



Registered Office: 11, Zade Layout, Bharat Nagar, Nagpur, Maharashtra – 440 033.

NOTICE FOR EXTRAORDINARY GENERAL MEETING

Notice is hereby given that the Extraordinary General Meeting of the members of the Company will be held on Monday, 12th December, 2011 at 12:30 pm at the Registered Office of the Company i.e. 11, Zade Layout, Bharat Nagar, Nagpur, Maharashtra 440 033 to transact the following businesses:

1. To consider and if thought fit, to pass with or without modifications the following resolution as a Special Resolution:

“RESOLVED THAT in accordance with the provisions contained in the Articles of Association and Sections 81 (1A) and all other applicable provisions of the Companies Act, 1956 (“the Act”) and the provisions contained in the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (“the Guidelines”) (including any statutory modification(s) or re-enactment of the Act or the Guidelines, for the time being in force) and subject to such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions which may be agreed to by the Board of Directors of the Company (hereinafter referred to as “the Board” which term shall be deemed to include Remuneration and Compensation Committee which the Board may constitute to exercise its powers, including the powers conferred by this resolution), consent of the members of the Company be and is hereby accorded to the Board to create, offer, issue grant/allot up to 5,00,000 (Fivee lakhs) Equity Stock options to the eligible present and future employees of the Company in one or more tranches through Employees Stock Options Scheme (ESOS) which entitles the option holders to subscribe to 1 (one) equity share of the Company of face value of Rs 10/- (Rs Ten) per option granted at grant price on such terms and conditions as may be fixed or determined by the Board.”

“RESOLVED FURTHER THAT the said equity shares may be allotted directly to such employees in accordance with a Scheme framed in that behalf and that the scheme may also envisage for providing any Financial assistance to the employee(s) to enable the employee(s) to acquire, purchase or subscribe to the equity shares of the Company.”

“RESOLVED FURTHER THAT the new Equity Shares to be issued and allotted by the Company in the manner aforesaid shall rank pari passu in all respects with the then existing Equity Shares of the Company; unless otherwise decided by the Board of Directors of the Company.”

“RESOLVED FURTHER THAT for the purpose of giving effect to any creation, offer, issue, allotment or listing of Equity shares, the Board be and is hereby authorised on behalf of the Company to evolve, decide upon and bring into effect the ESOS and make any modifications, changes, variations, alterations or revisions in the said Scheme from time to time or to suspend, withdraw or revive the Scheme from time to time as may be specified by any statutory authority and to do all such acts, deeds, matters and things

as it may in its absolute discretion deem fit or necessary or desirable for such purpose and with power on behalf of the Company to settle any questions, difficulties, or doubts that may arise in this regard without requiring the Board to secure any further consent or approval of the members of the Company.”

2. To consider and if thought fit, to pass with or without modifications the following resolution as a Special Resolution:

“**RESOLVED THAT** in accordance with the provisions contained in the Articles of Association and Sections 81 (1A) and all other applicable provisions of the Companies Act, 1956 (“the Act”) and the provisions contained in the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (“the Guidelines”) (including any statutory modification(s) or re-enactment of the Act or the Guidelines, for the time being in force) and subject to such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions which may be agreed to by the Board of Directors of the Company (hereinafter referred to as “the Board” which term shall be deemed to include Remuneration and Compensation Committee which the Board may constitute to exercise its powers, including the powers conferred by this resolution), consent of the members of the Company be and is hereby accorded to the Board to extend the benefits of ESOS proposed in the Resolution number 1 in this Notice, to employees of subsidiary Companies, whether Indian or Foreign Subsidiaries, existing and as and when formed, under prevailing laws, rules and regulations and /or amendments thereto from time to time on such terms and conditions as may be fixed or determined by the Board on the basis of Salient Features of ESOS mentioned in aforesaid resolution and its annexure.

“RESOLVED FURTHER THAT the said Equity shares may be allotted directly to such employees in accordance with a Scheme framed in that behalf and that the scheme may also envisage for providing any Financial assistance to the employee(s) to enable the employee(s) to acquire purchase or subscribe to the equity shares of the Company.”

“RESOLVED FURTHER THAT the new Equity Shares to be issued and allotted by the Company in the manner aforesaid shall rank pari passu in all respects with the then existing Equity Shares of the Company; unless otherwise decided by the Board of Directors of the Company.”

