moserbaer

Moser Baer India Limited

43B, Okhla Industrial Estate, Phase – III, New Delhi-110020

POSTAL BALLOT NOTICE

To,

The Members,

Notice pursuant to Section 192A (2) of the Companies Act, 1956.

Notice is hereby given that the following resolutions are circulated for approval of the members of the Company to be accorded by Postal Ballot in accordance with the provisions of Section 192A of the Companies Act, 1956 read with the Companies (Passing of the Resolution by Postal Ballot) Rules, 2011:

To consider and, if thought fit, to give assent/ dissent to the following resolutions:

1. **To consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:**

"RESOLVED THAT in complete supersession of the special resolution passed under item 14 at the Annual General Meeting of the Company held on September 29, 2011 and pursuant to the provisions of Section 81(1A) and other applicable provisions, if any, of the Companies Act, 1956 (including any amendments thereto or re-enactment thereof), the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (ICDR Regulations) and subject to such approvals, permissions, consents and sanctions as may be necessary from the Government of India (GOI), the Reserve Bank of India (RBI), the provisions of the Foreign Exchange Management Act, 1999 (FEMA) and other applicable regulations, schemes and subject to the approval, consent, permission and / or sanction of the Ministry of Finance (Department of Economic Affairs) and Ministry of Industry (Foreign Investment Promotion Board / Secretariat for Industrial Assistance) and all other Ministries / Departments of the Government of India, the RBI and the Securities and Exchange Board of India (SEBI) and / or any other competent authorities and the enabling provisions of the Memorandum and Articles of Association of the Company, the Listing Agreements entered into by the Company with the Stock Exchanges where the Company's shares are listed and in accordance with the regulations and guidelines issued by the GOI, RBI, SEBI and any competent authorities and clarifications issued thereon from time to time and subject to all other necessary approvals, permissions, consents and sanctions of concerned statutory and other authorities and subject to such conditions and modifications as may be prescribed by any of them while granting such approvals, permissions, consents and sanctions and which may be agreed to by the Board of Directors of the Company (hereinafter referred to as 'the Board', which term shall include any Committee thereof) consent of the shareholders of the Company be and is hereby accorded to create, offer, issue and allot in one or more tranches, whether rupee denominated or denominated in foreign currency, in the course of international and / or domestic offering(s) in one or more foreign markets, for a value (including premium, if any) of upto USD 175 Million such number of Global Depository Receipts (GDRs), American Depository Receipts (ADRs), Foreign Currency Convertible Bonds (FCCBs), and / or Equity Shares through Depository Receipt Mechanism and / or any Other Financial Instruments (OFIs) convertible into or linked to Equity Shares or with or without detachable warrants with a right exercisable by the warrant holders to convert or subscribe to the Equity Shares or otherwise, in registered or bearer form (hereinafter collectively referred to as 'the Securities') or any combination of Securities to any person including foreign / resident investors (whether institutions, incorporated bodies, mutual funds and / or individuals or otherwise), Foreign Institutional Investors, Promoters, Indian and/or Multilateral Financial Institutions, Mutual Funds, Non- Resident Indians, Employees of the Company and / or any other categories of investors, whether they be holders of shares of the Company or not (collectively called the 'Investors') including allotment in exercise of a green shoe option, if any, by the Company, through private placement(s) at such time or times, at such price or prices, at a discount or premium to the market price or prices in such manner and on such terms and conditions including security, rate of interest, etc., as may be decided by and deemed appropriate by the Board in its absolute discretion including the discretion to determine the categories of Investors to whom the offer, issue and allotment shall be made to the exclusion of all other categories of Investors at the time of such issue and allotment considering the prevailing market conditions and other relevant factors wherever necessary in consultation with the Lead Managers, as the Board in its absolute discretion may deem fit and appropriate.

RESOLVED FURTHER THAT, in accordance with all applicable laws and in accordance with all relevant provisions of the Memorandum and Articles of Association of the Company and the listing agreements entered into by the Company with the stock exchanges where the Company's shares are listed and subject to any necessary approval, consent, permission and/ or sanction of the Central Government, Reserve Bank of India and/ or any other appropriate regulatory authorities, and subject to such conditions as may be prescribed by any of them while granting any such approval, consent, permission, or sanction, and which may be agreed to by the Board or any committee thereof, the Company be and is hereby authorized to restructure the USD 88.5 million outstanding foreign currency convertible bonds of the Company ("Outstanding FCCBs") by various methods, including but not limited to, amending the terms and conditions of the Outstanding FCCBs and/or issuance of new foreign currency convertible bonds to replace the Outstanding FCCBs pursuant to an extraordinary resolution to be passed by the holders of the Outstanding FCCBs in accordance with the terms of the trust deed governing the Outstanding FCCBs and in accordance with a mechanism deemed appropriate by the Board, considering the prevailing market conditions and other relevant factors, wherever necessary in consultation with lead managers and / or other advisors, on such terms and conditions as may be decided and deemed appropriate by the Board or any committee thereof.

