
NOTICE

NOTICE is hereby given that an Extraordinary General Meeting of Shreno Limited will be held at "Sanskriti", Alembic Corporate Conference Center, Opp. Pragati Sahakari Bank Limited, Alembic Colony, Vadodara-390 003, on Wednesday, the 5th November, 2014 at 4:30 P.M. to transact the following special business:

1. To alter Articles of Association of the Company:

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

"RESOLVED THAT pursuant to provisions of section 14 and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder (including any statutory modification(s) or re-enactment thereof) ('the Act'), the Articles of Association of the Company be and is hereby altered by addition of following article 9A after article 9:

'9A The Company may from time to time increase its subscribed capital by issue of further shares, such shares shall be offered—

- (a) to persons who, at the date of the offer, are holders of equity shares of the company in proportion, as nearly as circumstances admit, to the paid-up share capital on those shares by sending a letter of offer subject to the following conditions, namely:—
- (i) the offer shall be made by notice specifying the number of shares offered and limiting a time not being less than fifteen days and not exceeding thirty days from the date of the offer within which the offer, if not accepted, shall be deemed to have been declined;
- (ii) unless the Board of Directors of the company otherwise provide, the offer aforesaid shall not include right to renounce the shares offered in favour of any other person; and the notice referred to in clause (i) shall contain a statement to this effect;
- (iii) after the expiry of the time specified in the notice aforesaid, or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board of Directors may dispose of them in such manner which is not dis-advantageous to the shareholders and the company;
- (b) to employees under a scheme of employees' stock option, by passing a special resolution and subject to provisions of the Companies Act, 2013 and rules made thereunder (including any statutory modification or re-enactment thereof) ('the Act'); or
- (c) to any persons, if it is authorised by a special resolution, whether or not those persons include the persons referred to in clause (a) or clause (b), either for cash or for a consideration other than cash, if the price of such shares is determined by the valuation report of a registered valuer subject to such conditions as may be prescribed under the Act.'

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts, deeds and things necessary or expedient to give effect to the above resolution."

2. To increase and reclassify Authorized Capital of the Company and Alteration of Capital Clause of Memorandum of Association:

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

"RESOLVED THAT pursuant to the provisions of Section 13, 61 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof) ('the Act') and the Articles of Association of the Company, the consent of the members of the Company be and is hereby accorded to increase and to reclassify the Authorized Share Capital of the Company from existing ₹ 66,50,00,000 (Rupees Sixty Six Crores and Fifty Lacs) consisting of 47,50,000 (Forty Seven Lac Fifty Thousand) Equity Shares of ₹ 100 (Rupees One Hundred) each and 19,00,000 (Nineteen Lac) Preference Shares of ₹ 100 (Rupees One Hundred) each to ₹ 240,00,00,000 (Rupees Two Hundred Forty Crores) divided into 47,50,000 (Forty Seven Lac Fifty Thousand) Equity Shares of ₹ 100 (Rupees One Hundred) each and 12,00,000 (Twelve Lac) Preference Shares of ₹ 100 (Rupees One Hundred) and 45,12,500 (Forty Five Lac Twelve Thousand Five Hundred)

Preference Shares of ₹ 400 (Rupees Four Hundred) each by creation of additional 43,37,500 (Forty Three Lac Thirty Seven Thousand Five Hundred) Preference Shares of ₹ 400 (Rupees Four Hundred) each amounting to ₹ 173,50,00,000 (One Hundred Seventy Three Crore Fifty Lac) and by reclassification of 7,00,000 (Seven Lac) Preference Shares of ₹ 100 (Rupees One Hundred) each to 1,75,000 (One Lac Seventy Five Thousand) Preference Shares of ₹ 400 (Rupees Four Hundred) each.

