/- each as Bonus Equity Shares credited as fully paid up, to the eligible Members of the Company holding equity shares of ₹ 2/- each whose names appear in the Register of Members/Beneficial Owners' position of the Company on such date ("Record Date") as the Board may determine, in the proportion of 1 (One) new Equity Share of ₹ 2/- each for every 1 (One) Equity Share of ₹ 2/- each held as on the Record Date and that the new Bonus Equity Shares so issued and allotted shall be treated for all purposes as an increase of the nominal amount of the Equity Share Capital of the Company held by each such members and not as income and the said Bonus Equity Shares shall be issued and allotted, inter alia, on the following terms and conditions:

- i. the new equity shares of ₹ 2/- each to be issued and allotted as Bonus Equity Shares shall be subject to the provisions of the Memorandum & Articles of Association of the Company and shall rank pari passu in all respects with and carry the same rights as the existing fully paid Equity Shares of the Company.
- ii. No letter of allotment shall be issued in respect of the Bonus Equity Shares. The Share Certificate(s) for Bonus Equity Shares be issued / dispatched to the Shareholders who hold the existing shares in physical form and the respective beneficiary accounts be credited with the Bonus Equity Shares. Existing Shareholders holding shares in physical form and who opt to receive the Bonus Shares, in dematerialized form can apply to the Company within the prescribed time.
- iii. The allotment of the new equity 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, if any, of the Reserve Bank of India under the Foreign Exchange Management Act, 1999.
- iv. The Board be and is hereby authorized to take necessary steps for Listing of the Bonus Equity Shares so allotted on the Stock Exchanges where the securities of the Company are listed as per the Listing Agreements with the Stock Exchanges concerned and other applicable laws and regulations.
- v. For the purpose of giving effect to this Resolution, the Board be and is hereby authorized to do all such acts, deeds, matters and things as may in its absolute discretion, deem necessary, expedient including settling any question, doubt or difficulties that may arise in this regard at any stage without requiring the Board to secure any further consent or approval of the Members of the Company to the end and intent that they shall be deemed to have given their approval thereto and for matters connected herewith or incidental hereto expressly by the authority of this resolution and the Board's decision in this regard shall be final and binding."

ITEM NO. 3: AUTHORITY TO THE BOARD OF DIRECTORS OR A COMMITTEE THEREOF TO BORROW MONEY IN EXCESS OF AGGREGATE OF ITS PAID UP SHARE CAPITAL AND FREE RESERVES UTPO ₹ 30,000 MILLIONS

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

"RESOLVED THAT in supersession of the Ordinary Resolution adopted at the 30th Annual General Meeting held on 14th August, 2012 and pursuant to Section 180(1)(c) and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), the consent of the Company be and is hereby accorded to the Board of Directors to borrow moneys (including non fund based facilities) from time to time at their discretion, for the purpose of business of the Company from any one or more banks, financial institutions, and other persons, firms, bodies corporate, notwithstanding that the monies to be borrowed together with the monies already borrowed by the Company in excess of the aggregate of the paid up share capital and free reserves of the Company, provided that the total amount borrowed and outstanding at any point of time, apart from temporary loans obtained/to be obtained from the Company's Bankers in the ordinary course of business, shall not be in excess of ₹ 30,000 Million (Rupees Thirty Thousand Million) over and above the aggregate of the paid up share capital and free reserves of the Company."

"RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and it is hereby empowered and authorised to arrange or fix the terms and conditions of all such monies to be borrowed from time to time as to interest, repayment, security or otherwise as it may, in its absolute discretion, think fit and authorised to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, proper, or desirable and to settle any question, difficulty, doubt that may arise in respect of the borrowing(s) aforesaid and to execute all documents and writings as may be necessary, proper, desirable or expedient."

ITEM NO. 4: AUTHORITY TO THE BOARD OF DIRECTORS OR A COMMITTEE THEREOF TO SELL, LEASE MORTGAGE OR OTHERWISE DISPOSE OF THE WHOLE OR SUBSTANTIALLY THE WHOLE OF THE UNDERTAKING(S), THE MOVABLE AND IMMOVABLE PROPERTIES OF THE COMPANY BOTH PRESENT AND FUTURE

