

# SIMBHAOLI SUGARS LIMITED



(Formerly known as The Simbhaoli Sugar Mills Limited)

Regd. Office : Simbhaol 245 207, Distt. Ghaziabad, Uttar Pradesh

## NOTICE

Notice is hereby given that the extra-ordinary general meeting of the shareholders of Simbhaoli Sugars Limited will be held on Saturday, December 25, 2007 at 10.00 a.m. at the registered office of the Company at Simbhaoli 245207, District Ghaziabad, Uttar Pradesh, to transact the following business:

### **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, consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company in terms of Section 293(1) (a) and other applicable provisions, if any, of the Companies Act, 1956 to create mortgage on exclusive second charge basis on the whole of the movable and immovable assets of unit Brijnathpur in favour of Government of India, Ministry of Consumer Affairs, in respect of their sugar development fund loan of Rs. 809.60 lacs for setting up ethanol project at unit Brijnathpur of the Company."

"Resolved further that, the mortgage/charge created to be created and/or all agreements/documents executed to be executed and all acts done in terms of the above resolution by and with the authority of the Board of Directors be and are hereby confirmed and ratified."

"Resolved further that, the Board of Directors of the Company be and are hereby authorized to do, perform and execute all such acts, deeds and things and to settle all questions arising out of and incidental thereto, and to give such directions that may be necessary or arise in regard to or in connection with any such matter as it may, in its absolute discretion, deem fit to give effect to this resolution."

**2. To consider and if thought fit, to pass with or without modification(s), the following resolution as a special resolution: -**

"Resolved that, in partial modification of the resolution passed in the extraordinary general meeting of the Company dated February 17, 2006 and pursuant to the provisions of Section 198, 269, 309, 310, 311 read with Schedule XIII and other applicable provisions, if any of the Companies Act, 1956, and subject to the approval of Central Government and such other approvals, if any, as may be required, consent of the members of the Company be and is hereby accorded for payment of remuneration to Mr. Gurmit Singh Mann, the Chairman & Managing Director of the Company, not exceeding the ceiling limit of Rs. 48,00,000 per annum, by way of salary, dearness allowance, perquisites and any other allowances in case of loss or inadequacy of profits in any financial year for a period not exceeding three years with effect from April 1, 2006

as may be decided by the Board of Directors of the Company."

"Resolved further that, Mr. Gurmit Singh Mann, who has attained the age of 72 years, be continue to hold the designation of Chairman & Managing Director of the Company for the unexpired period of his tenure ending on January 31, 2011."

"Resolved further that, the Board of Directors of the Company be and are hereby authorized to do, perform and execute all such acts, deeds and things and to settle all questions arising out of and incidental thereto, and to give such directions that may be necessary or arise in regard to or in connection with any such matter as it may, in its absolute discretion, deem fit to give effect to this resolution."

**3. To consider and if thought fit, to pass with or without modification(s), the following resolution as a special resolution: -**

"Resolved that, in partial modification of the resolution passed in the extraordinary general meeting of the Company dated February 17, 2006 and pursuant to the provisions of Section 198, 269, 309, 310, 311 read with Schedule XIII and other applicable provisions, if any of the Companies Act, 1956, and subject to the approval of Central Government and such other approvals, if any, as may be required, consent of the members of the Company be and is hereby accorded for payment of remuneration to Mr. Gurpal Singh, the Deputy Managing Director of the Company, not exceeding the ceiling limit of Rs. 48,00,000 per annum, by way of salary, dearness allowance, perquisites and any other allowances in case of loss or inadequacy of profits in any financial year for a period not exceeding three years with effect from April 1, 2006 as may be decided by the Board of Directors of the Company."

"Resolved further that, the Board of Directors of the Company be and are hereby authorized to do, perform and execute all such acts, deeds and things and to settle all questions arising out of and incidental thereto, and to give such directions that may be necessary or arise in regard to or in connection with any such matter as it may, in its absolute discretion, deem fit to give effect to this resolution."

