



## CINEMAX INDIA LIMITED

**REGISTERED OFFICE:** 805, 8<sup>th</sup> Floor, 349 Business Point, Western Express Highway, Andheri (East), Mumbai: 400 069.  
Tel: 91-22-6710 1991 / 93 / 94 Fax: 91-22-2684 5337 Website: [www.cinemax.co.in](http://www.cinemax.co.in)

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### NOTICE

Dear Member

#### **Notice Pursuant to Section 192A of the Companies Act, 1956**

Notice is hereby given pursuant to Section 192A(2) of the Companies Act, 1956, read with the Companies (Passing of the Resolution by Postal Ballot) Rules, 2001, that the resolutions appended below are proposed to be passed as Special Resolutions by way of Postal Ballot.

Members' consent is requested for the proposals contained in the Resolutions appended below. The Explanatory Statement pertaining to the said Resolutions setting out the material facts and the reasons thereof are annexed hereto along with the Postal Ballot form (the "form") for your consideration. The Company has appointed Mr. Virendra Bhatt, Practising Company Secretary as the Scrutinizer for conducting the Postal Ballot process in a fair and transparent manner.

You are requested to carefully read the instructions printed in the Postal Ballot Form and return the form duly completed in the attached self addressed, postage prepaid envelope, so as to reach the Scrutinizer on or before the close of working hours on the 8<sup>th</sup> September 2008. The Ballot Form received after the said date will be treated as not to have been received. The Scrutinizer will submit his report to the Chairman after completion of the scrutiny and the result of the voting by postal ballot will be declared on 12<sup>th</sup> September 2008 at 4.00 p.m. at the Company's registered office at Mumbai.

The date of declaration of the result shall be deemed to be the date of passing of the said resolution.

#### **Item No 1. Setting up wind power project**

To consider and, if thought fit, to pass, the following resolution as a **Special Resolution** :

To alter Part (C) of Clause III of the Memorandum of Association of the Company containing the 'OTHER OBJECTIVES' clause by inserting the following new sub clause as sub-clause numbers 48, 49, 50, 51, 52, 53, 54 after the existing sub-clause number 47:

48. To set up power projects hydro-electric or Thermal, or wind or any other source or power, and to carry on the general business of generating, supply, distribute, transmit, transform electric or other source of power in any or all of its branches and to construct lay down, establish, fix and carry out all necessary power stations, cables and wires, lines, accumulators, lamps and works, and to generate, accumulate distribute and supply electricity and to light cities, towns, villages, streets, docks, markets, offices, theatres, buildings, industry or industries and any other places, both public and private.

49. To acquire or use or manufacture dynamos, accumulators, plants, machinery and all apparatus, machines not known, or that might be developed or invented in future in connection with the generation, transformation, transmission, propagation, radiation, distribution, supply, accumulation and employment or application, of electricity or other sources of power/energy and to construct /maintain, carry out, work, buy, sell, let on hire, lease, license and otherwise deal in works, plants, machinery, convenience and things of all kinds capable of being used in connection with such purpose including cables, wires, lines, stations, exchanges, accumulators, dynamos, motor batteries, switching, regulating, controlling, mechanical or electrical apparatus, lamps, meters and engines.

50. To carry on the business of electricians and electrical, mechanical engineers, suppliers of electricity or other power / energy for the purpose of light, heat, mechanical power or otherwise, and manufactures and dealers of apparatus, machines and things required for or capable of being used in connection with the generation, distribution, supply, accumulation and employment of electricity, galvanism, magnetism or non-conventional, renewable or new energy / power.

51. To study, plan , promote and organize an integrated and efficient development of Hydro-electric, thermal, or wind or any other source of power in all its aspects including planning, investigation, design, research and preparation of preliminary, feasibility and definite project reports, construction, (including any consequential environmental protection, afforestation and rehabilitation works), generation, operation and maintenance including renovation and modernization of hydro electric, thermal, wind or other power stations and projects, transmission, distribution and sale of power generated at such Power Stations.

52. To undertake, wherever necessary the construction of transmission lines and ancillary works for timely and coordinated exchange of Hydro-electric thermal, or wind of any other source of power.

53. To carry on the business or purchasing, selling, importing, exporting , producing, trading, manufacturing or otherwise dealing in all aspects of hydro-electric, thermal, wind or any powers and in this respect to carry put planning , investigation, research , design and preparation of preliminary, feasibility and definite project reports, construction, generation, operation and maintenance of Hydro-electric, thermal, or wind or any other Power Stations and also carry on business relating to all projects, transmission, distribution, sale of power, power development, ancillary and other allied industries and for that purpose too install, operate and manage all necessary plants, establishments and works.

54. To do all the activities including acquisition by way purchase, lease or otherwise or transfer by way if sale, lease, license, or otherwise, or deal in all aspects, plant, equipment, machineries relating to the business or generating, supplying , distributing, transmitting or otherwise – electric , thermal, wind or other source of power.