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

"RESOLVED THAT in supersession of the Ordinary Resolution adopted at the 30th Annual General Meeting held on 14th August, 2012 and pursuant to Section 180(1)(a) and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), the consent of the Company be and it is hereby accorded to the Board of Directors (hereinafter referred to as "the Board" which term shall include a Committee of the Board of Directors constituted for the purpose) to mortgage and/or charge and/or hypothecate the whole or substantially the whole of the undertaking(s) of the Company in addition to the mortgage(s)/ charge(s) created by the Company, in such form and manner and with such ranking and at such time(s) and on such terms as the Board may determine, all or any part of the movable and/or immovable properties of the Company wherever situated, both present and future, and/or create a floating charge on all or any part of the immovable property of the Company and the whole or any part of the undertaking or undertakings of the Company together with power to take over the management of the business and concern of the Company in certain events of default, in favour of the Company's bankers and development/investment financial institutions (hereinafter referred to as the "lenders") / Debenture Trustees to secure any loans, guarantee, financial assistance, working capital arrangement etc. already availed/ to be availed by the Company together with interest thereon at the agreed rate, compound interest, additional interest, liquidated damages, premium on prepayment, costs, charges, expenses and other monies payable by the Company to the said lenders and/or any issue of non convertible debentures, bonds, foreign currency loans and/or compulsorily or optionally, fully or partly convertible debentures linked to equity shares, within the overall ceiling prescribed by the members of the Company, from time to time, in terms of Section 180(1)(c) of the Companies Act, 2013".

"RESOLVED FURTHER THAT the Board be and is hereby authorised to execute all such deeds, documents and writings, as may be necessary for creating the aforesaid mortgages and/or charges and to do all such acts, deeds, matters and things as may be necessary, desirable or expedient to give effect to the above resolution".

By order of the Board of Directors
For Shrenuj & Company Limited

Sd/-
Sanjay M. Abhyankar
Company Secretary

Date : 23.05.2014
Place: Mumbai

Registered Office:
C-405, Dharam Palace,
100-103, N. S. Patkar Marg,
Mumbai - 400 007.

NOTES:

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 setting out material facts and reasons for the proposed Special Businesses is appended herein.
2. The Postal Ballot Notice is being sent to all the Members of the Company, whose names appear on the Register of Members/list of Beneficial Owners, as received from National Securities Depository Limited (NSDL)/Central Depository Services (India) Limited (CDSL) on Friday, 30th May, 2014.
3. The Company has appointed Mr. Hemanshu L. Kapadia, Proprietor, M/s. Hemanshu Kapadia & Associates, Practicing Company Secretaries, Mumbai as the Scrutinizer for conducting the postal ballot process. The Postal Ballot Form and the self-addressed business reply envelope are enclosed for this purpose.
4. A member desiring to exercise vote by e-Voting / physical Postal Ballot Form is requested to carefully read the instructions printed on the Postal Ballot Form, as applicable, and cast their votes in electronic mode / return the duly completed form in the attached self-addressed business reply envelope, so as to reach the Scrutinizer at Hemanshu Kapadia & Associates, Practicing Company Secretaries, 3/12, 14th Floor, Navjivan Commercial Premises Co-op. Society Ltd, Lamington Road, Mumbai – 400 008, on or before 6.00 p.m., on Saturday 5th July, 2014. The Postal Ballot Forms received after this date will be treated as if the reply from the member has not been received. The e-voting module shall also be disabled by NSDL for voting thereafter.
5. In compliance with the provisions of Section 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014, the Company has also extended e-voting facility as an alternate, for its Members to enable them to cast their votes electronically instead of dispatching Postal Ballot Form/s.
6. Members can opt for only one mode of voting i.e. either by physical ballot or by electronic mode. If the Member opts for Voting by electronic mode, then he/she should not vote by physical ballot also and vice versa. However, in case Member(s) cast vote both by physical ballot and by electronic mode, then voting done by electronic mode shall prevail and voting done by physical ballot will be treated as invalid.
7. Members who wish to be present at the time of declaration of the result may do so.
8. The process and manner of Voting by electronic mode is as under:

The instructions for members for voting electronically are as under:-

(a) In case of members receiving e-mail:

- i) Open the e-mail which contains your user ID and password for e-voting. Please note that the password is an initial password.
- ii) Log on to the e-voting website <https://www.evoting.nsd.com>
- iii) Now click on "Shareholders" tab to cast your votes.
- iv) Now, select the Electronic Voting Event Number (EVEN) alongwith "SHRENUJ & COMPANY LIMITED" from the drop down menu and click on SUBMIT.
- v) Now, fill up the following details in the appropriate boxes:

	For Members holding shares in Demat Form	For Members holding shares in Physical Form
User ID	For NSDL: 8 character DPID followed by 8 Digits Client ID For CDSL: 16 Digits beneficiary ID	Folio number registered with the Company
Password	Your unique password has been printed on the postal ballot form/ mentioned in the email vide which the postal ballot Notice has been sent to you	Your password has been printed on the postal ballot form/ mentioned in the email vide which the postal ballot Notice has been sent to you
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department when prompted by the system while evoting	Enter your 10 digit alpha- numeric PAN issued by Income Tax Department when prompted by the system while evoting

- vi) If you are holding shares in Demat form and had logged on to www.evoting.nsd.com and had cast your vote earlier for EVEN of the Company or any other Company, then your existing login id and password are to be used.
- vii) After entering these details appropriately, click on "SUBMIT" tab.

