



GOKALDAS EXPORTS LIMITED

Regd. Office : No. 70, Mission Road, Bangalore – 560 027

Notice

NOTICE is hereby given that the Third Annual General Meeting of the Members of Gokaldas Exports Limited will be held at Banquet Hall, (Lobby level), Hotel Grand Ashok, Kumara Krupa Road, High Grounds, Bangalore -560 001 on August 17, 2006 at 10.30 AM to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Balance Sheet as at March 31, 2006 and the Profit and Loss Account for the year ended on that date together with the Reports of the Directors' and the Auditors' thereon.
2. To declare dividend on equity shares.
3. To appoint a Director in place of Shri Madanlal J Hinduja, Director, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Shri H S Nagaraj, Director, who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint M/s. RSM & Co., Chartered Accountants and M/s. Girish Murthy & Kumar, Chartered Accountants as Joint Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESS:

6. To consider, and if thought fit, to pass with or without modification, the following resolution, as a Special Resolution:
"RESOLVED THAT pursuant to the provisions of Section 293(1)(d) and other applicable provisions, if any, of the Companies Act, 1956, including any statutory modifications or reenactments thereof for the time being in force, the consent of the Company be and is hereby accorded to the Board of Directors of the Company to borrow any sum or sums of money for and on behalf of the Company from time to time for the purpose of the Company notwithstanding that the money to be borrowed together with the moneys already borrowed by the Company (apart from the temporary loans obtained from the Company's bankers in the ordinary course of business) will or may exceed the aggregate of the paid up capital of the company and its free reserves, which have not been set apart for any specific purpose but so that the total amount upto which the money may be borrowed shall not exceed Rs. 500 crores (Rupees Five Hundred crores only), over and above the paid up capital and free reserves, on account of the principal"
7. To consider, and if thought fit, to pass with or without modification, the following resolution, as a Special Resolution:
"RESOLVED THAT pursuant to the provisions of Section 314 (1B) and other applicable provisions, if any, of the Companies Act, 1956, including any statutory modifications or reenactments thereof for the time being in force and subject to the approval of the Central Government, the consent of the Company be and is hereby accorded to the appointment of Shri Gaurav D Hinduja son of Shri Dinesh J Hinduja, who is a Director of the Company, as Chief Operating Officer (COO) – Marketing of the Company to hold an office of profit from April 01, 2006 till March 31, 2008 at a remuneration of Rs. 2,00,000/- (Rupees Two Lakhs only) per month with normal increment as per the general policy of the Company as applicable to the other employees in his grade".

By Order of the Board of Directors

Place: Bangalore
Date : May 25, 2006

M Venkata Subbaiah
Company Secretary

Notes:

- 1] Explanatory Statement pursuant to Section 173 (2) of the Companies Act, 1956, setting out the material facts in respect of special business for Item Nos. 6 and 7 are annexed hereto.
- 2] A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXY(IES) TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED AT THE COMPANY'S REGISTERED OFFICE NOT LATER THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
- 3] Members / Shareholders are requested to bring the duly filled in attendance slip sent herewith and produce at the registration counters for admission to the Meeting Hall.
- 4] As a measure of economy, copies of Annual Reports will not be distributed at the venue of the Annual General Meeting. Members are, therefore, requested to bring their copies of the Annual Report to the meeting.

- 5] In case you have any query relating to the enclosed Annual Accounts, you are requested to send the same to the Company Secretary at the Registered Office of the Company atleast 10 days before the date of the Annual General Meeting so as to enable the management to keep the information ready.
- 6] The Register of Members and the Share Transfer Books of the Company will remain closed from August 10, 2006 to August 17, 2006 (both days inclusive) for the purpose of payment of dividend.
- 7] The dividend, as recommended by the Board, if declared at the Annual General Meeting, will be paid on or after August 20, 2006 to those members whose names stand registered on the Company's Register of Members:
 - a) as Beneficial Owners as at the end of business hours on August 9, 2006 as per the list to be furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) in respect of shares held in dematerialized form.
 - b) as Members in the Register of Members of the Company after giving effect to valid share transfers lodged with the Company, on or before August 9, 2006.
- 8] Members who wish to avail ECS (Electronic Clearing Services) facility for crediting the dividend, after approval by the members in the AGM, may fill the enclosed form and submit to the Registrar & Share Transfer Agent, M/s Karvy Computershare Private Limited, on or before August 17, 2006.
- 9] Members are requested either to intimate, indicating their folio number, the changes, if any, in their registered addresses, either to the Company or its Registrar and Share Transfer Agents, viz., Karvy Computershare Private Limited, "Karvy House", 46, Avenue 4, Street No.1, Banjara Hills, Hyderabad – 500 034 or to their respective Depository Participant (DP) in case the shares are held in demat form.
- 10] Members holding shares in physical form can avail of the nomination facility by filing Form 2B (in duplicate) with the Company or its Registrar & Share Transfer Agents which will be made available on request and in case of shares held in demat form, the nomination has to be lodged with their Depository Participant.
- 11] The particulars of Directors retiring by rotation are given in the Directors' Report of this Annual Report.

Explanatory Statement pursuant to Section 173 (2) of the Companies Act, 1956 in respect of the Special Business to be transacted:

Item Nos. 6

Pursuant to the provisions of section 293(1)(d) of the Companies Act 1956, the Board of Directors of the Company cannot, except with the consent of the Company in the General Meeting, borrow money in the aggregate (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) which exceed the aggregate of the paid up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose.