**4. To consider and if thought fit, to pass with or without modification(s), the following resolution as a special resolution: -**

"Resolved that, in partial modification of the resolution passed in the extraordinary general meeting of the Company dated February 17, 2006 and pursuant to the provisions of Section 198, 269, 309, 310, 311 read with Schedule XIII and other applicable provisions, if any of the Companies Act, 1956, and subject to the approval of Central Government and such other approvals, if any, as may be

required, consent of the members of the Company be and is hereby accorded for payment of remuneration to Dr. G. S. C. Rao, the Executive Director of the Company, not exceeding the ceiling limit of Rs. 48,00,000 per annum, by way of salary, dearness allowance, perquisites and any other allowances in case of loss or inadequacy of profits in any financial year for a period not exceeding three years with effect from April 1, 2006 as may be decided by the Board of Directors of the Company."

"Resolved further that, the Board of Directors of the Company be and are hereby authorized to do, perform and execute all such acts, deeds and things and to settle all questions arising out of and incidental thereto, and to give such directions that may be necessary or arise in regard to or in connection with any such matter as it may in its absolute discretion, deem fit to give effect to this resolution."

**5. To consider and if thought fit, to pass with or without modification(s), the following resolution as a special resolution: -**

"Resolved that, in partial modification of the resolution passed in the extraordinary general meeting of the Company dated February 17, 2006 and pursuant to the provisions of Section 198, 269, 309, 310, 311 read with Schedule XIII and other applicable provisions, if any of the Companies Act, 1956, and subject to the approval of Central Government and such other approvals, if any, as may be required, consent of the members of the Company be and is hereby accorded for payment of remuneration to Mr. Sanjay Tapiya, the Director (Finance) of the Company, not exceeding the ceiling limit of Rs. 48,00,000 per annum, by way of salary, dearness allowance, perquisites and any other allowances in case of loss or inadequacy of profits in any financial year for a period not exceeding three years with effect from April 1, 2006 as may be decided by the Board of Directors of the Company."

"Resolved further that, the Board of Directors of the Company be and are hereby authorized to do, perform and execute all such acts, deeds and things and to settle all questions arising out of and incidental thereto, and to give such directions that may be necessary or arise in regard to or in connection with any such matter as it may, in its absolute discretion, deem fit to give effect to this resolution."

**6. To consider and if thought fit, to pass with or without modification(s), the following resolution as a special resolution: -**

"Resolved that, pursuant to and in accordance with the provisions of Section 81(1A) and other applicable provisions, if any, of the Companies Act, 1956 ('the Act'); and all other applicable laws and regulations including the Foreign Exchange Management Act, 1999; the Securities and Exchange Board of India guidelines, the Reserve Bank of India guidelines, the relevant provisions of the

Memorandum & Articles of Association of the Company and the provisions of the Listing Agreement(s) with the stock exchanges on which the securities of the Company are listed or may hereafter be listed (including any amendment to or re-enactment of all or any of the aforesaid) and subject to all such approvals, permissions, sanctions and consents, if any, as may be required under applicable laws and regulations and of concerned authorities, bodies and agencies and subject to such conditions and modifications as may be prescribed by any of the aforesaid authorities, bodies and agencies and which may be agreed to by the Board of Directors of the Company (hereinafter referred to as 'the Board', which shall be deemed to include any committee thereof which the Board may have or may hereafter constitute, to which all or any of the powers hereby conferred on the Board by this resolution, have been or may hereafter at any time be delegated), the consent, authority and approval of the Company be and is hereby accorded to the Board to create, issue, offer and allot 19,00,000 warrants to M/s Dholadhar Investments Private Limited, a Company registered under the provisions of the Act, (forming part of the promoter group) and 12,00,000 warrants to M/s Pritam Singh Sandhu Associates Private Limited, a Company registered under the provisions of the Act, (forming part of the promoter group) with a right attached thereto entitling the holder of the warrants to apply for and subscribe within such time as fixed by the Board against payment in cash to one fully paid-up equity share of face value of Rs. 10/- each in the share capital of the Company for every warrant held, within a period of 18 months from the date of allotment at a price of Rs. 39/- (including premium of Rs. 29/-), at the option of such warrant holder, as may be deemed appropriate by the Board under and by way of preferential issue through offer letter and/or circular and/or information memorandum and/or such other documents/writings, in such manner and on such terms and conditions as may be determined by the Board in its absolute discretion; with power to settle details as to the form and terms of issue of the warrants to the promoters and all other terms, conditions and matters connected therewith including to accept any modification thereto or therein as may be required by persons involved with any such issue of warrants subject, however, to all applicable laws and within and under the limits permitted under law, for an aggregate amount not exceeding Rs.12.09 crores (inclusive of such premium as may be fixed on the securities) provided that the price, as applicable, of the equity shares to be issued pursuant to the warrants shall not be less than being higher of the average of the weekly high and low of the closing prices of the related shares quoted on the stock exchange during the six months or the average of the weekly high and low of the closing prices of the related shares quoted on the stock exchange during the two weeks preceding the relevant date being thirty days prior to the date of this extraordinary general meeting i.e. November 28, 2007, as prescribed under guidelines for preferential issues as contained in Chapter XIII of the Securities and Exchange Board of India (Disclosure and Investor Protection) Guidelines, 2000 (including any amendment thereto or re-enactment thereof) and all other terms, conditions and matters connected therewith and to accept any modifications in the proposal as