- viii) Members holding shares in physical form will then reach directly to the voting screen. However, members holding shares in demat form will now reach 'Password Change' menu wherein they are required to mandatorily change their login password in the new password field. The new password has to be minimum eight characters consisting of at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character. Kindly note that this password is to be also used by the demat holders for voting for resolutions of the Company or any other Company on which they are eligible to vote, provided that company opts for e-voting through NSDL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- ix) You can also update your mobile number and e-mail ID in the user profile details of the folio which may be used for sending communication(s) regarding NSDL e-voting system in future. The same may be used in case the member forgets the password and the same needs to be reset.
- x) For members holding shares in physical form, the password and default number can be used only for e-voting on the resolutions contained in this Postal Ballot Notice.
- xi) On the voting page, you will see resolution description and against the same the option "YES/NO" for voting. Enter the number of equity shares (which represents number of votes) under YES/NO or alternatively you may partially enter any number in YES and partially in NO, but the total number in YES and NO taken together should not exceed your total shareholding. The option YES implies that you assent to the resolution and option NO implies that you dissent to the resolution.
- xii) Click on the "Resolution File Link" if you wish to view the entire resolution to be passed by Postal Ballot.
- xiii) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xv) Corporate/Institutional members (Corporate/ FIs / FIIs / Trusts / Mutual Funds / Banks etc.) are required to send scan copy (PDF/JPG Format) of the relevant board resolution / authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to hemanshu@hkacs.com with a copy marked to helpdesk evoting@nsdl.co.in.

(b) In case of members receiving Postal Ballot Form by Post:

- (i) Initial password and other details are provided as below at the bottom of Postal Ballot Form:

EVEN (Electronic Voting Event Number)	USER ID	PASSWORD/PIN

- (ii) Please follow all steps from SI no. (ii) to SI no. (xv) above, to cast vote.
- (c) Members are requested to register their e-mail id with Registrar and Transfer Agent (R&TA), viz. Sharepro Services (I) Private Limited, Unit – Shrenuj & Company Ltd., 13 AB, Samhita Warehousing Complex, 2nd Floor, Near Sakinaka Telephone Exchange, Off Andheri Kurla Road, Sakinaka, Andheri (E), Mumbai 400 072.
- (d) The voting period ends at **6.00 p.m. on 5th July, 2014**. The e-voting module will be disabled by NSDL for voting thereafter.
- (e) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (FAQs) and e-voting manual available at www.evoting.nsdl.com under help section or write an email to evoting@nsdl.co.in.
- (f) Voting can be exercised only by the shareholder or his/her duly constituted attorney or in case of bodies corporate the duly authorized person.
- (g) Shareholders holding shares either in physical form or in dematerialized form may cast their vote electronically.

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

ITEM NO. 1:

The Articles of Association ("AoA") of the Company as presently in force was amended by inserting new clauses on 29th May, 2000 and never been replaced since its incorporation in the year 1982. The existing Articles are based on the Companies Act, 1956 and several regulations in the existing AoA contains references to specific section of the Companies Act, 1956 and some regulations are no longer in conformity with the Act.

The Companies Act, 2013 is now largely in force. On 12th September, 2013 the Ministry of Corporate Affairs ("MCA") had notified 98 sections for implementation and subsequently, on 26th March, 2014 MCA notified most of the remaining sections (barring those provisions which require sanction/confirmation of the National Company Law Tribunal). However, substantive section of the Act which deals with the general working of Companies stand notified.

In order to make the Articles of Association of the Company in tandem and to comply with the relevant sections/ provisions under the Companies Act, 2013 and rules made thereof it is proposed to replace the existing Articles of Association of the Company by a new set of Articles. Additionally, certain articles that was included in the existing articles of association of the Company prior to the listing of the Company and which are no longer relevant in the context of a listed company are to be deleted. Accordingly, in lieu of amendments to various articles in the existing Articles of Association, it is considered prudent and desirable to adopt a new set of Articles of Association of the Company, in substitution for, and to the exclusion of, the existing Articles of Association of the Company. Pursuant to Section 14 of the Companies Act, 2013 ("Act"), the consent of the members of the Company by way of a Special Resolution is required for adoption of a new set of Articles of Association of the Company. Accordingly, this matter has been placed before the Shareholders for approval.

