



# EASTERN SUGAR & INDUSTRIES LIMITED

Regd. Off.: Hanuman Sugar Mills, P.O. Motihari, Dist: East Champaran, Bihar-845 401

Corp. Off.: Chandra Kunj, 3, Pretoria Street, 4<sup>th</sup> Floor, Kolkata-700 071

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## NOTICE

To  
All Shareholder(S),  
**Eastern Sugar & Industries Limited**

**NOTICE is hereby given that the Extra Ordinary General Meeting of the Members of Eastern Sugar & Industries Limited will be held on Thursday, the 3<sup>rd</sup> Day of October, 2013 at 11.00 A.M. at the Registered Office of the Company at Hanuman Sugar Mills, P. O. Motihari, Dist.: East Champaran, Bihar – 845 401 to transact the following business:**

### **Special Business:**

#### **1. CONVERSION OF PREFERENCE SHARES INTO EQUITY SHARES**

**To consider and, if thought fit, to pass with or without modification(s), if any, the following Resolution as Special Resolution:**

“**RESOLVED THAT** pursuant to the provisions of Section 81(1A) and all other applicable provisions, if any of the Companies Act, 1956 and SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 (hereinafter referred to as ‘said Regulations’) including any statutory modification(s) or re-enactment thereof for the time being in force and in accordance with the relevant provisions of the Memorandum and Articles of Association of the Company, rules/ regulations/ guidelines, if any, prescribed by the Securities and Exchange Board of India and/or any other regulatory authority, the listing agreement entered into by the Company with the Stock Exchange(s) where the equity shares of the Company are listed and subject to the approval(s), consent(s), permission(s) and/or sanction(s), if any, of appropriate authorities, institutions or bodies, as may be required, and subject to such conditions as may be prescribed by any of them while granting any such approval(s), consent(s), permission(s), and/or sanction(s), the Board of Directors of the Company (hereinafter referred to as “the Board”, which term shall include any Committee of the Board constituted/to be constituted to exercise its powers conferred by this Resolution) be and is hereby authorised on behalf of the Company to create, offer, issue and allot 1,00,00,000 (One Crore) equity shares of Rs.10/- (Ten) each, on preferential basis, to the holders of 3,00,000 12% Cumulative Preference Shares of Rs. 100/- each and 700000 3% Cumulative Preference Shares of Rs. 100/- each (hereinafter referred to as “**the Preference Share (s)**”), whose name appears in the Register of Members of the Company on the Record Date i.e. 3<sup>rd</sup> October, 2013 at such price as may be determined in accordance with the provisions of the said Regulations, the consideration for which shall be payable by way of conversion of each Preference Share into 10 Equity Shares of Rs. 10/- each, to the extent of aggregate amount of Rs. 10.00 (Ten) crores, and balance, if any by way of payment in cash, as mentioned in the Explanatory Statement annexed to the Notice convening this Meeting in such manner as may be determined by the Board in its absolute discretion.”

“**RESOLVED FURTHER THAT** the relevant date for pricing of the equity shares is 3<sup>rd</sup> September, 2013, i.e., 30 days prior to the date of the Extra Ordinary General Meeting, as per provisions of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009.”

## **2. PREFERENTIAL ALLOTMENT OF EQUITY SHARES**

**To consider and, if thought fit, to pass with or without modification(s), if any, the following Resolution as Special Resolution:**

**“RESOLVED THAT** pursuant to the provisions of Section 81(1A) and all other applicable provisions, if any of the Companies Act, 1956 and SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 (hereinafter referred to as ‘said Regulations’) including any statutory modification(s) or re-enactment thereof for the time being in force and in accordance with the relevant provisions of the Memorandum and Articles of Association of the Company, rules/ regulations/ guidelines, if any, prescribed by the Securities and Exchange Board of India and/or any other regulatory authority, the listing agreement entered into by the Company with the Stock Exchange(s) where the equity shares of the Company are listed and subject to the approval(s), consent(s), permission(s) and/or sanction(s), if any, of appropriate authorities, institutions or bodies, as may be required, and subject to such conditions as may be prescribed by any of them while granting any such approval(s), consent(s), permission(s), and/or sanction(s), the Board of Directors of the Company (hereinafter referred to as “the Board”, which term shall include any Committee of the Board constituted/to be constituted to exercise its powers conferred by this Resolution) be and is hereby authorised on behalf of the Company to create, offer, issue and allot 1,30,00,000 (One Crore Thirty Lakhs) equity shares of Rs.10/- (Ten) each at such price to the persons, including persons other than existing shareholders of the company, by way of preferential issue, as mentioned in the Explanatory Statement annexed to the Notice convening this meeting in such manner as may be determined by the Board in its absolute discretion.”