Presently, as per the resolution passed under section 293(1)(d) of the Companies Act 1956 at the Annual General Meeting of the Company held on 16th December 2004, the Board of Directors of the Company are authorized to borrow funds upto Rs. 250 crores over and above the paid up capital and free reserves of the Company. Considering the increase in the level of operations and its expansion plans, the Board is of the opinion that this limit needs to be increased to Rs.500 crores over and above the paid up capital and free reserves of the Company for the time being.

None of the Directors is interested or connected in this Special Resolution.

Your Board commends the Special Resolution for your approval.

Item No. 7

Based on the recommendations of the Board of Directors, the Members of the Company at their meeting held on 8th December 2004 had appointed Shri Gaurav D Hinduja as Production Officer. The performance of the Shri Gaurav D Hinduja has been reviewed by the management from time to time. The management has recommended to the Board to promote and appoint Shri Gaurav D Hinduja as Chief Operating Officer – Marketing. The Board referred the recommendation of the Management to the Selection Committee, comprising of majority of independent directors. The Selection Committee has reviewed in its meeting held on May 25, 2006 and recommended to the Board for appointment of Mr. Gaurav D Hinduja as Chief Operating Officer – Marketing.

The Board considered the recommendations of the management and Selection Committee in its meeting held on May 25, 2006 and approved his appointment, subject to the approval of the Shareholders and the Central Government, in its meeting held on May 25, 2006.

In view of rich experience and contribution made by Shri Gaurav D Hinduja to the Company for the last several years, the Board recommends the appointment of Shri Gaurav D Hinduja as Chief Operating Officer – Marketing for a period of two years commencing from 1st April 2006 at a salary of Rs. 2,00,000/- per month with normal increment based on his performance as per the Company's policy as applicable to the other employees in his grade.

None of the Directors, excepting Shri Dinesh J Hinduja, Shri Madanlal J Hinduja and Shri Rajendra J Hinduja, is in any way, concerned or interested in the said resolution.

Your Board commends the Special resolution for your approval.

By Order of the Board of Directors

Place: Bangalore
Date : May 25, 2006

M Venkata Subbaiah
Company Secretary



ELECTRONIC CLEARING SERVICES (ECS) MANDATE FORMAT

To
Karvy Computershare Private Limited,
UNIT : Gokaldas Exports Limited
46, Avenue 4,
Street No. 1, Banjara Hills,
Hyderabad - 500 034.

Dear Sirs,

FORM FOR ELECTRONIC CLEARING SERVICES FOR PAYMENT OF DIVIDEND

Please fill in the information in Capital letters in English Only. Please Tick (✓) wherever applicable.

For shares held in physical form

Master Folio No. [Grid]

..... For Office Use Only
ECS Ref. No. [Box]

For shares held in electronic form

DP ID [Grid]

Client ID [Grid]

Name of First Holder
Bank name
Branch name
Branch code [Grid]
(9 Digits Code Number appearing on the MICR Band of the cheque supplied by the Bank). Please attach a xerox copy of a cheque or a blank cheque of your bank duly cancelled for ensuring accuracy of the banks name, branch name and code number.

Account type -> Savings [Box] Current [Box] Cash Credit [Box]
A/c. No. (as appearing in the cheque book) -> [Grid]
Effective date of this mandate -> [Grid]

I, hereby, declare that the particulars given above are correct and complete. If any transaction is delayed or not effected at all for reasons of incompleteness or incorrectness of information supplied as above, Karvy Computershare Private Limited will not be held responsible. I agree to avail the ECS facility provided by RBI, as and when implemented by RBI/Gokaldas Exports Limited.

I further undertake to inform the Company of any change in my Bank/branch and account number.

Dated : _____ (Signature of First holder)

Note : On dematerialisation of existing physical shares, for which you have availed ECS facility, the above form needs to be re-submitted.



GOKALDAS EXPORTS LIMITED

Regd. Office : No: 70, Mission Road, Bangalore – 560 027

PROXY FORM

Reg. Folio No.

No. of Shares

Client ID No.

DP ID No.

I/We.....
of.....being Member/s of Gokaldas Exports Limited
hereby appointor failing
him/her.....of.....
as my/ our proxy to vote for me/ us on my/ our behalf at the 3rd Annual General Meeting of the Company to be held on
August 17, 2006 at 10.30 a.m. at Banquet Hall (Lobby Level), Hotel Grand Ashok, Kumara Krupa Road, High Grounds,
Bangalore -560 001, and at any adjournment thereof.

Affix
Re. 1/-
Revenue
Stamp

Signed this day of2006.

Note :

- 1. This form duly completed and signed must be deposited at the Registered Office of the Company not less than 48 hours before the Meeting.



GOKALDAS EXPORTS LIMITED

Regd. Office : No: 70, Mission Road, Bangalore – 560 027

ATTENDANCE SLIP

Reg. Folio No.

No. of Shares

Client ID No.

DP ID No.

I / We, certify that I / We, am / are a Member / Proxy for the Member of the Company.

I / We hereby record my / our presence at the 3rd Annual General Meeting to be held at Banquet Hall (Lobby Level), Hotel Grand Ashok, Kumara Krupa Road, High Grounds, Bangalore -560 001, at 10.30 a.m. on Thursday, August 17, 2006.

.....

.....

Shareholder's/ Proxy's name in block letters

Signature of Shareholder/ Proxy

Note :

- 1. Please fill up this attendance slip and hand it over at the entrance of the meeting hall. Members are requested to bring their copies of the Annual Report to the meeting.