The following are the major amendments proposed in the Articles of Association of the Company:

- Insertion of provisions of rules made under the Companies Act, 2013.
- Replacing Sections of the Companies Act, 1956 with the corresponding Sections as per the Companies Act, 2013.
- Provisions relating to redemption of preference shares.
- Provisions of issue of shares at discount.
- Quorum of General Meeting.
- Amount of deposit for nomination of a director.
- Maximum number of director on the Board of the Company.
- Exclusion of Independent Director in directors liable to retire by rotation.
- Provisions for signing financial statements, Board's Report.
- Matters to be included in the Board's Report.
- Provision, fees chargeable from members or non members for inspection of statutory registers of the Company, minutes of the general meeting and other statutory registers maintained by the Company under various provisions of the Companies Act, 2013.
- Provision for an individual to be appointed as the Chairperson as well as Managing Director or Chief Executive Officer of the Company at same time.
- Preferential Offer of shares.

The Board of Directors of the Company, therefore, recommends passing of the resolution as set out in the Notice above.

A copy of the proposed new set of the Articles of Association of the Company would be available for inspection at the registered office of the Company situated at C-405, Dharam Palace, 100-103, N. S. Patkar Marg, Mumbai – 400 007 on all working days except Saturdays and Public Holidays between 9.30 A.M and 2.00 P.M upto the date of declaration of the results of voting by Postal Ballot by the Company and would be uploaded on the Company's Website for perusal by the shareholders..

None of the directors, managers, key managerial personnel of the Company and their respective relatives are in any way concerned or interested, financially or otherwise in the special resolution except to the extent of their shareholding in the Company.

ITEM NO. 2:

Your Company had a successful financial year ended 31st March, 2014, during which:

- It has recorded consolidated revenue of ₹ 46,431 mn (~ US\$ 775 mn).
- It has posted a net profit after tax on consolidated basis of ₹ 897 Million,
- The Reserves of the Company increased to ₹ 9247 Million on consolidated basis and ₹ 6767 Million on stand alone basis as at the end of financial year ended 31st March, 2014.

In view of the strong financial performance of the Company and to commemorate the occasion of the Company's completion of twenty five years (silver jubilee) of listing with BSE, the Board of Directors at their meeting held on 23rd May, 2014, have recommended Bonus Shares in the ratio of 1:1, that is, one new fully paid up Equity Share of ₹ 2/- each for every one fully paid-up Equity Share of ₹ 2/- each held by the members as on the Record Date to be determined by the Board for this purpose.

The present paid-up Equity Share Capital of the Company is ₹ 192,907,258/- (Rupees One Hundred Ninety Two Million Nine Hundred Seven Thousand Two Hundred and Fifty Eight Only) consisting of 96,453,629 (Ninety Six Million Four Hundred and Fifty Three Thousand Six Hundred and Twenty Nine) Equity Shares of ₹ 2/- each.

In accordance with the enabling provisions of the Articles of Association of the Company, the Companies Act, 2013, Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2009 and such other Regulations/Acts etc., as may be applicable, the Bonus Equity Shares will be issued by capitalizing a sum of ₹ 192,907,258/- (Rupees One Hundred Ninety Two Million Nine Hundred Seven Thousand Two Hundred and Fifty Eight Only) (based on the present paid up equity capital) from Free Reserves/Capital Reserve to the extent permissible, Capital Redemption Reserve and balance from Securities Premium Account or any other permitted accounts as per the Audited Accounts of the Company for the financial year ended on 31st March, 2014, as the case may be.

The Bonus Equity Shares so allotted shall rank pari-passu with the existing fully paid-up equity shares of the Company in all respects. The Board has recommended dividend for the financial year ended 31st March, 2014, @ 60 paise per equity share of ₹ 2/- each on 96,453,629 Equity Shares pre-bonus. While recommending the issue of Bonus Equity shares in the ratio 1:1, the Board decided that if the Bonus Equity shares are issued prior to payment of dividend, the dividend post issue of Bonus Equity Shares would be @ 30 paise per equity shares of ₹ 2/- each instead of @ 60 paise per equity share of ₹ 2/- each noting that the issue and allotment of bonus shares is likely to be prior to the declaration/approval of dividend by the Shareholders at the ensuing Annual General Meeting.