“RESOLVED FURTHER THAT for the purpose of giving effect to any creation, offer, issue, allotment or listing of Equity shares, the Board be and is hereby authorised on behalf of the Company to evolve, decide upon and bring in to effect the Scheme and make any modifications, changes, variations, alterations or revisions in the said Scheme from time to time or to suspend, withdraw or revive the Scheme from time to time as may be specified by any statutory authority and to do all such acts, deeds, matters and things as it may in its absolute discretion deem fit or necessary or desirable for such purpose and with power on behalf of the Company to settle any questions, difficulties, or doubts that may arise in this regard without requiring the Board to secure any further consent or approval of the members of the Company.”

NOTES:

1. An explanatory statement pursuant to Section 173 (2) of the Companies Act, 1956 in respect of the special business is annexed hereto.
2. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself/herself and the proxy need not be a member of the Company. The instrument of proxy in order to be effective, must be deposited at the registered office of the Company, duly completed and signed not less than 48 hours before the meeting.
3. For the convenience of members and for proper conduct of the meeting, entry to the place of meeting will be regulated by attendance slip, which is a part of the Notice. Members are requested to sign at the place provided on the attendance slip and hand it over at the entrance to the venue.
4. All documents referred to in Notice and Explanatory Statement are open for inspection at the Registered Office of the Company on all working days (Monday to Saturday) from 10:00 am to 1:00 pm upto the date of the Meeting except holidays.
5. Members are requested to bring their copy of the Notice for the Meeting.

For and on behalf of the Board
For **Solar Industries India Limited**

(Khushboo Pasari)
Company Secretary

Place : Nagpur

Date : 11th November, 2011

EXPLANATORY STATEMENT AS REQUIRED UNDER SECTION 173 (2) OF THE COMPANIES ACT, 1956

Item No.1

Board has identified the need to reward Permanent employees of the Company. Dedication and Committed contribution of such employees in pursuing growth and financial success is very important. To enhance awareness of creating value for shareholders, attract and retain talent for mutual prosperity, it is proposed to introduce, Solar Industries Employee Stock Option Scheme 2011 (Solar Industries ESOS 2011).

Board of Directors at its meeting on 31st August, 2011 has constituted a Committee to be called as Remuneration and Compensation Committee for administration and Superintendence of Solar Industries ESOS 2011.

The information required as per Clause 6.2 of the SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (“SEBI ESOS Guidelines”) is given below.

1	The total number of Options to be granted	Options granted under the scheme shall not exceed 5,00,000 (Five lakhs). One option is convertible into one equity share of face value of Rs.10 each. Suitable adjustment in quantity to be done in case of corporate action like Split, Bonus, Rights, Sale of division, Merger, Demerger etc.
2	Identification of classes of employees entitled to participate in Solar Industries ESOS 2011.	All present & future employees of the Company up to certain level of the Company, its subsidiary companies and as may be decided by the Remuneration and Compensation Committee constituted for the purpose.
3	Requirements of vesting, period of vesting and maximum period within which Options shall be vested.	The vesting period shall commence after expiry of One year from the date of grant of Options, and extend up to Five years from date of each grant or such further or other period as the Board / Committee may determine, from time to time. The Options would vest subject to continued employment with the Company. In addition to this, the Board / Committee may specify performance criteria / conditions to be met subject to which Options would vest in the employee. The Options may vest in trenches subject to the terms and conditions stipulated by the Remuneration and Compensation Committee.
4	Exercise price and pricing formula	The exercise price shall be at such discount, if any, to the Market Price at the time of each Grant as may be decided by Remuneration and Compensation Committee. However, the grant price shall not be less than the face value of the share.

5	Exercise period and process of exercise	Subject to the provisions of Solar Industries ESOS 2011, the Exercise period shall commence from the date of vesting and will, subject to certain circumstances such as termination of employment, death, disability, etc., expire on completion of not less than five years from the date of vesting as may be specified in each Grant. The Option Holder shall make a written application for the exercise of such Options through an Exercise application. Payment of the aggregate Exercise price for Options vested may be made by cheque or draft at the time of exercise of the Options.
6	The appraisal process for determining the eligibility of employees to Solar Industries ESOS 2011.	The eligibility of such employees to receive performance-linked grants will be determined in terms of the Solar Industries ESOS 2011 formulated as aforesaid. In determining the eligibility of such employees, factors like duration of service, overall performance of the employee and positions held by the employee, shall be given due importance.
7	Maximum number of Options to be issued per employee and in aggregate.	The maximum number of options that may be granted under the Solar Industries ESOS 2011 to an individual Eligible Participant shall not exceed 50,000 options. The number of Options to be issued per employee will be determined by the Remuneration and Compensation Committee.
8	The method the Company shall use to value its options: fair value or Intrinsic value	The Company may use the Intrinsic Value method to value its Options. In this respect, Intrinsic Value means the excess of the Market price of the share under ESOS over the exercise price of the option (including up-front payment, if any).
9	Taxes and duties	In the event of any Tax liability of any kind arising on account of the Grant of the Options, Vesting of Options, Exercise of Options, sale of shares of any other event, the liability for such Tax shall be that of the Eligible Participant alone. In the event that any Taxes (including fringe benefits tax, if any, imposed by the Government of India) are required to be paid by the Company, the same shall be recovered from Eligible Participant.

