



# Sudal Industries Limited

Registered Office: A/5, M.I.D.C., Ambad Industrial Estate, Mumbai Nashik Highway, Nashik – 422 010  
Tel.: 022-6157 7812 Email : inamdar@sudal.co.in

## NOTICE

Notice is hereby given that an Extra-ordinary General Meeting of the Members of SUDAL INDUSTRIES LIMITED will be held on Wednesday, 30<sup>th</sup> January, 2013 at 3.00 P.M. at Hotel Sai Palace, Mumbai-Nashik Highway, CIDCO, Nashik – 422 010 to transact the following businesses:

### Special Business:

**1. 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 94(1)(a) and other applicable provisions, if any, of the Companies Act, 1956, the Authorized Share Capital of the Company be and is hereby increased from existing Rs.6,00,00,000/- (Rupees Six Crores Only) divided into 60,00,000 (Sixty Lacs) Equity Shares of Rs.10/- (Rupees Ten only) each to Rs.7,50,00,000/- (Rupees Seven Crores Fifty Lacs Only) divided into 75,00,000 (Seventy Five Lacs) Equity Shares of Rs 10/- (Rupees Ten) each by creation of additional 15,00,000 (Fifteen Lacs) Equity Shares of Rs.10/- (Rupees Ten only) each.

**RESOLVED FURTHER THAT** pursuant to the provisions of Section 16 of the Companies Act, 1956, and subject to such approvals, consents, sanctions and permission of appropriate authorities, departments or bodies as may be necessary, the Memorandum of Associates of the Company be and is hereby altered by substituting the existing Clause V thereof by the following Clause V:

V. The Authorized Share Capital of the Company is Rs.7,50,00,000/- (Rupees Seven Crores Fifty Lacs Only) divided into 75,00,000 (Seventy Five Lacs) Equity Shares of Rs.10/- (Rupees Ten only) each.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board of Directors of the Company be and is hereby authorized to take all such steps and actions and give such directions and delegate such authorities, as it may in its absolute discretion, deem appropriate."

**2. 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 Article 4 (a) of the Articles of Association of the Company be and is hereby deleted and the following Article be substituted in its place as new Article 4(a):

4(a) The Authorized Share Capital of the Company is Rs.7,50,00,000/- (Rupees Seven Crores Fifty Lacs Only) divided into 75,00,000 (Seventy Five Lacs) Equity Shares of Rs.10/- (Rupees Ten only) each.

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable and expedient for giving effect to this resolution and/or otherwise considered by them in the best interest of the Company."

**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 Sections 81 and 81 (1A) and other applicable provisions, if any, of the Companies Act, 1956 ("the Act") (as amended or re-enacted from time to time), SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 ("ICDR Regulations") for Preferential Issues and in accordance with the provisions of the Memorandum and Articles of Association of the Company and subject to the permission(s), sanction(s) and approval(s) of the Securities and Exchange Board of India (SEBI), Reserve Bank of India (RBI), Bombay Stock Exchange Limited (BSE) and such other authorities as may be applicable in this regard from time to time and subject to such conditions, modifications and alterations as may be prescribed by any one of them while granting such permission(s), sanction(s) and approval(s), 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 any Committee thereof for the time being exercising the powers conferred on the Board by this resolution) at its sole discretion, consent of the members be and is hereby accorded to the Board to offer, issue and allot 15,50,000 (Fifteen Lacs Fifty Five Thousand) Optionally Fully Convertible Warrants ("Warrants") in one or more tranches, at such time or times, in such manner, form and numbers as may be prescribed while granting permission(s), sanction(s) and approval(s) by the aforesaid authorities and/or which the Board may at its absolute discretion consider proper, desirable and expedient, by way of Preferential allotment(s) to the Promoters and/or persons/entities of the Promoter Group of the Company, whether such persons/entities are shareholders of the Company or not, as per the details mentioned below:

## ANNEXURE TO THE NOTICE

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

#### ITEM NO. 1 & 2 – INCREASE IN AUTHORIZED SHARE CAPITAL AND ALTERATION OF MEMORANDUM & ARTICLES OF ASSOCIATION OF THE COMPANY

To augment the financial resources for the ongoing expansion and working capital requirements of the Company, it is proposed to issue Optionally Fully Convertible Warrants in accordance with the ICDR Regulations. Hence, to accommodate the issue of resultant Equity Shares on conversion of warrants, it is proposed to increase the Authorised Share Capital of the Company from present Rs.6,00,00,000/- to Rs.7,50,00,000/- by creation of new 15,00,000 (Fifteen lacs) Equity Shares of Rs. 10/- (Rupees Ten only) each. As per the provisions of the Companies Act, 1956, approval of the members would be necessary for increase in Authorised Share Capital and consequently for amendment in Memorandum of Association and Articles of Association of the Company.

Hence, the resolutions are placed for approval of shareholders as mentioned in Notice under the serial no(s) 1 & 2.

Copy of duly amended draft Memorandum of Association and Articles of Association of the Company is available for inspection by members of the Company at the Registered Office of the Company during business hours on all working days upto the date of ensuing Extra ordinary General Meeting.

None of the Directors shall be deemed to be concerned or interested in the said resolutions except to the extent of their respective shareholding in the Company.

The Board recommends the resolutions for adoption.

#### ITEM NO. 3: ISSUE OF CONVERTIBLE WARRANTS:

To augment the financial resources for long term working capital requirements of the Company and the ongoing expansion program, the Company has planned to make Preferential Issue of 15,50,000 (Fifteen Lacs Fifty thousand) Optionally Fully Convertible Warrants (Warrants). These warrants at the sole discretion of the holder of such Warrants shall be converted into equity shares in accordance with the ICDR Regulations.

