

- (d) 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 future communication(s).
- Shareholders who have registered their e-mail ID for receipt of documents in electronic mode under the Green Initiative of Ministry of Corporate Affairs are being sent Notice of Postal Ballot by e-mail and others are sent by post along with Postal Ballot Form. Shareholders who have received Postal Ballot Notice by e-mail and who wish to vote through Physical Postal Ballot Form can download Postal Ballot Form from the link www.evoting.nsdl.com or obtain postal ballot from Karvy Computershare Private Limited, Registrar & Transfer Agent, situated at Plot No 17 -24, Vittal Rao Nagar, Madhapur, Hyderabad 500 081 or from the Company at its Registered Office and fill in the details and send the same to the Scrutinizer.
 - Kindly note that Shareholders can opt only one mode of voting, i.e., either by Physical Ballot or e-voting. If you are opting for e-voting, then do not vote by Physical Ballot also and vice versa. However, in case Shareholder cast their vote by Physical Ballot and e-voting, then voting done through valid Physical Ballot shall prevail and voting done by e-voting will be treated as invalid.
 - The voting period ends on June 17, 2013 (5.30 p.m.). The e-voting module shall also be disabled by NSDL for voting thereafter.
 - Shareholders desiring to exercise vote by Physical Postal Ballot are requested to carefully read the instructions printed on the Postal Ballot Form and return the form duly completed and signed in the enclosed self-addressed postage pre paid business reply envelope, so as to reach the Scrutinizer not later than 5.30 p.m. on June 17, 2013. The postage cost will be borne by the Company. However, envelopes containing Postal Ballots, if sent by courier or registered/speed post at the expense of the Shareholder will also be accepted. The Postal Ballot Forms received after 5.30 p.m. on June 17, 2013 will be strictly treated as if reply from such shareholder has not been received.
 - The necessary documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company on all working days of the Company except public holidays, Saturdays and Sundays between 11.00 a.m and 1.00 p.m up to June 17, 2013.

EXPLANATORY STATEMENT OF MATERIAL FACTS PURSUANT TO SECTIONS 192A(2) and 173(2) OF THE COMPANIES ACT, 1956.

Item Nos.: 1 & 2

Under Section 293(1)(d) of the Companies Act, 1956 ("Act"), the Board of Directors of a Company cannot, except with the consent of the Company in general meeting, borrow moneys, (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, that is to say, reserves not set apart for any specific purpose.

As on March 31, 2013, the aggregate of the paid up capital and free reserves of the Company is Rs. 693.82 crores. As on this date, the Company has sanctioned financial facilities from Banks / Financial Institutions, including Commercial Papers of Rs. 623.50 crores (with actual outstanding of Rs. 332.90 crores).

Taking into consideration the requirements of additional funds to meet the cost of the Company's capital expenditure programmes, additional long term working capital requirements of the Company and its subsidiaries, it is expected that the existing borrowing powers of Rs. 693.82 crores, available with the Board of Directors of the Company under Section 293(1)(d) of the Act will not be adequate.

Therefore, the consent of the shareholders by way of an ordinary resolution is being sought in accordance with the provisions of Section 293(1)(d) of the Act, to enable the Board of Directors to borrow moneys, provided that the total amount so borrowed by the Board shall not at any time exceed Rs. 1,000 crores or the aggregate of the paid up capital and free reserves of the Company, that is to say, reserves not set apart for any specific purpose at the relevant time, whichever is higher.

Further, the Company may be required to secure some of the aforesaid borrowings by creating charge, pledge, mortgage, encumbrance and hypothecation on all or any of the present and/ or future properties, whether movable or immovable (including intangibles), on such terms and conditions and at such time(s), and in such form and manner, as the Board may deem fit from time to time. In terms of section 293(1)(a) of the Act, read with the Companies (Passing of the Resolution by Postal Ballot) Rules, 2011, any proposal to sell, lease or otherwise dispose of the whole or the substantially the whole, of any such undertaking requires the approval of the shareholders by way of an ordinary resolution through Postal Ballot.