**“RESOLVED FURTHER THAT** the relevant date for pricing of the equity shares is 3<sup>rd</sup> September, 2013, i.e., 30 days prior to the date of the Extra Ordinary General Meeting, as per provisions of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009.”

## **3. ALTERATION OF MEMORANDUM OF ASSOCIATION**

**To consider and, if thought fit, to pass with or without modification(s), if any, the following Resolution as Ordinary Resolution:**

**“RESOLVED THAT** pursuant to all other applicable provisions and the provisions of the section 16 of the Companies Act, 1956, the Memorandum of Association of the Company be altered by substituting the following as new Clause 5 in place of existing Clause 5 thereof:

The authorized capital of the company is Rs. 50,00,00,000 (Rupees fifty crores only) divided into 4,00,00,000 (Four crores only) Equity Shares of Rs. 10/- each and 10,00,000 (Ten lacs only) unclassified shares of Rs.100/- each with the power to the board to convert them into classified shares in the manner as the board may think fit and to increase and reduce the share capital and to divide the shares in the capital for the time being into several classes and to attain thereto respectively such preferential rights of privileges conditions subject to the provisions of the Companies Act, 1956.

**“RESOLVED FURTHER THAT** the resultant equity shares to be issued and allotted in terms of this resolution shall rank pari passu with the then existing equity shares of the Company in all respects and be listed where the equity shares of the Company are listed.”

**“RESOLVED FURTHER THAT** the aforesaid Equity Shares allotted in terms of this resolution shall be subject to lock-in requirements as per the provisions of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009.”

**“RESOLVED FURTHER THAT** for the purpose of giving effect to the issue or allotment of equity shares the Board be and is hereby authorized on behalf of the Company to take all actions and do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, proper or desirable for such purpose and with power on behalf of the Company to settle all questions, difficulties or doubts that may arise in the proposed issue,

offer and allotment of the said equity shares including utilization of the issue proceeds, and to do all acts, deeds and things in connection therewith and incidental thereto as the Board may in its absolute discretion deem fit, without being required to seek any further consent or approval of members or otherwise to the end and intent that members shall be deemed to have given their approval thereto expressly by the authority of this resolution.”

“**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 any Director(s) or the Company Secretary of the Company to give effect to this resolution.”

Place: Kolkata  
Date: 03.09.2013

By order of the Board  
**For EASTERN SUGAR & INDUSTRIES LIMITED**  
**(S. J. Goswami)**  
**Executive Director**

**NOTES:**

1. A member entitled to attend and vote is also entitled to appoint one or more proxies to attend and vote instead of himself and a proxy need not be a member. Proxies in order to be effective must be received by the Company not later than 48 hours before the commencement of the Meeting.
2. The Explanatory Statement pursuant to section 173(2) of the Companies Act, 1956 is annexed hereto and form part of this Notice.
3. All documents referred to in the accompanying Notice and Explanatory Statement are open for inspection by the Members at the registered office of the Company on all working days between 11.00 a.m. to 1.00 p.m. (Except Saturday) up to the date of the Meeting convened by this Notice.

**EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956**

**Re. Item No. 1: CONVERSION OF PREFERENCE SHARES INTO EQUITY SHARES**

After the Board at its meeting held on 03.09.2013 decided to convert existing Preference Shares of the Company into Equity Shares, the preference shareholders of the Company had already given consent, in terms of section 106 of the Companies Act, 1956, to the same, *inter alia*, pursuant to provisions of the Companies Act, 1956, read with SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 (hereinafter referred to as ‘said Regulations’), including amendments therein, and also subject to approval of Equity Shareholders of the Company (hereinafter referred to as ‘Members of the Company’) and such other approvals as may be necessary, in the manner and at such price as may be decided by the Members of the Company.

The Special Resolution concerns proposal to issue and allot 1,00,00,000 equity shares of Rs. 10/- each , on preferential basis, to the holders of Preference Shares whose name appears in the Register of Members of the Company on the Record Date i.e. 3<sup>rd</sup> October, 2013 of the Company, at such price as may be determined in accordance with the provisions of the said Regulations, the consideration for which shall be payable by way of conversion of each Preference Share of Rs. 100/- each into 10 Equity Share of Rs. 10/- each, to the extent of aggregate amount of Rs. 10.00 (Ten) crores, and balance if any by way of payment in cash.