#### Disclosure under Regulation 73(1) of SEBI (ICDR) Regulations, 2009 regarding proposed issue on preferential basis:

1.	<b>Relevant date</b>	Relevant date in accordance with the ICDR Regulations for the proposed issue of Warrants on preferential basis is 31 <sup>st</sup> December, 2012 (30 days prior to the date of EGM).
2.	<b>Price at which allotment of Equity Shares on conversion of Warrants is proposed</b>	It is proposed to issue and allot Optionally Fully Convertible Warrants, each convertible into 1 (One) fully paid-up Equity Share of the Company of face value of Rs. 10/- at an exercise price of Rs. 19/- which is arrived at in accordance with ICDR Regulations for preferential issue, as applicable.
3.	<b>Number and percentage of shares proposed to be allotted on conversion of Warrants on preferential allotment basis pursuant to Special Resolution passed under Section 81 (1A) of the Companies Act, 1956.</b>	15,50,000 (Fifteen Lacs Fifty thousand) Optionally Fully Convertible Warrants (Warrants) convertible at the sole option of the holder thereof, any time before expiry of 18 months from the date of allotment thereof, into 1 (one) fully paid-up equity share of face value of Rs. 10/- at an exercise price of Rs. 19/- which on conversion would represent 21.04% of the enhanced paid-up share capital of the Company after conversion of warrants into shares assuming full conversion of warrants.
4.	<b>Objects of the Issue</b>	The proposed preferential issue is being made to augment the long term working capital requirements and for financing ongoing expansion plans.
5.	<b>The proposal of the promoters, directors and key managerial personnel to subscribe to the offer</b>	The Promoter group is proposing to subscribe to the entire proposed issue of 15,50,000 warrants. Other Directors/Key management personnel are not proposing to subscribe in the proposed issue of Optionally Fully Convertible Warrants on preferential basis.
6.	<b>Proposed time within which the allotment shall be completed</b>	The said Warrants are proposed to be allotted within 15 days of the passing of the Special Resolution approving the allotment. Provided that where the allotment cannot be made on account of pendency of any approval for such allotment by any regulatory authority, the allotment shall be completed within 15 days from the date of such approval.
7.	<b>Lock-in period</b>	The Equity Shares, allotted on exercise of the right of conversion by the holder of the Warrants, shall be locked-in as per the ICDR Regulations for Preferential Issues.

The Company hereby further undertakes that Shares to be allotted on exercise of entitlement by the Warrant Holder(s) shall remain in lock in till the payment, if any, required to be made by the proposed allottee of the Shares on account of difference in recomputed price, as aforesaid, and price paid on allotment, is made by the said allottee to the Company.

The Board recommends the above resolution for your approval.

Mr. Sudarshan Chokhani and Mr. Shyantanu Chokhani shall be deemed to be concerned / interested in the resolution to the extent of the Warrants offered, applied for and allotment of warrants to Mr. Sudarshan Chokhani and Mrs. Renu Chokhani and the equity shares as may be allotted on conversion of such warrants.

Other than the said Directors, none of the Directors of the Company shall be deemed to be concerned or interested in the said resolution.

**Date: 31<sup>st</sup> December 2012**

**Place: Mumbai**

**Registered Office:**

A/5, M.I.D.C., Ambad Industrial Estate,  
Nashik Mumbai Highway  
Nashik – 422 010

**By order of the Board  
For Sudal Industries Limited**

**Kiran G. Inamdar  
Company Secretary**



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### ATTENDANCE SLIP

PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING AREA / HALL. ONLY MEMBERS OR THEIR PROXIES ARE ENTITLED TO BE PRESENT AT THE MEETING.

R.F.NO./CLIENTID:	DP ID:
NAME AND ADDRESS:	

I hereby record my presence at the Extra-ordinary General Meeting of the Company to be held on Wednesday, 30<sup>th</sup> January, 2013 at 3.00 P.M. at Hotel Sai Palace, Mumbai-Nashik Highway, CIDCO, Nashik – 422 010

NAME OF THE PROXY IN BLOCK LETTERS	SIGNATURE OF THE MEMBER/PROXY*
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\*Strike out whichever is not applicable

TEAR OFF HERE



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### PROXY FORM

I/We \_\_\_\_\_ of \_\_\_\_\_

being a Member/Members of SUDAL INDUSTRIES LIMITED hereby appoint, \_\_\_\_\_ of

\_\_\_\_\_ or failing him of \_\_\_\_\_ or failing him of

\_\_\_\_\_ as my/our Proxy to attend and vote for me/us in the manner indicated below\* and on my/our behalf at the Extra-ordinary General Meeting of the Company to be held on Wednesday, 30<sup>th</sup> January, 2013 at 3.00 P.M. at Hotel Sai Palace, Mumbai-Nashik Highway, CIDCO, Nashik – 422 010 and at any adjournment thereof.

\* 'For' Item Nos. : \_\_\_\_\_

\* 'Against' Item Nos.: \_\_\_\_\_

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2013

Signature of the Member(s) \_\_\_\_\_

- In the case of Corporation, this Proxy shall be either given under the Common Seal or signed by an Attorney or Officer of the Corporation.
- Proxy to be valid must be deposited at the Registered Office of the Company not later than 48 hours before the time for the meeting.
- \*This is only optional. Please fill up the item Nos. as appearing in the notice of the EGM. If you leave the item Nos. blank, your proxy will be entitled to vote in the manner as he/she thinks appropriate.