may be required by the authorities / parties involved in such issues but subject to such conditions as the Reserve Bank of India, Securities and Exchange Board of India or such other appropriate authorities may impose at the time according/granting their approvals, consent, permissions and sanctions and as agreed by the Board."

"Resolved further that, without prejudice to the generality of the above, issue of warrants mentioned herein above may have all or any term or combination of terms in accordance with local/international practice and all such terms as are provided in domestic and/or international offerings of this nature including terms for issue of additional equity shares".

"Resolved further that, the equity shares issued pursuant to exercise of warrants shall be subject to the Memorandum and Articles of Association of the Company and shall upon being so issued and allotted rank pari passu in all respects with the existing equity shares of the Company."

"Resolved further that, the Board be and is hereby authorized to accept any modifications in the proposal as may be required by the agencies involved in such issues but subject to such conditions as the Reserve Bank of India, Securities and Exchange Board of India or such other appropriate authorities may impose at the time of their approval and as agreed by the Board."

"Resolved further that, for the purpose of giving effect to the above resolution and any offer, issue and allotment of securities, the Board be and is hereby authorized to take all such acts, deeds and things as may be necessary, desirable or incidental thereto and matter connected therewith including without limitation the entering into of arrangements for underwriting, marketing, listing, trading, appointment of Lead Manager(s), Advisor(s), Registrar(s), paying and conversion agent(s) and to issue and sign all deeds, documents, instruments, and writings and to pay any fees, commission, costs, charges and other cutgoings in relation thereto and to settle all questions, and to give such directions that may be necessary or arise in regard to or in connection with any such offer, issue or allotment of securities and utilization of the issue proceeds, as it may, in its absolute discretion, deem fit and any such action, decision or direction of the Board shall be binding on all members of the Company."

**By Order of the Board of Directors  
of Simbhaoli Sugars Limited**

sd/-

**Kamal Samtani  
Company Secretary**

Date: November 29, 2007

Place: New Delhi

## NOTES

1. A member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and vote instead of himself and the proxy need not be a member of the Company. Proxies, in order to be effective, must be received by the Company not less than 48 hours before the scheduled time of meeting.
2. Members are requested to notify promptly any change in their registered addresses or any other query directly to M/s MAS Services Ltd., AB-4, Safdarjung Enclave, New Delhi-110 029, Phone: 011- 26104142/4326, Fax: 011 26181081, the registrar and share transfer agent.
3. Members are requested to bring their copy of notice of the meeting.
4. Members are requested to fill in the attendance slip for attending the meeting and those who hold the shares in dematerialized form, are requested to bring their client ID and depository participant ID number for identification for attendance at the meeting.
5. Any query relating to this notice must be sent to the Company at least seven clear days before the date of the extra-ordinary general meeting.
6. Pursuant to Section 109A of the Companies Act, 1956, a shareholder may nominate in the prescribed manner a person to whom his shares of the Company shall vest in the event of his/her death.