RESOLVED FURTHER THAT pursuant to the provisions of Section 81(1A) and other applicable provisions, if any, of the Companies Act, 1956 (including any amendments thereto or re-enactment thereof), and the provisions of the Securities and Exchange Board of India Regulations and the provisions of the Foreign Exchange Management Act, 1999 (FEMA) and regulations made there under, the Board of Directors may at their absolute discretion, issue, offer and allot Equity Shares or Warrants convertible into Equity Shares simultaneously with non convertible debentures upto the amount of USD 175 Million inclusive of such premium, as specified above, to Qualified Institutional Buyers (as defined by the ICDR Regulations) pursuant to a qualified institutional placement, as provided under Chapter VIII of the ICDR Regulations.

RESOLVED FURTHER THAT if any issue of Securities is made by way of a Qualified Institutions Placement in terms of Chapter VIII of the ICDR Regulations (hereinafter referred to as 'Eligible Securities' within the meaning of the ICDR Regulations), the Eligible Securities, or any combination of Eligible Securities as may be decided by the Board, issued for such purpose, shall be fully paid-up and the allotment of such Eligible Securities or any combination thereof, shall be completed within twelve months from the date of this resolution or such other time as may be allowed under the ICDR Regulations from time to time at such price being not less than the price determined in accordance with the pricing formula provided under Chapter VIII of the ICDR Regulations and the Eligible Securities shall not be eligible to be sold for a period of twelve months from the date of allotment, except on a recognized stock exchange, or except as may be permitted from time to time under the ICDR Regulations.

RESOLVED FURTHER THAT in the event that Equity Shares are issued to Qualified Institutional Buyers under Chapter VIII of the ICDR Regulations, the relevant date for the purpose of pricing of the Equity Shares shall be the date of the meeting in which the Board decides to open the proposed issue of Equity Shares (which expression includes any Committee thereof constituted or to be constituted to exercise its powers) at a price being not less than the price determined in accordance with the pricing formula provided under Chapter VIII of the ICDR Regulations subsequent to the receipt of shareholders' approval in terms of Section 81(1A) and other applicable provisions, if any, of the Companies Act and other applicable laws, regulations and guidelines.

RESOLVED FURTHER THAT in the event that Warrants which are convertible into Equity Shares of the Company are issued simultaneously with non convertible debentures to Qualified Institutional Buyers under Chapter VIII of the ICDR Regulations, the relevant date for the purpose of pricing of such securities, shall be the date of the meeting in which the Board decides to open the issue of such Warrants simultaneously with non convertible debentures subsequent to the receipt of shareholders' approval in terms of Section 81(1A) and other applicable provisions, if any, of the Companies Act and other applicable laws, regulations and guidelines OR the date on which the holder of such Warrants, which are convertible into or exchangeable with the Equity Shares, becomes entitled to apply for the Equity Shares against such Warrants.

RESOLVED FURTHER THAT in the event the Securities are proposed to be issued as FCCBs, ADRs or GDRs, the relevant date for the purpose of pricing the Securities shall be the date of the meeting in which the Board decides to open the issue of such Securities subsequent to the receipt of shareholders' approval in terms of Section 81(1A) and other applicable provisions, if any, of the Companies Act and other applicable laws, regulations and guidelines and in accordance with the Issue of Foreign Currency Convertible Bonds and Ordinary Shares (through the Depository Receipt Mechanism) Scheme 1993 and other applicable pricing provisions issued by the Ministry of Finance.

RESOLVED FURTHER THAT without prejudice to the generality of the above, the aforesaid Securities and the Eligible Securities may have such features and attributes or any terms or combination of terms in accordance with international practices to provide for the tradability and free transferability thereof as per the prevailing practices and regulations in the capital markets including but not limited to the terms and conditions in relation to payment of interest, additional interest, premium, prepayment, conversion (including, conversion of interest accrued on debt securities and FCCBs) and any other debt service payments whatsoever including terms for issue of additional Equity Shares or variation of the conversion price of the Securities and the Eligible Securities during the duration of the Securities and the Eligible Securities and the Board be and is hereby authorized in its absolute discretion, in such manner as it may deem fit, to dispose off such of the Securities and the Eligible Securities that are not subscribed.

RESOLVED FURTHER THAT:

(i) the Securities to be so created, offered, issued and allotted shall be subject to the provisions of the Memorandum and Articles of Association of the Company; and

(ii) the underlying Equity Shares shall rank pari passu with the existing Equity Shares of the Company.