**Item No.2: Approve the commencement of new business u/s 149 (2A) of the Companies Act, 1956**

To consider and, if thought fit, to pass, the following resolution as a **Special Resolution**:

**“RESOLVED THAT** as a Special Resolution that pursuant to the provisions of section 149(2A) of the Companies Act, 1956 and other applicable provisions, if any, the consent and authority of Members of the Company be and is hereby given to the Board of Directors or its Committee to which the Board may delegate all or any of its power(s) to commence business as mentioned under the sub-clause no. 48, 49,50,51,52,53,54 of “Other objects” clause of the Memorandum of Association of the Company subject to such sub clauses being inserted therein compliance of Section 17 and 18 other applicable provisions, if any, of the Companies Act, 1956.

**RESOLVED FURTHER THAT** for the purpose of giving effect to the above, the Board of Directors or its Committee to which the Board may delegate all or any of its power(s), or any officer(s) authorised by it, be and is hereby authorised to agree to make and accept all such conditions, modifications and alterations stipulated by any relevant authorities while according approvals or consents to the commencement of new business, as may be required/considered necessary, proper or expedient, and, to take all actions and/or step/s as may be necessary, desirable or expedient, and, to resolve and settle all questions and difficulties that may arise in the proposed commencement of new business, and , to do all acts, deeds, matters and things which are incidental and consequential as the Board of Directors of its Committee or any officer(s) authorize by its absolute discretion deem necessary or desirable for such purpose(s), to give effect to this Resolution”

### **Item No.3: Issue of Securities**

To consider and, if thought fit, to pass, the following resolution as a **Special Resolution**:

**“RESOLVED THAT** pursuant to Section 81(1A) and all other applicable provisions of the Companies Act, 1956 (including any statutory modification or re-enactment thereof , for the time being in force) and enabling provisions of the Memorandum and Articles of Association of the Company and the Listing Agreements entered into by the company with the Stock Exchange where the securities of the company are listed and subject to any guidelines, regulations, approval, consent, permission or sanction of the Central Government, reserve Bank of India and any other appropriate authorities , institutions or Bodies ( hereinafter collectively referred to as “ the appropriate authorities “), and subject to such conditions as may be prescribed by any one of them while granting any such approval, consent, permission, and/ or sanction (hereinafter referred to as “ the requisite approvals”), which may be agreed to by the Board of Directors of the Company (hereinafter called “ the Board” which term shall be deemed to include any committee which the Board may have constituted or hereinafter constitute to exercise its powers including the power conferred by this resolution), the Board be and is hereby authorized to issue, offer and allot, preference shares whether Cumulative or Non cumulative / Redeemable / Convertible at the option of the company and / or at the option if the holders of the security and / or securities linked to equity shares / preference shares and / or any instrument or securities representing convertible securities such as convertible debentures, bonds or warrants convertible into equity shares / preference shares (hereinafter referred to as “Securities”) to be subscribed by foreign investors / institutions and / or corporate bodies, mutual funds, banks, insurance companies, trusts and / or individuals or otherwise, whether or not such persons / entities / investors are members of the company, whether in Indian currency or foreign currency. Such issue and allotment shall be made at such times in one or more tranches, at par or at such price or prices, and on such terms and conditions including with the differential rights as to dividend, voting or otherwise and in such manner as the Board may, in its absolute discretion think fit or in consultation with the Lead Managers, Underwriters, Advisors or other intermediaries; provided however that the issue of Securities as above shall not result in increase of the issued and subscribed equity share capital of the Company by more than 200 Crores.

**“RESOLVED FURTHER THAT** without prejudice to the generality of the above, the aforesaid issue of Securities may have all or any terms or combination of terms including as to conditions in relation to payment of interest, additional interest, premia on redemption, prepayment and any other debt service payments whatsoever, and all such matters as are provided in Securities offerings of this nature including terms for issue of such Securities or variation of the conversion price of the Security during the tenure of the Securities and the Company is also entitled to enter into and execute all such arrangements as the case may be with any lead managers, mangers, underwriters , bankers, financial institutions, solicitors, advisors, guarantors, depositories, custodians and other intermediaries in such offerings of Securities and to remunerate all such agencies including the payment of commissions , brokerage, fees or payment of their remuneration for their services or the like, and also to seek the listing of such Securities on one or more Stock Exchanges.”

**“RESOLVED FURTHER THAT** the Board or any committee thereof be and is hereby authorized to issue and allot such number of shares as may be required to be issued and allotted upon conversion of any Securities referred to above or as may be necessary in accordance with the terms of the offering, all such shares being pari passu with the then existing shares of the Company in all respects.”