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

### ITEM NO. 1

The Company has been sanctioned sugar development fund loan of Rs. 809.60 lacs from Government of India, Ministry of Consumer Affairs for setting up ethanol project at unit Brijnathpur of the Company. The loan is required to be secured by way of exclusive second charge on the movable and immovable assets of unit Brijnathpur in accordance with terms of sanction. For this purpose it is necessary to pass resolution under Section 293(1) (a) of the Companies Act, 1956, for creation of mortgage.

Accordingly, resolution set out under item no 1 is recommended for approval of the shareholders as ordinary resolution. None of the Directors is concerned or interested in the resolution.

### ITEM NOS. 2, 3, 4 and 5

The Company has appointed Mr. Gurmit Singh Mann, Chairman and Managing Director, Mr. Gurpal Singh, Deputy Managing Director, Dr. GSC Rao, Executive Director, Mr. Sanjay Tapriya, Director (Finance) as whole time directors of the Company with effect from February 1, 2006 for a period of 5 years vide resolutions passed by the board of directors and shareholders in their meetings held on January 21, 2006 and February 17, 2006 respectively and fixed their remuneration as follows:-

#### Basic salary

CMD: Rs. 1,60,000/ per month in the scale of Rs. 1,60,000/- - 10,000/- - 2,00,000/-  
DMD: Rs. 1,40,000/ per month in the scale of Rs. 1,40,000/- - 10,000/- - 1,80,000/-  
ED : Rs. 1,40,000/- per month in the scale of Rs. 1,40,000/- - 10,000/- - 1,80,000/-  
DF : Rs. 1,00,000/ per month in the scale of Rs. 1,00,000/- - 10,000/- - 1,40,000/-

In addition to the above they have been paid/reimbursed perquisites as notified by the Company from time to time and commission on profits of the Company within the overall limits laid down under Schedule XIII to the Companies Act, 1956.

Pursuant to the provisions of Part B Section II of Schedule XIII to the Companies Act, 1956, where in any financial year during the currency of tenure of the managerial persons, the Company has no profits or its profits are inadequate, the remuneration may be paid to them by way of salary, dearness allowance, perquisite and any other allowance (keeping in view of the effective capital of the Company as more than Rs. 100 crores) not exceeding the ceiling limit of Rs. 4 lac per month for a period of 3 years after passing the special resolutions by the shareholders of the Company.

The information as required under Schedule XIII to the Companies Act, 1956 is as under:-

### I. GENERAL INFORMATION:

Nature of Industry is Sugar, Alcohol, bio fuel, bio power and allied products.

Simbhaoli Sugars Limited is 75 years old Company and commenced its production as a partnership firm in 1933. Later on it was converted into private limited company in June 29, 1936. The Company is one of India's leading producers of high quality sugar, alcohol, bio fuel, bio-power and bio manure; and operates one of the largest integrated sugar complexes in India. The Company's facilities have a total installed sugarcane crushing capacity of 20,100 TCD. The gross turnover of the Company has increased from Rs. 591.30 crores as per audited balance sheet as on March 31, 2006 for a period of 12 months to Rs. 831.31 crores as per reviewed accounts as on June 30, 2007 for a period of 15 months. The exports of the Company has also seen a significant increase from Rs.10.55 crores as per audited balance sheet as on March 31, 2006 for a period of 12 months to Rs. 90.66 crores per reviewed accounts as on June 30, 2007 for a period of 15 months. The Company do not have joint venture or collaboration with any foreign entity.

### II. INFORMATION ABOUT THE APPOINTEE:

#### (1) Background Details

**Mr. Gurmit Singh Mann**, S/o Sardar Gurprit Singh Mann, is the Chairman & Managing Director of the Company. He was born on November 5, 1935. He is an industrialist. He is 72 years of age and has experience of over 40 years in the Indian sugar industry. He has been the Managing Director of Simbhaoli Sugars Limited since 1972 and became Chairman & Managing Director of the Company in year 1989. He has been the past president of the Indian sugar mills association, and the chairman of the Indian sugar & general export corporation limited.

**Mr. Gурpal Singh**, S/o Sardar Pritam Singh Sandhu, is the Deputy Managing Director of the Company. He was born on March 27, 1960. He is an industrialist and has over 21 years experience in the management of the Company.