The Company shall confirm to the accounting policies specified in the SEBI ESOP Guidelines.

In case the company calculates the employee compensation cost using the intrinsic value of the stock options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options, shall be disclosed in the Directors' Report and also the impact of this difference on profits and on EPS of the Company shall also be disclosed in the Directors' Report.

The Board / Committee shall have the absolute authority to vary or modify the terms of ESOS in accordance with the regulations and guidelines prescribed by SEBI or regulations that may be issued by any appropriate

authority from time to time, unless such variation, modification or alteration is detrimental to the interest of the Employees.

In the terms of Section 81 (1A) and other applicable provisions, if any, of the Companies Act, 1956 and the SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, the shareholders' consent is sought to authorize the Board to issue equity shares in the manner set out in the resolution aforesaid.

The Board recommends the resolution for approval by the shareholders.

None of the Directors of the Company are in any way, concerned or interested in the resolution.

Item No 2

The Company has several subsidiary Companies in India and abroad. It is also likely that Company may have more subsidiaries in future. As stipulated by SEBI guidelines, a separate resolution is required to be passed if the benefits of ESOS are to be extended to employees of subsidiaries.

Thus, a separate resolution has been proposed. The features of scheme mentioned in explanatory notes are same for employees of subsidiary Companies.

The Board recommends the resolution for approval by the shareholders.

None of the Directors of the Company are in any way, concerned or interested in the resolution.

For and on behalf of the Board
For **Solar Industries India Limited**

(Khushboo Pasari)
Company Secretary

Place : Nagpur

Date : 11th November, 2011



Registered Office: 11, Zade Layout, Bharat Nagar, Nagpur, Maharashtra – 440 033.

ATTENDANCE SLIP

Please complete this attendance slip and hand it over at the entrance of the Meeting Hall Joint Shareholders may obtain attendance slip at the venue of the meeting.

Name and Address of the Member	Registered Folio Number	Client ID & DP ID Number	Number of Shares held

I/We hereby record my/our presence at the Extraordinary General Meeting of the Company to be held on Monday, 12th day of December, 2011 at the Registered Office of the Company i.e. 11, Zade Layout, Bharat Nagar, Nagpur, Maharashtra 440 033.

Signature of the Member or the Proxy Attending the Meeting

If Member, please sign here	If Proxy, please sign here

Note: Members are requested to bring their copies of Notice to the Meeting as the same will not be circulated at the meeting



Registered Office: 11, Zade Layout, Bharat Nagar, Nagpur, Maharashtra – 440 033.

PROXY FORM

Folio No. _____ **Client ID No. & DP ID No.** _____

I/We _____ of _____

being Member/Members of SOLAR INDUSTRIES INDIA LIMITED, hereby appoint _____

of _____ or failing him/her _____

of _____ or failing him/her _____

of _____ as my/our Proxy to attend and vote for me/us behalf at the Extraordinary General Meeting of the Company to be held on Monday, 12th day of December, 2011 at the Registered Office of the Company i.e. 11, Zade Layout, Bharat Nagar, Nagpur, Maharashtra 440 033 and at any adjournment thereof.

Signed this _____ day of _____ 2011

Affix
One Rupee
Revenue Stamp
here & sign

Signature of Shareholder(s)

Note: The Proxy form duly completed must be deposited at the Registered Office of the Company, not less than 48 hours before the time of holding the meeting. The Proxy need not be a member of the Company.

BOOK-POST

If undelivered, please return to:

SOLAR INDUSTRIES INDIA LIMITED

Registered Office: 11, Zade Layout,
Bharat Nagar, Nagpur – 440 033