“**RESOLVED FURTHER THAT** for the purpose of giving effect to any shares issue of allotment of Securities or instruments representing the same, as described above, the Board or any Committee thereof be and is hereby authorized on behalf of the company to do all such acts, deeds, matters and things as it may at its discretion deem necessary or desirable for such purpose, including without limitation the entering into of underwriting, marketing and depository arrangement and institution / trustees / agents and similar agreements and to remunerate the mangers, underwriters and all other agencies / intermediaries by way of commission, brokerage, fees and the like as may be involved or connected in such offerings of securities, with power on behalf of the Company to settle any questions, difficulties or doubts that may arise in regard to any such issue or allotment as it may in its absolute discretion deem fit.”

“**RESOLVED FURTHER THAT** the Board be and is hereby authorised to delegate all or any of the powers herein conferred to any Committee of Directors or the Chairman and Managing Director or any Whole-time Director or any other Officer of Officers of the Company to give effect to the aforesaid resolution.”

By Order of the Board of Directors  
For **Cinemax India Limited**

Jatin J. Shah  
**Company Secretary**  
**Place : Mumbai**  
**Date : 28<sup>th</sup> July , 2008**

**Registered Office:**  
**349, Business Point**  
**Western Express Highway**  
**Andheri East ,**  
**Mumbai – 400 069**

**Explanatory Statement for Resolution mentioned under Item No(s) 1 to 3 pursuant to Section 173(2) of the Companies Act, 1956**

**Item No. 1 and 2**

In order to improve the existing infrastructure facilities at various projects of your Company and facilities competitive edge by way of supply of uninterrupted power, it is proposed to foray into the business of generation of hydro / thermal / wind / any other source of power by way of setting up power projects, and to supply, distribute transmit etc, electric or other sources of power. The proposed new business is expected to be conveniently and advantageously combined with the existing business and shall enable the company to carry on such business more economically / efficiently. Besides this, foray into new business of power, generally, is expected to be profitable considering the power shortage in the Country and the tax breaks of the Government.

The aforesaid activities are detailed in the new sub clauses 48, 49, 50,51,52,53 and 54 of “Other Objects” clause of memorandum of Association of the Company.

Members’ approval by way of special resolution and requisite registration by the Registrar of Companies, Maharashtra, under section 17 and 18 of the Companies Act, 1956, are required to make alteration in the Objects clause of the Memorandum of Association, by inserting in the “ Other Objects”, the new sub clauses 48,49,50,51,52,53 and 54 relating to business of power, as contained in item no.1 of the Notice. Correspondingly, in the item no.2, members’ approval is also being sought, by way of special resolution, authorizing the Board of Directors or its delegates to commence these activities, in terms of section 149(2A) of the Companies Act, 1956, when the alteration becomes effective.

Your Directors commend the resolution for your approval. None of the Directors of the Company is, in any way, concerned or interested in the said resolution.

**Item No.3**

The Company needs to augment long-term resources to strengthen its financial position, to meet its growth objectives, to invest in the various areas.

It is accordingly proposed to issue securities in Indian or international markets as contemplated in the resolution set out as above, as may be decided by the Board and found to be expedient in the interest of the Company.

The detailed terms and conditions of the issue as and when made will be determined by the Board of Directors in consultation with the Merchant Bankers, Lead Mangers , Advisors, Underwriters and other experts in accordance with the terms of approval of the Government of India, Reserve Bank of India and such other authorities as may be required.

The proposed issue of Securities as above may be made in one or more tranches, which may result in an increase of the issued and subscribed equity or preference shares of the company by not more than 200 crores or create preference shares. The issue price of the securities to be issued in the proposed offerings will be determined by the Board of Directors at the time of the offer depending on the then prevailing market conditions. The Securities will be listed on such Stock Exchanges as the Board may be advised.

Section 81 of the Companies Act, 1956, provides, inter alia, that where it is proposed to increase the Subscribed Share Capital of the Company by allotment of further shares, such further shares shall be offered to the persons who at the date of the offer are holders of the Equity Shares of the Company, in proportions to the capital paid up on those shares as of that date unless the Shareholders decide otherwise. The Listing Agreements executed by the Company with the various Stock Exchanges also provide that the Company shall issue or offer in the first instance all Securities to the existing Equity Shareholders of the Company unless the Shareholders decide otherwise. The Special Resolution seeks the consent of the shareholders authorizing the Board of Directors to make the proposed issue of Securities and in the event it is decided to issue Securities convertible into Equity and/or Preference Shares, to issue to the holders of such Convertible Securities in such manner and such number

of Equity and / or Preference Shares on conversion as may be required to be issued in accordance with the terms of the issue.