The issue of fully paid Bonus Equity Shares by way of capitalization of profits/ reserves is permitted under Section 63 of the Companies Act, 2013. The proposed issue of Bonus Equity Shares also fulfills the SEBI Regulations. Applications will be made to the Stock Exchanges for permission to listing and dealing in such Bonus Equity Shares. The Articles of Association of the Company permits capitalization of reserves by applying the same towards issue and distribution of fully paid shares to the Members, after obtaining approval of the Members of Company by way of an Ordinary Resolution and hence the above resolution is proposed for the approval of the Members as an Ordinary Resolution.

It is also necessary/expedient to authorize the Board of Directors of the Company or any Committee thereof, 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, Reserve Bank of India and / or any other regulatory authority.

The Promoters, Directors, Key Managerial Personnel of your Company and their relatives are interested in this resolution to the extent of their respective shareholdings in the Company or to the extent of the shareholdings of the Companies / Institutions / Trusts of which they are Directors or members or Trustees with or without any beneficial interest. Your Directors recommend the Resolution at item no. 2 of this Notice, for your approval through postal ballot process.

Name of the entity/companies (which shall be allotted bonus shares) in which Promoters, Directors, Key Managerial Personnel have shareholding interest more than 2%.

Name of the entity/ Company	Percentage (%) of Shareholding in such entity /Company
Shrenuj Investments & Finance Private Limited A Company in which Mr. Shreyas K. Doshi and Mr. Vishal S. Doshi have direct or indirect shareholding interest of more than 2%	100.00
Prest Impex Private Limited A Company in which Mr. Shreyas K. Doshi and Mr. Vishal S. Doshi have direct or indirect shareholding interest of more than 2%	100.00

ITEM NOS. 3 & 4:

Under Section 180 (1)(c) of the Companies Act, 2013 ("Act"), the Board of Directors of a Company cannot, except with the consent of the Shareholders, borrow monies, apart from temporary loans obtained from the company's bankers in the ordinary course of business, in excess of the aggregate of the paid up capital and free reserves of the Company. The Shareholders vide resolution passed at 30th Annual General Meeting held on 14th August, 2012, had accorded their consent to the Board of Directors to borrow up to ₹ 20,000 million (Rupees Twenty Thousand Million). As on 31st March, 2014, the Company had total borrowing of ₹ 15,365 million.

Taking into consideration, the requirements of additional funds to meet the cost of the Company's projects, various business activities globally, capacity expansion and other capital expenditure programs as also additional long term working capital requirements of the Company and its subsidiary(ies), it is expected that the limit of ₹ 20,000 million (Rupees Twenty Thousand Million) sanctioned by the Shareholders will not be adequate.

The consent and approval of the Shareholders is therefore, sought in accordance with the provisions of Section 180(1)(c) of the Act, to enable the Directors to borrow monies, provided that the total amount so borrowed by the Board shall not at any time exceed ₹ 30,000 million (Rupees Thirty Thousand Million) or the aggregate of the paid up capital and free reserves of the Company, whichever is higher. As on 31st March, 2014, the aggregate of the paid-up capital and free reserves of the Company was about ₹ 6,960 million (Rupees Six Thousand Nine Hundred & Sixty Million Only) It is proposed to increase the borrowing limits to enable the Directors to borrow monies, provided that the total amount so borrowed by the Board shall not at any time exceed ₹ 30,000 million.

The repayment towards aforesaid borrowings may have to be secured by a charge on various movable / immovable properties / assets / undertakings of the Company. As the documents to be executed between the lenders/security holders/ trustees for the holders of the said securities and the Company may contain provisions to take over substantial assets of the Company in certain events, it is necessary to pass a Special Resolution under Section 180(1)(a) of the Act, for creation of charges / mortgages / hypothecations for an amount not exceeding ₹ 30,000 million or the aggregate of the paid up capital and free reserves of the Company, whichever is higher or up to a limit as may be decided from time to time.

The above proposals are in the interest of the Company and the Directors recommend the Resolution Nos. 3 and 4 of the Notice for consent and approval by the Members.

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolutions set out at Item No.3 and 4 of the accompanying Notice.

By order of the Board of Directors
For Shrenuj & Company Limited

Sd/-
Sanjay M. Abhyankar
Company Secretary

Date : 23.05.2014
Place : Mumbai

Registered Office:
C-405, Dharam Palace,
100-103, N. S. Patkar Marg,
Mumbai - 400 007.

Encl.: 1) Postal Ballot Form
2) Self addressed postage pre-paid envelope