**Dr. G.S.C. Rao**, S/o Mr. G. P. Sastri, is the Executive Director of the Company. He was born on July 1, 1954. He

has completed Ph.D in the field of sugarcane. He is a professional and technocrat in sugar industry in the areas of management, production and sugarcane. He has experience of over 26 years at senior levels.

**Mr. Sanjay Tapiya**, S/o Mr. B. D. Tapiya, is the Director (Finance) of the Company. He was born on June 27, 1961. He is a fellow member of the Institute of Chartered Accountants of India. Besides, He is an associate member of the Institute of Company Secretaries of India. He has 21 years of experience in the professional fields with the Company and looking after all the finance and secretarial functions of the Company for more than past two decades.

#### (2) Past remuneration

Amt. in Rs.

Financial Year	Total Remuneration			
	Mr. Gurmit Singh Mann	Mr. Gурpal Singh	Dr. G.S.C. Rao	Mr. Sanjay Tapiya
2005-06	12,37,561	11,35,387	16,88,357	12,56,305
2004-05	15,51,863	15,48,166	18,66,368	8,40,611
2003-04	23,12,107	21,86,123	17,24,485	6,81,337

(3) **Remuneration proposed** - As set out in the resolutions under item nos. 2, 3, 4 and 5 the remuneration to Mr. Gurmit Singh Mann, Mr. Gурpal Singh, Dr. G.S.C. Rao and Mr. Sanjay Tapiya has the approval of the Remuneration & Compensation Committee and the Board of Directors of the Company. It is proposed to pay the remuneration to them not exceeding the ceiling limit of Rs. 48,00,000 per annum each, by way of salary, dearness allowance, perquisites and any other allowances in case of loss or inadequacy of profits in any financial year for a period not exceeding three years with effect from April 1, 2006 as may be decided by the Board of Directors of the Company.

(4) **Comparative remuneration profile with respect to industry, size of the company, profile of the position and person** In order to take consideration of the size of the Company, the profile of Mr. Gurmit Singh Mann, Mr. Gурpal Singh, Dr. G.S.C. Rao and Mr. Sanjay Tapiya, the responsibilities shouldered by them, the aforesaid remuneration package is commensurate with the remuneration package paid to managerial position in other listed companies in the sugar industry.

(5) **Pecuniary relationship directly or indirectly with the company, or relationship with managerial personnel, if any** - Besides, the remuneration proposed, the aforesaid directors has following interests in the Company:

Name of Director	Shares held in the Company	
	Equity Shares	Stock Option
Mr. Gurmit Singh Mann	772747	Nil
Mr. Gурpal Singh	1006079	Nil
Dr. G.S.C. Rao	Nil	25000
Mr. Sanjay Tapiya	2870	24000

In addition to above, Mr. Gurmit Singh Mann, outstanding amount Rs. 8,87,777/- and Mr. Sanjay Tapriya, outstanding amount Rs. 22,761/- as on 30.09.2007 have given unsecured loans to the Company.

### III. OTHER INFORMATION

#### (1) Reasons of loss or inadequate profits

The Company witnessed a sharp decline in earnings mainly on account of fall in the margins on free sale sugar sold. The average sugar realization during the quarter ended on June 2007 was lower at Rs. 1420 per quintal as compared to Rs. 1880 per quintal during corresponding period last fiscal. The main factors responsible for fall in the profitability of the Company are decline in selling price of sugar and increase in the cost of production due to increase in the sugarcane prices. The fall in the sugar prices are on account of recession in the sugar industry, following a bumper crop of sugar cane, excess capacity and ban on sugar exports during 2006. During this period, the international market conditions of sugar has also affected adversely due to fall in global prices of raw and white sugar.

#### (2) Steps taken or proposed to be taken for improvement

The Company has adopted a business strategy to diversify its revenue base to reduce its dependence on income from sugar and has accordingly expanded its ethanol and power co-generation capacities as a part of its growth plan. The Company has also expanded its crushing to 20,100 TCD in order to achieve the economies of scale. In order to insulate it from the vagaries of the market volatility, it has entered into branded sugar segments and launched various products under Trust Brand to meet the specific needs of customers. It is also expanding its Indian Made Foreign Liquor brands.