**Re. Item No. 2: PREFERENTIAL ALLOTMENT OF EQUITY SHARES**

After the Board at its meeting held on 03.09.2013 decided to issue and allot 1,30,00,000 (One Crore Thirty Lakhs) new equity shares of Rs. 10/- each, on preferential basis, at such price as determined in accordance with the provisions of the SEBI (Issue Capital and Disclosure Requirements) Regulations, 2009 (hereinafter referred to as ‘said Regulations’), including amendments therein, and also subject to approval of Equity Shareholders of the Company (hereinafter referred to as ‘Members of the Company’) and such other approvals as may be necessary, in the manner and at such price as may be decided by the Members of the Company to the persons, including persons other than existing shareholders of the Company.

The Special Resolution concerns proposal to issue and allot 1,30,00,000 equity shares of Rs. 10/- each , on

preferential basis to the persons mentioned below in accordance with the provisions of the SEBI (Issue Capital and Disclosure Requirements) Regulations, 2009.

<b>Name</b>	<b>PAN No.</b>	<b>No. of Shares</b>
C S Nopany Family Trust	AABTC5357M	500000
Shruti Nopany Family Trust	AANTS1305F	500000
B K Nopany	ABRPN7296B	1000000
B K Nopany (HUF)	AACHB6900Q	1000000
Hanuman Industries India Pvt Ltd	AAACH6294C	1000000
Nopany & Sons	AACFN5493N	2000000
Daulatram Rawatmull Pvt Ltd	AAACD8819P	2000000
Nopany Marketing Co. Pvt Ltd	AABCN0118Q	2000000
Kolhapur Forge Pvt Ltd	AABCK3253F	1500000
Indian Die Castings Co. Ltd	AAACI5268B	1500000
<b>TOTAL</b>		<b>1,30,00,000</b>

**Re. Item No. 3: ALTERATION OF MEMORANDUM OF ASSOCIATION (AMENDMENT OF CAPITAL CLAUSE)**

After the Board at its meeting held on 03.09.2013 decided to alter the Capital clause of Memorandum of Association by classifying the 10,00,000 (Ten lacs only) unclassified shares of Rs. 100/- each and 10,00,000 (Ten lacs only) preference shares of Rs. 100/- each as 2,00,00,000 (Two crores only) Equity shares of Rs.10/- each. After altering the clause authorized capital becomes consist of 4,00,00,000 (Four crores only) Equity shares of Rs. 10/- each and 10,00,000 (Ten lacs only) Unclassified shares of Rs.100/- each.

The consent of the Members by way of Ordinary Resolution is required to alter the Capital clause of Memorandum of Association. The Board recommends the resolution as set out in item no. 3 for members' approval. None of the Directors is interested or concerned in this resolution.

The information required to be given in the notice calling Extra-Ordinary General Meeting pursuant to SEBI (Issue Capital and Disclosure Requirements) Regulations, 2009 is as under:- .

**I. The Object of the Issue through preferential offer**

The issue and allotment of shares through preferential offer is proposed for strengthening Company's financial position and ratios by converting Preference Shares into equity and also for raising funds for its growth plans and general corporate purposes.

**II. Intentions of promoters/directors/key management persons to subscribe to the offer**

The promoters of the Company whom the preferential allotment in terms of this resolution is proposed to be made intend to fully subscribe the same.

### III. Shareholding pattern before and after the offer

	Pre-Issue Shareholding Pattern		Shareholding Pattern post Preferential Issue & Conversion	
	No. of Shares	% Shareholding	No. of Shares	% Shareholding
Promoter	1937814	11.46%	5237814	13.13%
Promoter Group	4572171	27.06%	11722171	29.38%
Total Holding of Promoter & Promoter Group	6509985	38.52%	16959985	42.51%
MFs/Banks/FIIs/FIs	11000	0.07%	11000	0.03%
Private Bodies Corporate	4827114	28.56%	16517114	41.39%
General Public	5552001	32.85%	6412001	16.07%
Total	16900100	100.00%	39900100	100.00%

Consequent to the issue of aforesaid shares there will be no change in the Board of Directors of the Company and control over the Company. The Voting right would change in tandem with shareholding pattern of the Company.

### IV. Proposed time within which the allotment shall be complete.

As required under the SEBI Guidelines, the allotment of shares shall be completed within 15 days from the date of passing of resolution granting consent for preferential issue by the shareholders of the Company, provided if allotment on preferential basis is pending on account of pendency of any approval of such allotment by any regulatory authority or the Central Government, the allotment shall be completed within 15 days from the date of such approval.