RESOLVED FURTHER THAT the issue of Equity Shares underlying the Securities to the holders of the Securities shall, subject to applicable laws, inter alia, be subject to the following terms and conditions:

(a) in the event of the Company making a bonus issue by way of capitalization of its profits or reserves prior to the allotment of the Equity Shares, the number of shares to be allotted shall stand augmented in the same proportion in which the Equity Share capital increases as a consequence of such bonus issue and the premium, if any, shall stand reduced pro rata;

(b) in the event of the Company making a rights offer by issue of Equity Shares prior to the allotment of the Equity Shares, the entitlement to the Equity Shares shall stand increased in the same proportion as that of the rights offer and such additional Equity Shares shall be offered to the holders of the Securities or the Eligible Securities at the same price at which the same are offered to the existing shareholders; and

(c) in the event of any merger, amalgamation, takeover or any other re-organization, the number of shares, the price and the time period as aforesaid shall be suitably adjusted.

RESOLVED FURTHER THAT the Board be and is hereby authorised to appoint Lead Managers, Underwriters, Guarantors, Depositories, Custodians, Registrars, Trustees, Bankers, Lawyers, Advisors and all such agencies as may be involved or concerned in such offerings of Securities or the Eligible Securities and to remunerate them by way of commission, brokerage, fees or the like and also to enter into and execute all such arrangements, agreements, memorandum, documents, etc., with such agencies and also to seek the listing of such Securities on one or more national and international Stock Exchange(s).

RESOLVED FURTHER THAT the Board be and is hereby authorised to issue and allot such number of Equity Shares as may be required to be issued and allotted upon conversion of any Securities or the Eligible Securities or as may be necessary in accordance with the terms of the offering, all such Equity Shares ranking pari passu with the existing Equity Shares of the Company in all respects, except the right as to dividend which shall be as provided under the terms of the issue and in the offering documents.

RESOLVED FURTHER THAT for the purpose of giving effect to the above, the Board be and is hereby authorized to determine the form, terms and timing of the Issue(s), including the class of investors to whom the Securities or the Eligible Securities are to be allotted, number of Securities or the Eligible Securities to be allotted in each tranche, issue price, face value, premium amount on issue / conversion of Securities / exercise of warrants / redemption of Securities, rate of interest, redemption period, listings on one or more stock exchanges in India and / or abroad as the Board in its absolute discretion deems fit and to make and accept any modifications in the proposal as may be required by the authorities involved in such issues in India and/or abroad, to do all acts, deeds, matters and things and to settle any questions or difficulties that may arise in regard to the Issue(s).

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolutions, the Board be and is hereby authorized to do all such acts, deeds, matters and things including but not limited to finalization and approval of the preliminary as well as final offer document(s), execution of various transaction documents, creation of mortgage / charge in accordance with Section 293(1)(a) of the Companies Act, 1956, in respect of any Securities or the Eligible Securities as may be required either on pari-passu basis or otherwise as it may in its absolute discretion deem fit and to settle all questions, difficulties or doubts that may arise in regard to the issue, offer or allotment of Securities and utilization of the issue proceeds as it may in its absolute discretion deem fit without being required to seek further consent or approval of the members or otherwise to the end and intent that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution."

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 the provisions of Section 16, 94 and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory amendment, modification or re-enactment thereof, for the time being in force), Article of Association of the Company and subject to such statutory, regulatory or other approvals as may be required, consent of the members be and is hereby accorded to increase the Authorised Capital of the Company from Rs. 300,00,00,000 (Three Hundred Crores) divided into 30,00,00,000 (Thirty Crores) Equity shares of Rs. 10 (Rupees Ten) each to Rs. 1,250,00,00,000 (Rupees Twelve Hundred Fifty Crores only) divided into 125,00,00,000 (One Hundred Twenty Five Crores) Equity Shares of Rs. 10 (Rupees Ten) each.

RESOLVED FURTHER THAT, upon pertaining to increase in Authorised Share Capital becoming effective, Clause V of the Memorandum of Association of the Company be altered by deletion of the existing Clause V and substitution in place thereof the following Clause as Clause V:

V. The Authorised Share Capital of the Company is Rs. 1,250,00,00,000/- (Rupees Twelve Hundred Fifty Crores only) divided into 125,00,00,000 (One Hundred Twenty Five Crores) Equity shares of Rs. 10 (Rupees Ten) each.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, Mr. Deepak Puri, Managing Director, Mr. Ratul Puri, Executive Director or Ms. Minni Katariya, Company Secretary of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things as they may in their absolute discretion deem expedient, necessary, fit or proper in connection therewith or incidental thereto and to settle all/any questions, doubts or difficulties which may arise in this regard."