This Special Resolution give (a) adequate flexibility and discretion to the Board to finalise the terms of the issue, in consultation with the Lead Managers, Underwriters, Legal Advisors and experts or such other authority or authorities as need to be consulted including in relation to the pricing of the issue which will be a free market pricing and may be at premium or discount to the market price in accordance with the normal practice and (b) powers to issue and market any securities issued including the power to issue such Securities in such tranches with / without voting rights or with differential voting rights.

Your Directors commend the resolution for your approval. None of the Directors of the Company is, in any way, concerned or interested in the said resolution.

The Memorandum and Articles of Association of the company shall be open for inspection by the members of the Company at its Registered Office on any working day, during business hours, till the last date for submission of postal ballot forms.

In terms of Section 192A of the Companies Act, 1956 read with Companies (passing by Postal Ballot ) Rules 2001, the three Special resolutions are being circulated for passing by Postal Ballot. It may be noted that Section 192A(4) of the Act provides that if a resolution is assented to by the requisite majority of the members by means of Postal Ballot, it shall be deemed to have been duly passed at a general meeting convened in that behalf . Members are requested to exercise their vote.

By Order of the Board of Directors  
For **Cinemax India Limited**

Jatin J. Shah  
**Company Secretary**  
**Place : Mumbai**  
**Date : 28<sup>th</sup> July , 2008**

**Registered Office :**  
**349, Business Point**  
**Western Express Highway**  
**Andheri East ,**  
**Mumbai – 400 069**



## CINEMAX INDIA LIMITED

REGISTERED OFFICE: 805, 8<sup>th</sup> Floor, 349 Business Point, Western Express Highway, Andheri (East), Mumbai: 400 069.

Tel: 91-22-6710 1991 / 93 / 94 Fax: 91-22-2684 5337 Website: [www.cinemax.co.in](http://www.cinemax.co.in)

### POSTAL BALLOT FORM

Sr. No.

1. Name(s) of Shareholder(S) :  
(in BLOCK LETTERS)  
(including joint holders, if any)
2. Registered address of the sole/  
First named Shareholder :
3. Registered Folio No./ :  
DP ID No. and Client ID No.\*  
(\*applicable to investors holding  
shares in dematerialised form)
4. Number of Shares held :
5. I/We hereby exercise my/our vote in respect of Special Resolution to be passed through postal ballot for the business stated in the Notice of the Company dated 28<sup>th</sup> July, 2008 by conveying my/our assent or dissent to the said resolution, by placing the tick (✓) mark at the mark at the appropriate box below :

Item No.	Description of Resolution	No. of Shares	I/We assent to the resolution	I/We assent to the resolution
			(FOR)	(AGAINST)
1.	Special Resolution to accord the consent of the Company for alteration of the Object Clause in the Memorandum of Association of the Company			
2.	Special Resolution to accord the consent of the Company for approving the Commencement of new business .			
3.	Special Resolution to accord the consent of the Company for Issue of Securities.			

Place :

Date :

Signature of the Member

Note : PLEASE READ CAREFULLY THE INSTRUCTION PRINTED OVERLEAF BEFORE EXERCISING THE VOTE.

## INSTRUCTIONS

1. A member desirous of exercising his/her vote by Postal Ballot should complete this Ballot Form and send it to the Scrutinizer in the attached self addressed envelope. Postage will be borne and paid by the Company. Envelopes containing postal ballot forms, if deposited in person or sent by proxy at the expense of the member would also be accepted.
2. In the case where shares are held jointly, this Form should be completed and signed (as per specimen signature registered with the Company) by the first named member and in his absence by the next named joint holder(s). There will be one Postal Ballot Form for every Folio/Client ID irrespective of the number of joint holders.
3. In case where shares are held by companies, trusts, societies etc., the duly completed Postal Ballot Form should be accompanied by a certified true copy of the Board Resolution/Authorization to vote on the postal ballot alongwith the postal ballot form. Where the form has been signed by a representative of the President of India or of a Government of a State, a certified copy of the nomination should accompany the postal ballot form. A member may sign the form through an attorney appointed specifically for this purpose, in which case an attested true copy of the Power of Attorney should be attached to the postal ballot form.
4. A member need not use all his/her votes nor does he/her need to cast all his/her votes in the same way.
5. The Postal ballot shall not be exercised by a Proxy.
6. Incomplete and unsigned postal ballot forms will be rejected. Duly completed postal ballot forms should reach the Scrutinizer not later than the close of working hours before 5.00 P.M on 8<sup>th</sup> September 2008. Any postal ballot form received after this date will be treated as 'invalid' as if the reply from the member has not been received.
7. A member may request for a duplicate postal ballot form, if so required. However, the duly filled in duplicate postal ballot form should reach the Scrutinizer not later than the date specified above.
8. Voting rights shall be reckoned on the number of shares and paid-up value of the shares registered in the name of the Members as of the date of dispatch of the Notice to the members.
9. The Scrutinizer's decision on the validity of a Postal Ballot will be final.