### V. Identity of the proposed allottees and percentage of post preferential issued capital.

The shareholding pattern and the identity of the proposed allottees, before and after the preferential issue, is given below:

Name of Allottees	Pre-Issue Shareholding Pattern		Shareholding Pattern post Preferential Issue & Conversion	
	No.	%	No.	%
<b>Promoter &amp; Promoter Group</b>				
1) Mr. Bimal Kumar Nopany	157471	0.93	2157471	5.41
2) M/s Bimal Kumar Nopany (HUF)	520000	3.08	1770000	4.44
3) M/s Shruti Ltd.	1780343	10.53	3080343	7.72
4) Mrs. Shruti Vora	310000	1.83	610000	1.53
5) M/s Hanuman Industries India Pvt Ltd			1000000	2.51
6) M/s Shruti Nopany Family Trust	50000	0.30	550000	1.38
7) M/s Nopany & Sons	509800	3.02	3209800	8.04
8) Mrs. Nandini Nopany	310000	1.83	610000	1.53
9) M/s Chandra Shekhar Nopany Family Trust	50000	0.30	550000	1.38
10) Mrs. Shalini Nopany	260000	1.54	560000	1.40
11) Ms. Urvi Nopany	210000	1.24	510000	1.28

Name of Allottees	Pre-Issue Shareholding Pattern		Shareholding Pattern post Preferential Issue & Conversion	
	No.	%	No.	%
<b>Non Promoters</b>				
11) M/s N N P Trading & Investment Pvt. Ltd.	440000	2.60	740000	1.85
12) M/s Indian Die Casting Co. Ltd.	965568	5.71	2555568	6.40
13) M/s Daulatram Rawatmull Pvt Ltd.	200000	1.18	3450000	8.65
14) M/s Nopany Marketing Co. Pvt. Ltd.	175000	1.04	3425000	8.58
15) M/s Kolhapur Forge Pvt Ltd			1500000	3.76
16) M/s Shubham Holdings Pvt. Ltd.			600000	1.50
17) M/s Jaldhara Holdings Pvt. Ltd.			1200000	3.01
18) Mrs. Shabnam Agarwal	140000	0.83	185000	0.46
19) Mrs. Shrabani Sinha			30000	0.08
20) Mr. K S Bhutoria			10000	0.03
21) Mr. B P Sharma			10000	0.03
22) Mr. D K Sharma			20000	0.05
23) Mrs. Purnima Patel			10000	0.03
24) Mr. C K Garodia			10000	0.03
25) Mrs. Rajshree Pandey			10000	0.03
26) Mr. Ajay Kabra			10000	0.03
27) Mr. Pradip Agarwal			10000	0.03
28) Mrs. Hema Malini			150000	0.38
29) Mr. Uttam Khandelwal			10000	0.03
30) Mr. N R Sewak			5000	0.01
31) Ms. Shyamshree Sen			30000	0.08
32) Mrs. Madhu Tiwari			500000	1.25

#### VI. Lock-in :

In terms of the SEBI Guidelines for Preferential Issues, the equity shares proposed to be allotted shall be locked-in for such period as prescribed in the SEBI Guidelines.

#### VII. Pricing of the Issue

The Equity Shares shall be issued at a price of Rs. 10.00 per equity share, which is not less than higher of the following, in terms of the said Regulations:

- Average weekly high and low of the closing price during 6 months preceding the relevant date; or
- Average of weekly high and low of the closing price during 2 weeks preceding the relevant date.

Relevant date for the purpose shall be 30 days prior to the date on which the general meeting of the shareholders is held in terms of section 81(1A) of the Companies Act, 1956 to consider the proposed issue, which in the present case is 3<sup>rd</sup> September,2013.

Allottees of the above said preferential shares have not sold/transferred any shares within six months prior to relevant date (i.e. 3<sup>rd</sup> September,2013).

The allotment of shares does not require making of a public offer as it is below the prescribed threshold limit for making of a public offer in terms of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations. Due to above preferential allotment of the Shares, no change in management control is contemplated.

A copy of the certificate from the Statutory Auditors of the Company, M/s Vivek Jaiswal & Co., Chartered Accountants, certifying that the issue of the Shares is being made in accordance with the requirements of SEBI Guidelines for Preferential Issues, will be available for inspection at the Registered Office of the Company during 11.00 A.M. and 1.00 P.M on any working day (Except Saturday) prior to the date of meeting.

The equity shares shall rank pari passu in all respects with the then existing equity shares of the Company and will be listed on Stock Exchange(s) where the equity shares of the company are listed.

The Board recommends the Special Resolution as set out in the Notice for members approval.

None of the Directors of the Company (other than the promoters to whom shares are proposed to be allotted in terms of this resolution) is, in any way, concerned or interested in the resolution.

Place: Kolkata

Date: 03.09.2013

By order of the Board  
**For EASTERN SUGAR & INDUSTRIES LIMITED**  
**(S. J. Goswami)**  
**Executive Director**