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 Section 31 and other applicable provisions, if any, of the Companies Act, 1956, the existing Articles of Association be altered in the manner set out as under:

(1) Following Definitions of clause 2 stand deleted:
   - (i) BIL, EIL & RIL
   - (ii) Promoter/Sponsor
   - (iii) Capital Restructuring
   - (iv) Commission
   - (v) Further Securities
   - (vi) Independent Directors
   - (vii) Investors
   - (viii) Offered shares
   - (ix) Purchaser
   - (x) Restricted Party
   - (xi) Selling Promoter
   - (xii) Tag Along Shares
   - (xiii) WIL

(2) Following definition inserted in clause 2:
   "Promoter" means any of Deepak Puri and Deepak Puri HUF.

(3) Clause 39(iii), 39A and 39B stands deleted

(4) Clause 67A stands deleted

(5) Clause 91A stands deleted

(6) Clause 92 stands deleted

(7) Clause 105 B stands deleted

(8) Clause 117C(b) stands deleted

(9) Clause 117C(c) stands deleted

(10) Clause 174 stands deleted

(11) Clause 175 stands deleted

(12) Clause 176 stands deleted

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, Mr. Deepak Puri, Managing Director, Mr. Ratul Puri, Executive Director or Ms. Minni Katariya, Company Secretary of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things as they may in their absolute discretion deem expedient, necessary, fit or proper in connection therewith or incidental thereto and to settle all/any questions, doubts or difficulties which may arise in this regard."

By Order of the Board of Directors
For Moserbaer India Ltd

Sd/-
Mr. Deepak Puri
Managing Director

Place: New Delhi
Date: June 19, 2012

NOTES

1. Explanatory Statement and reasons for the proposed special businesses pursuant to Section173(2) read with Section 192A(2) of the Companies Act, 1956 are given hereunder.

2. The Notice is being sent to all the Members whose names would appear in the Register of Members/ Record of Depositories as on 22nd day of June, 2012.

3. The Company has appointed Mr. D P Gupta, Practicing Company Secretary as Scrutinizer for conducting the entire postal ballot process in accordance with the law and in a fair and transparent manner.

4. A member desiring to exercise vote by Postal Ballot may complete the enclosed Postal Ballot Form and send the self addressed Business Reply Letter to the Scrutinizer. Postage will be borne and paid by the Company. However, envelope containing Postal Ballot, if sent by courier or by Registered Post at the expense of the registered Member will also be accepted. The envelopes may also be deposited personally at the address given thereon. However the envelopes containing the Postal Ballot should reach the Company not later than the close of business hours on 4th day of August, 2012. If the ballots are received thereafter they shall be deemed to be not received.

5. The Company is extending its offer of e-voting facility as an alternate, for individual members (other than Corporate/FIs/FIIs etc.) to enable them to cast their vote electronically instead of dispatching Postal Ballot. The procedure for the same is as under:

   i. Open your web browser and log on to the e-voting website www.evotingindia.com.

   ii. Now click on 'Shareholder'

   iii. Now select the "Electronic Voting System Sequence Number" (EVSN) along with **"MOSERBAER"** from the drop down menu and click on "Submit".

   iv. Now fill up the following details in the appropriate boxes:

Enter	For Individual Members holding Shares in Demat Form	For Individual Members holding shares in Physical Form
User-Id	For NSDL-8 character DP ID+ 8 Digit Client ID. For CDSL-16 digit Beneficial Owner ID	Registered Folio Number with the Company
Password	Your unique Password has been printed on the Postal Ballot form/email forwarding the electronic notice.	Enter the password to be sent by the Company. For seeking the password, the Members are requested to send a signed request letter informing an email id at which 'Password & Default Number' be sent by the Company. Such request be sent at the Registered Office of the Company.
PAN or Default Number	Enter your 10 digit alphanumeric permanent Account Number issued by the Income Tax department	Enter the default number sent to you by the Company (along with the password) on your email id as provided by you.

   v. After logging in the details of "User id, Password, PAN or Default Number", the individual members holding shares in physical form will reach directly to the voting screen. However, members holding shares in Demat Form will now be required to mandatorily change their password in the new password field and may enter their demographic details i.e., date of birth, mobile number and email id. Kindly remember the changed Password as this can be used for voting in future Postal Ballot resolution(s) for Moser Baer India Limited or any other Company.

   vi. On the voting Page, you will now see Resolution Description and option for voting YES/NO against each resolution Description. The option YES implies that you assent to the resolution and NO implies that you dissent the Resolution.

   vii. Click on the Resolution File Link if you wish to view the complete Postal Ballot Notice.

   viii. Enter the number of shares (which represents no. of votes) under each of the headings of resolution, if you want to vote YES/NO, but not exceeding your total holding.

   ix. After selecting the list of the resolutions 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.

   x. Once you have voted on a resolution, you will not be allowed to modify your vote.

   xi. You can log in any number of times till you have voted on all the resolutions or till the end of the voting period (i.e. till the last date of receipt of Postal Ballot), whichever is earlier.

   xii. Kindly note that the members can opt only one mode for voting i.e. either by Physical ballot or e-voting. If you are opting for e-voting, then do not vote physical ballot also and vice versa. However, in case member(s) cast their vote both via physical ballot or e-voting, then voting done through physical ballot shall prevail and voting done by e-voting will be treated as invalid.

   xiii. If you wish to provide feedback on the e-voting system, click on Suggestions. In case you have any queries or issues regarding e-voting, please contact on helpdesk.evoting@cdslindia.com or on shares@moserbaer.net.