The international sugar market is also likely to improve in near future due to increased ethanol demand resulting reduced sugar production. Further increase in domestic and global demand particularly in India/Asian/African countries will improve the price situation. The Company is carrying out major cane development initiatives which will result in benefits in the form of higher cane yield and improved sugar recoveries. In future, India is poised to become major exporter of raw sugar. This way the Company is confident to turn around ahead of industry in next 2 years.

Accordingly, resolutions set out under item nos. 2, 3, 4 and 5 are recommended for approval of the shareholders as special resolutions.

None of the Directors is concerned or interested except Mr. Gurmit Singh Mann, Mr. Gural Singh, Dr. G.S.C. Rao and Mr. Sanjay Tapriya who are interested to the extent of their remuneration proposed in their respective resolutions.

#### ITEM NO. 6

The Company has been implementing its growth plan

involving capital expenditure in the expansion of sugar, alcohol, bio fuel and bio power capacities. Since last year the sugar industry has been facing a sharp decline in earnings mainly on account of fall in the margins on free sale sugar sold. The main factors responsible for fall in the profitability of the Company are decline in selling price of sugar and increase in the cost of production due to increase in the sugarcane prices. The Company incurred losses and require more funds for completion of the projects and for cash flow, being the working capital gap. The Company submitted the proposal for restructuring of its debt with existing lenders under consortium. The State Bank of India, the lead banker, prepared a scheme for restructuring and submitted with Corporate Debt Restructuring Empowered Group for financing the shortfall and sanction of fresh funds. As part of restructuring, proposal is submitted for enhancement of promoters' contribution in the share capital of the Company by way of issue of shares/warrants convertible into shares.

In order to meet out the business objectives, improvement in cash flow for working capital gap and enhancement of promoters contribution, it is proposed to create, issue, offer and allot, the warrants to the specified promoters with a right attached thereto entitling the holder of the warrants to apply for and subscribe against payment in cash to one fully paid equity share of Rs.10/- each in the share capital of the Company for every warrant held, under the provisions as prescribed in the guidelines for preferential issues under chapter XIII of the Securities and Exchange Board of India (Disclosure and Investor Protection) Guidelines, 2000 including any amendment thereto or re-enactment thereof. The preferential offer for issue of warrants shall be made to the following promoters of the Company who have expressed their willingness to invest in securities of the Company and shall subscribe to the offer:-

SL. No.	Name & address of the Promoter	No. of shares and percentage held by the proposed allottee prior to preferential issue	No. of warrants proposed to be issued
1	M/s. Dholadhar Investments Pvt.Ltd, Mann Filling Station, Dharmashala Himachal Pradesh	3162892 (16.00%)	1900000
2	M/s Pritam Singh Sandhu Associates Pvt. Ltd. 12A, Tilak Marg, New Delhi	1134693 (5.74%)	1200000
	<b>TOTAL</b>	<b>4297585</b>	<b>3100000</b>

The proposed warrants may be converted into equity shares of the Company within a period of 18 months from the date of

issue of warrants at the option of warrant holders at a price of Rs. 39/- (including premium of Rs. 29/-). The shareholding pattern before and after the conversion of warrants into equity shares shall be as follows:-

	Category	Existing shareholding		After exercise of warrants	
		No of shares held	% age	No of shares held	% age
A	PROMOTERS HOLDING				
1.	Dholadhar Investments Pvt. Ltd.	3162892	16.00	5062892	22.14
2.	Pritam Singh Sandhu Associates P Ltd	1134693	5.74	2334693	10.21
3.	Other promoters	3649269	18.47	3649269	15.96
	<b>Sub-Total</b>	<b>7946854</b>	<b>40.21</b>	<b>11046854</b>	<b>48.31</b>
B	NON-PROMOTERS HOLDING				
1.	Banks/Financial Institutions/FIs	1067855	5.40	1067855	4.67
2.	Indian Public & Pvt. Corporate Bodies	10503964	53.14	10503964	45.94
3.	NRI/OCBs	162500	0.82	162500	0.71
4.	Any Other (Clearing Members)	83227	0.42	83227	0.37
	<b>Sub-Total</b>	<b>11817546</b>	<b>59.79</b>	<b>11817546</b>	<b>51.68</b>
	<b>Grand Total</b>	<b>19765400</b>	<b>100.00</b>	<b>22865400</b>	<b>100.00</b>