Accordingly, the consent of shareholders is being sought for the enhancement of borrowing powers and to secure such borrowings by creating charge, pledge, mortgage, encumbrance and hypothecation on all or any of the present and/ or future properties, whether movable or immovable (including intangibles) as set out in the resolutions at item no.1 and 2 of the Notice.

The above proposals are in the interest of the Company and the Directors recommend the ordinary resolutions in Item Nos. 1 and 2 of the Notice for approval by the Shareholders.

None of the Directors of the Company is concerned or interested in these resolutions.

Item No.: 3

Pursuant to provisions of Section 372A of the Companies Act 1956 ("the Act"), the Board of Directors of the Company can approve making of Inter Corporate investments/ providing Inter Corporate Loans/ Inter Corporate Guarantees/ providing Security in a connection with a loan or any other form of debt made to a body corporate or investment in securities by purchase/ subscription or otherwise upto a limit of 60% of its paid up share capital and free reserves or 100% of its free reserves whichever is higher. Inter Corporate Investments/ Inter Corporate Loans/ Inter Corporate Guarantees/ Security(s) in connection with a loan made to a body(s) corporate beyond the aforesaid limit requires approval of Shareholders of the Company by way of Special Resolution through Postal Ballot.

As on March 31, 2013, the limits stipulated under Section 372A of the Act for the aggregate Corporate Investments/ Inter Corporate Loans/Inter Corporate Guarantees/ Security(s) is Rs. 652.33 crores and the Company has already utilized the said limits up to Rs. 539.92 crores.

The Company is proposing to make further investment by way of loans, investments, security(s) and provide guarantees in connection with loans to it. In doing so the Company may make investment, loans, security(s) and provide guarantees in excess of the limits stipulated under section 372A of the Act.

The approval of shareholders is sought for making the Inter Corporate Investments / Inter Corporate Loans / Inter Corporate Guarantees / Security(s) into the Companies referred to in the Notice to an extent of Rs. 250 Crores.

The brief particulars in which the proposed exposure by way of loans, investments, security(s) and guarantees in connection with loans to them are as follows:

Name of the Company	Proposed exposure (In Rupees)	Particulars	Nature of concern/ interest of Directors
Hypercity Retail (India) Ltd. (Hypercity)	Rs. 220 crores	Hypercity Retail (India) Ltd; is a 51% subsidiary of the Company, which was formed in the year 2004, to manage and operate hypermarkets, under the name 'HyperCity'. Hypercity is in the business of mixed retailing, i.e. to provide all kinds of products to consumers at competitive prices through a hypermarket format. Hypercity currently operates its 13 stores with a total area of 11.4 lacs sq.ft and has plans to expand to the other cities in due course of time. As on March 31, 2013, the Company has already invested Rs. 246.10 crores into Hypercity for its 51% stake in the equity share capital and preference share capital of Hypercity. The Company has also provided Inter Corporate Deposits to an extent of Rs. 83.50 Crores and Corporate Guarantees to an extent of Rs. 95 Crores to banks in respect of loans sanctioned by the banks to Hypercity. The decision on whether to make or not to make the proposed exposure will be taken by the Board at the appropriate time. The resolution, insofar as this exposure is concerned, only proposes to obtain the relevant enabling permission and does not indicate any decision of the Board in this regard.	Mr. C.L.Raheja, Mr. Ravi Raheja, Mr. Neel Raheja, Mr. B. S. Nagesh, Mr. Govind Shrikhande, Mr. Deepak Ghaisas and Prof. Nitin Sanghavi, Directors of the Company are also Directors of Hypercity. Mr. C.L. Raheja, Mr. Ravi Raheja, Mr. Neel Raheja, Mr. B. S. Nagesh, the members of the Company are also members of Hypercity.