6. In line with the "Green initiative in the Corporate Governance" launched by the Ministry of Corporate Affairs allowing paperless compliance by recognizing emails as one of the modes of service of notices/documents on the shareholders, the Company is sending this Notice electronically on the email address as obtained from the Depositories/other sources to the Members. Such Individual Members may exercise their voting electronically as per the procedure given above.

   The members who have already been allotted their Password by CDSL, may use the same. In case they do not remember such Password, they may go to the option "Forget password" and proceed. In respect of new Members, their Password will be mentioned in the email forwarding the notice electronically.

   In case, however the members do not want to avail the e-voting facility organized through CDSL such individual member may send a request to the company on shares@moserbaer.net for obtaining the notice and postal ballot in the physical form. On the receipt of such requests, the company will dispatch the same in physical form.

7. The Chairman of the Board and in his absence, Company Secretary of the of the Company will announce the result of the Postal Ballot on Monday, 6th day of August, 2012 at 1800 hours at the Registered Office of the Company situated at 43B, Okhla Industrial Estate, Phase III, New Delhi – 110020 and the resolutions will be taken as passed effectively on the date of announcement of the result by the Chairman, if the result of the Postal Ballot indicate that the requisite majority of the Shareholders had assented to the Resolution(s). The result of the Postal Ballot shall also be announced through a newspaper advertisement and displayed on the website of the Company www.moserbaer.com.

8. A copy each of the documents referred to in the accompanying Explanatory Statement is open for inspection at the Registered Office of the Company on all working days, except holidays, between 11.00 A.M. and 1.00 P.M. up to the date of declaration of the result of Postal Ballot.

9. Members are requested to carefully read the instructions printed on the Postal Ballot Form before exercising their vote.

10. In cases where the postal ballot form has been signed by an authorized representative of a body corporate, a certified copy of the relevant authorization to vote on the postal ballot should accompany the postal ballot form.

Explanatory Statement and reasons for the proposed resolutions accompanying the notice dated 19th June 2012 pursuant to section 173(2) read with section 192A(2) of the Companies Act, 1956:

ITEM NO. 1,

Given the Company's plans, the Board considers it necessary to augment the long term resources of the Company and strengthen its balance sheet by way of (i) issuing further capital to eligible investors, up to an amount of USD 175 million; and (ii) restructuring the USD 88.5 million outstanding foreign currency convertible bonds of the Company ("Outstanding FCCBs") in accordance with a mechanism deemed appropriate by the Board, considering the prevailing market conditions and other relevant factors, wherever necessary in consultation with the lead managers and/or other advisors, on such terms and conditions as may be decided and deemed appropriate by the Board or any committee including, but not

limited to extending the maturity date of the outstanding FCCBs, amending the terms and conditions of the Outstanding Bonds, changing the face value of the outstanding FCCBs, redeeming a portion of the outstanding FCCBs and issue new foreign currency convertible bonds to replace the Outstanding FCCBs pursuant to an extraordinary resolution to be passed by the holders of the Outstanding FCCBs in accordance with the terms of the trust deed governing the Outstanding FCCBs.

The resolution at item no. 1 of the Notice relates to a proposal by the Company to issue Foreign Currency Convertible Bonds which are convertible into equity shares, American Depository Receipts and Global Depository Receipts reflected by underlying equity shares of the Company or other securities convertible into equity shares of the Company (the "Securities") in compliance with applicable law. The resolution also includes a proposal to create, offer, issue and allot equity shares and warrants simultaneously with non-convertible debentures (the "Eligible Securities") to qualified institutional buyers as defined under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009.

In relation to the above, the Company intends to issue the Eligible Securities or the Securities for a value of upto USD 175 million (which limit applies also to the value of securities to be issued upon conversion of any Security).

Objects of the issue:

The object of this issue is to meet the long term business requirements of the Company, to meet the working capital requirements of the Company, to fund the growth of the Company and to improve the financial leveraging strength of the Company. Also, in view of the current global market conditions and economic outlook, the Company may consider, subject to the receipt of necessary approvals, various options to strengthen the balance sheet of the Company, including by issuing new foreign currency convertible bonds for restructuring its existing foreign currency convertible bonds. The Directors intend to deploy the net proceeds from the issue of further capital for funding any one or more of, (i) capital expenditure, (ii) general corporate purpose, (iii) strategic acquisitions and (iv) reduction of debt

The detailed terms and conditions for the offer will be determined in consultation with the Advisors, Lead Managers, Underwriters and such other authority or authorities as may be required to be consulted by the Company considering the prevailing market conditions and other relevant factors.