There will not be change in the Board of Directors or control of the Company as a consequence of allotment of aforesaid warrants. However, there may be change in the pattern of voting rights due to above including change in the voting pattern of the Indian promoters. The equity shares proposed to be issued under preferential basis as above shall be subject to lock-in period of 3 years from the date of allotment as per SEBI guidelines. Further, the above table

does not reflect the change in the shareholding pattern consequent upon fresh equity share capital or conversion of convertible securities as allotted, if any, pursuant to the Foreign Currency Convertible Bonds issued in March, 2006 and Simbhaoli Sugars Limited-Employee Stock Option Scheme 2007. The allotment shall be completed within 15 days of passing of this resolution. The proposed allottees will comply with the applicable provisions of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 including any amendment thereto or re-enactment thereof depending upon the date of acquisition.

Accordingly, resolution set out under item no 6 is recommended for approval of the shareholders as special resolution.

None of the Directors, other than Mr. Gurmit Singh Mann and Mr. Guralp Singh to the extent of their shareholdings in the Company along-with the shareholdings of their relatives and associates is concerned or interested in the resolution.

**By Order of the Board of Directors  
of Simbhaoli Sugars Limited**

**Sd/-  
Kamal Samtani  
Company Secretary**

Place: New Delhi  
Date: November 29, 2007

**SIMBHAOLI SUGARS LIMITED**  
 (Formerly known as The Simbhaoli Sugar Mills Limited)  
 Simbhaoli- 245 207, Distt. Ghaziabad, Uttar Pradesh



**PROXY FORM**

DP Id*	
Client Id.*	

No. of Shares	
Master Folio No.	

I/We ..... of .....  
 being member(s) of SIMBHAOLI SUGARS LIMITED, hereby appoint .....  
 of ..... or failing him/her .....  
 of .....  
 as my/our proxy to attend and to attend and vote for me/us and on my/our behalf at the Extra Ordinary General Meeting of the Members of Simbhaoli Sugars Limited to be held on Saturday, the 29th December, 2007 at its Registered Office at Simbhaoli - 245207, District Ghaziabad, Uttar Pradesh at 10.00 AM and any adjournment thereof.

AS WITNESS my/our hand(s) this ..... day of ..... ,2007.

Signature of the  
 Members (s)

Signature of  
 Proxy(ies).....

Affix 15  
 Paise  
 Revenue  
 Stamp

\*Applicable for Investors holding shares in electronic form.

**Note:** The proxy must be deposited at the Registered Office of the Company not less than 48 hours before the time fixed for holding the meeting.

**SIMBHAOLI SUGARS LIMITED**  
 (Formerly known as The Simbhaoli Sugar Mills Limited)  
 Simbhaoli- 245 207, Distt. Ghaziabad, Uttar Pradesh



**ATTENDANCE SLIP**

DP Id*	
Client Id.*	

No. of Shares	
Master Folio NO.	

I hereby record my presence at the EXTRA ORDINARY GENERAL MEETING of the Members of Simbhaoli Sugars Limited held on Saturday, the 29th December, 2007 at 10.00 A.M. at Simbhaoli - 245207, District Ghaziabad, Uttar Pradesh

Full Name(s) of Member(s) .....

.....

.....

Full name of attending member/proxy .....

\* Applicable for Investors holding shares in electronic form.

Signature of Member/Proxy  
 (To be done at the Entry Point)

**Note :** Please fill in block letters, except signature. Please bring your copy of the Notice in the Meeting.



**SIMBHAOLI  
SUGARS**

**BOOK-POST**  
PRINTED MATTER

To,

*If undelivered please return to :*



**SIMBHAOLI SUGARS LIMITED**

Simbhaoli - 245207, District Ghaziabad, Uttar Pradesh  
Tel. : (05731) 223010/223117,226410,223411  
Fax : (05731), 223042, 223039  
E-mail : kamal@simbhaolisugars.com