Pricing:

The pricing of FCCBs, ADRs and GDRs shall be freely determined subject to such price not being less than the applicable pricing provisions issued by the Ministry of Finance and the Reserve Bank of India. If the Board of Directors decides to undertake a qualified institutional placement under Chapter VIII of the ICDR Regulations, the pricing shall be freely determined subject to such prices not being less than the price as calculated in accordance with the ICDR Regulations.

As the pricing of the offering cannot be decided except at a later stage, it is not possible to state the price or the exact number of shares to be issued. For reasons aforesaid, an enabling resolution is therefore proposed to be passed to give adequate flexibility and discretion to the Board to finalize the terms of the issue. The equity shares issued pursuant to the offering(s) would be listed on the Indian stock exchanges and / or internationally recognized stock exchange and may be represented by securities or other Financial Instruments outside India.

The Special Resolution seeks to give the Board powers to issue the Eligible Securities or Securities in one or more tranche or tranches, at such time or times, at such price or prices and to such person(s) including institutions, incorporated bodies and / or individuals or otherwise as the Board may in its absolute discretion deem fit. The consent of the shareholders is being sought 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 Agreement executed by the Company with the Stock Exchanges where the Equity Shares of the Company are listed.

Section 81(1A) of the Companies Act, 1956 and the relevant clause of the Listing Agreement with the Stock Exchanges where the Equity Shares of the Company are listed provides, inter alia, that when it is proposed to increase the issued capital of a company by allotment of further shares, such further shares shall be offered to the existing shareholders of such company in the manner laid down in Section 81 of the Companies Act, 1956 unless the shareholders in a general meeting decide otherwise. Since the Special Resolution proposed in the business of the Notice results in the issue of shares of the Company otherwise than to the members of the Company, consent of the shareholders is being sought pursuant to the provisions of Section 81(1A) and other applicable provisions of the Companies Act, 1956 and the Listing Agreement.

The Special Resolution, if passed, will have the effect of allowing the Board to issue and allot Eligible Securities or Securities to the investors who may or may not be the existing shareholders of the Company. [This resolution is in complete supersession of the special resolution passed under item 14 at the Annual General Meeting of the Company held on September 29, 2011]. The Board believes that the issue of Eligible Securities or Securities to investors who are not shareholders of the Company is in the interest of the Company and, therefore, recommends the resolution for your approval. None of the Directors of the Company is in any way concerned or interested in the said resolution.

The Board recommends this resolution for approval of the members.

ITEM NO. 2,

In view of the adverse market conditions, ongoing financial crisis in the developed markets as well as in emerging markets, including in India, the Company was unable to re-finance its debts. The Company and its subsidiaries Moser Baer Photo Voltaic Limited and Moser Baer Solar Limited have applied to the Corporate Debt Restructuring ("CDR") cell on February 22, 2012, January 18, 2012 and May 7, 2012 respectively, for restructuring the Company's debts through CDR mechanism envisaged under the guidelines issued by the Reserve Bank of India on August 23, 2001 as amended from time to time. Further, the Company is also in the process of restructuring its Foreign Currency Convertible Bonds (FCCBs), which is not part of the CDR Restructuring.

In view of the above, the Board considers it necessary to augment the long term resources of the Company and strengthen its balance sheet by way of (i) issuing further capital to eligible investors, up to an amount of USD 175 million; and/or (ii) restructuring the USD 88.5 Million outstanding foreign currency convertible bonds of the Company ("Outstanding FCCBs") through various methods including but not limited to by extending the maturity date of the Outstanding FCCBs, amending the terms and conditions of the Outstanding FCCBs, changing the face value of the Outstanding FCCBs, redeeming a portion of the Outstanding FCCBs and / or issue of new foreign currency convertible bonds for an amount up to USD 175 million to replace the Outstanding FCCBs pursuant to an extraordinary resolution to be passed by the holders of the Outstanding FCCBs in accordance with the terms of the trust deed governing the Outstanding FCCBs and through any other manner considering the prevailing market conditions and other relevant factors.

The existing authorised share capital would be inadequate to cater the above mentioned additional capital issuance requirements. Hence, it is necessary to increase the authorised capital and also to alter the Capital Clause of the Memorandum of Association of the Company. As per the provisions of Section 94 of the Companies Act, 1956, the increase in Authorized Share Capital and consequent alterations in Memorandum of Association of the Company require prior consent of the shareholders.

It is proposed to increase the Authorised Capital of the Company from Rs. 300,00,00,000 (Three Hundred Crores) divided into 30,00,00,000 (Thirty Crores) Equity shares of Rs. 10 (Rupees Ten) each to Rs. 1,250,00,00,000 (Rupees Twelve Hundred Fifty Crores) divided into 125,00,00,000 (One Hundred Twenty Five Crores) Equity shares of Rs. 10 (Rupees Ten) each.

A draft copy of the duly altered Memorandum of Association of the Company as stated above is available for the inspection of the Members of the Company at the Registered Office of the Company during business hours on any working day.

The shareholders are, therefore, requested to approve the proposed resolution in Item No. 2 of the Notice for approval of the shareholders as an Ordinary Resolution through postal ballot in terms of the provisions of Section 192A of the Companies Act, 1956 read with the provisions of the Companies (Passing of Resolutions by Postal Ballot) Rules, 2011.

None of the Directors of the Company is concerned or interested in this resolution except to the extent of their shareholding in the Company, if any.

ITEM NO. 3,

A Shareholder Agreement ("agreement") was executed between the Company, Promoters of the Company and with Bloom Investments Ltd, Ealing Investments Ltd and Randall Investments Ltd for the acquisition of shares of the Company by a global private equity firm Warburg Pincus, LLC on June 17, 2000. Accordingly, the Articles of Association of the Company were amended to include all the provisions of the agreement. The said agreement was further amended on March 25, 2004 (first Amendment) and September 2, 2011 (Second Amendment).

The said agreement was terminated on March 16, 2012 and thus it is proposed to amend the Articles and delete the provisions which were entered pursuant to the agreement.

Pursuant to the provisions of Section 31 of the Companies Act, 1956, a Company, may by a Special Resolution alter its Articles of Association.

The Board recommends this resolution for approval of the members.

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

By Order of the Board of Directors
For Moserbaer India Ltd

Sd/-
Mr. Deepak Puri
Managing Director

Place: New Delhi
Date: June 19, 2012

Moser Baer India Limited

moserbaer

43B, Okhla Industrial Estate, Phase – III, New Delhi-110020

POSTAL BALLOT FORM

Serial No.

(1) Name & Address of the Shareholder(s) Including Joint-holders (IN BLOCK LETTERS)

(2) Registered Folio No./ DP ID No. - Client ID No.*
*(Applicable to investors holding share in demat form)

(3) No. of Shares held

(4) E-mail ID

(5) I/We hereby exercise my/our vote in respect of the Resolutions to be passed through Postal Ballot for the business stated in the Notice of the Company by sending my/our assent or dissent to the said Resolutions by placing tick (✓) mark at the appropriate box below.:

Resolution no. and Description	No. of Shares for which vote cast	I/We assent to the resolution	I/We dissent to the resolution
Resolution no. 1 (as a Special Resolution) Issue of capital & restructuring of outstanding foreign currency convertible bonds.			
Resolution no. 2 (as an Ordinary Resolution) Increase in authorized share capital and alteration of Memorandum of Association of the Company			
Resolution no. 3 (as a Special Resolution) Alteration in Articles of Association of the Company			

Place :
Date :

Signature of the Shareholder

NOTES: PLEASE READ THE INSTRUCTIONS PRINTED OVERLEAF CAREFULLY BEFORE EXERCISING YOUR VOTE

ELECTRONIC VOTING PARTICULARS

EVSN (Electronic Voting System Sequence Number)	User ID	Password/PIN

NOTES: PLEASE READ THE INSTRUCTIONS PRINTED OVERLEAF CAREFULLY BEFORE EXERCISING YOUR VOTE.

NOTES/INSTRUCTIONS

Physical Vote

1. Pursuant to the provisions of Section 192A(2) of the Companies Act, 1956 read with Companies (Passing of resolution by Postal Ballot) Rules 2011, the assent or dissent of the members in respect of the Resolutions contained in the Postal Ballot Notice dated 19th June, 2012 is being determined through postal ballot.
2. The votes should be cast either in favour or against by putting the tick [✓] Mark in the column provided for assent or dissent. Postal Ballot Form bearing [✓] in both the column will render the form invalid.
3. The Board of Directors has appointed Mr. D P Gupta, Practicing Company Secretary as the Scrutinizer for conducting the postal ballot voting process in a fair and transparent manner.
4. The Company has severally appointed Mr. Deepak Puri, Chairman & Managing Director and Ms. Minni Katariya, Head-Legal & Company Secretary and Mr. Sandeep Kumar Aggarwal, Manager Secretarial as the persons responsible for the entire postal ballot voting process.
5. A member may request for a duplicate Postal Ballot Form, if so required. Request for issue of duplicate ballot form shall not be entertained after 25th July, 2012. However, the duly completed duplicate Postal Ballot Form should reach the scrutinizer not later than 4th August, 2012.
6. Voting rights shall be reckoned on the paid up value of the shares registered in the name of the shareholders on 22nd June, 2012.
7. The Scrutinizer will submit his final report as soon as possible after the last date of receipt for postal ballot but not later than closing of business hours of 6th August, 2012.
8. The Chairman of the Board and in his absence, Company Secretary of the Company, will announce the result of the postal ballot at the Registered Office of the Company at 43B, Okhla Industrial Estate, Phase-III, New Delhi-110020 (India) on 6th August, 2012 at 6.00 P.M. The date of declaration of postal ballot result will be taken to be the date of passing of the Resolutions.
9. The Result of the postal ballot will also be published in the newspapers within 48 hours of the declaration of the results and will be placed at the website of the Company.
10. Shareholders desiring to exercise voting right by Physical Postal Ballot may complete the Postal Ballot Form and send it to the Scrutinizer in the attached self-addressed pre-paid envelope. Postage will be borne and paid by the Company. However, envelope containing Postal Ballot Forms, if sent by courier at the expense of shareholder will also be accepted.
11. The Postal Ballot Form should be completed and signed by the Sole/First named Shareholder. In the absence of the first named shareholder in a joint holding, the Form may be completed and signed by the next named Shareholder. (However, where the Form is sent separately by the first named Shareholder and the Joint holder(s), the vote of the first named Shareholder would be valid).
12. In case of shares held by Companies, Trusts, Societies etc., the duly completed Postal Ballot Form should be accompanied by a certified true copy of the Board Resolution/Authority, with signature(s) of Authorised Signatory(ies).
13. Postal Ballot cannot be exercised by a Proxy.
14. Incomplete, unsigned or incorrectly filled Postal Ballot Forms are subject to rejection by the Scrutinizer.
15. Members are requested not to send any other matter along with the Postal ballot Form in the enclosed pre-paid postage self-addressed envelope. If any extraneous papers are found, the same will be destroyed by the scrutinizer.
16. All documents referred to in the accompanying Notice & Explanatory Statement are open for inspection at the registered office of the Company on all working days except Saturdays and Sundays between, 11.00 am to 1.00 pm upto 4th August, 2012.

Electronic Vote

1. The Company is extending its offer of e-voting facility as an alternate, for individual members (other than Corporate/FIs/FIIs etc.) to enable them to cast their vote electronically instead of dispatching Postal Ballot. The procedure for the same is as under:
   i. Open your web browser and log on to the e-voting website www.evotingindia.com.
   ii. Now click on 'Shareholder'
   iii. Now select the "Electronic Voting System Sequence Number" (EVSN) along with **"MOSERBAER"** from the drop down menu and click on "Submit".
   iv. Now fill up the following details in the appropriate boxes:

Enter	For Individual Members holding Shares in Demat Form	For Individual Members holding shares in Physical Form
User-Id	For NSDL-8 character DP ID + 8 Digit Client ID. For CDSL-16 digit Beneficial Owner ID	Registered Folio Number with the Company
Password	Your unique Password has been printed on the Postal Ballot form/email forwarding the electronic notice.	Enter the password to be sent by the Company. For seeking the password, the Members are requested to send a signed request letter informing an email id at which 'Password & Default Number' be sent by the Company. Such request be sent at the Registered Office of the Company.
PAN or Default Number	Enter your 10 digit alphanumeric permanent Account Number issued by the Income Tax department	Enter the default number sent to you by the Company (along with the password) on your email id as provided by you.

   v. After logging in the details of "User id, Password, PAN or Default Number", the individual members holding shares in physical form will reach directly to the voting screen. However, members holding shares in Demat Form will now be required to mandatorily change their password in the new password field and may enter their demographic details i.e., date of birth, mobile number and email id. Kindly remember the changed Password as this can be used for voting in future Postal Ballot resolution(s) for Moser Baer India Limited or any other Company.
   vi. On the voting Page, you will now see Resolution Description and option for voting YES/NO against each resolution Description. The option YES implies that you assent to the resolution and NO implies that you dissent the Resolution.
   vii. Click on the Resolution File Link if you wish to view the complete Postal Ballot Notice.
   viii. Enter the number of shares (which represents no. of votes) under each of the headings of resolution, if you want to vote YES/NO, but not exceeding your total holding.
   ix. After selecting the list of the resolutions 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.
   x. Once you have voted on a resolution, you will not be allowed to modify your vote.
   xi. You can log in any number of times till you have voted on all the resolutions or till the end of the voting period (i.e. till the last date of receipt of Postal Ballot), whichever is earlier.
   xii. Kindly note that the members can opt only one mode for voting i.e. either by Physical ballot or e-voting. If you are opting for e-voting, then do not vote physical ballot also and vice versa. However, in case member(s) cast their vote both via physical ballot or e-voting, then voting done through physical ballot shall prevail and voting done by e-voting will be treated as invalid.
2. If you wish to provide feedback on the e-voting system, click on Suggestions. In case you have any queries or issues regarding e-voting, please contact on helpdesk.evoting@cdslindia.com or on shares@moserbaer.net