RESOLVED FURTHER THAT the existing Clause V of the Memorandum of Association of the Company relating to the Share Capital be and is hereby altered and replaced by the following clause:

‘V The Authorised Share Capital of the Company is ₹ 2,40,00,00,000 (Rupees Two Hundred Forty Crores) divided into 47,50,000 (Forty Seven Lac Fifty Thousand) Equity Shares of ₹ 100 (Rupees One Hundred) each, 12,00,000 (Twelve Lac) Preference Shares of ₹ 100 (Rupees One Hundred) and 45,12,500 (Forty Five Lac Twelve Thousand Five Hundred) Preference Shares of ₹ 400 (Rupees Four Hundred) each.’

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts, deeds and things necessary or expedient to give effect to the above resolution.”

3. Offer and Issue of 1% Optionally Convertible Preference Shares on Rights basis

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

“**RESOLVED THAT** in accordance with the provisions of Sections 55, 62 read with Rule 9 of the Companies (Share Capital and Debentures) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof) (“the Act”) and the Articles of Association of the Company and subject to such other approvals, permissions and sanctions, as may be necessary and subject to such terms, conditions and modifications as may be considered necessary by the Board of Directors (hereinafter referred to as the “Board” which term shall be deemed to include any Committee thereof authorized for the purpose), the consent of the Company be and is hereby accorded to the Board, to offer, issue and allot 45,04,152, 1% Optionally Convertible Preference Shares (“OCPS”) of ₹ 400 each, aggregating ₹ 180.17 crore, for cash at par, on rights basis to the existing Equity shareholders of the Company, in the ratio of 1:1 i.e. 1 OCPS of ₹ 400 each for every 1 Equity Shares of ₹ 100 each held in the Company.

RESOLVED FURTHER THAT in accordance with the provisions of Section 55 of the Act and rules made thereunder, the following terms and conditions of OCPS be and are hereby approved:

Terms and Conditions of Issue of OCPS:

The OCPS shall-

- carry a preferential right vis-à-vis Equity Shares of the Company with respect to payment of dividend and repayment in case of a winding up or repayment of capital;
- be non-participating in the surplus funds, surplus assets and profits, on winding-up which may remain after the entire capital has been repaid;
- be entitled to dividend, if declared by the Board of Directors, on cumulative basis;
- be optionally convertible, into equity shares of the Company in the ratio of 1 Equity Share of ₹ 100 each for every 3 Fully paid Preference Share of ₹ 400 each, unless decided by the Board of Directors to convert at an early date, at the end of 5 years from date of allotment.
- carry right to vote only on resolutions placed before the Company which directly affect the rights attached to the preference shares and any resolution for the winding up of the Company or for the repayment or reduction of its equity or preference share capital and the voting right on a poll shall be in a proportion to the share in the paid up preference share capital of the Company and shall be subject to the provisions of Section 47(2) of the Act;
- The OCPS holders shall have an option to redeem the OCPS at par, at the time of conversion of OCPS into Equity Shares;

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts, deeds and things necessary or expedient to give effect to the above resolution.”

NOTES:

1. **ANY MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
2. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights, A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy, provided such person shall not act as a proxy for any other person or shareholder.
3. The Proxy form duly completed must reach the Registered Office of the Company not later than forty-eight hours before the time of holding the meeting.
4. The letter of offer will be sent to all the existing members as on the record date i.e. 05-11-2014.
5. Memorandum and Articles of Association of the Company with proposed changes referred to in the Notice are open for inspection at the Registered Office of the Company between 11.00 a.m. and 1.00 p.m. on any working day except Saturdays and holidays up to the date of Extraordinary General Meeting.
6. All work related to share registry in terms of both – physical and electronic, are being conducted by the Company’s R & T Agents - M/s. Link Intime India Pvt Ltd, B-102 & 103, Shangrila Complex, First Floor, Near Radhakrishna Char Rasta, Akota, Vadodara – 390020 (Tel: (0265) 2356573, 2356794 Fax: (0265) 2356791 Email: vadodara@linkintime.co.in). The Shareholders are requested to send their communication to the aforesaid address in future.

Registered Office:

Alembic Road,
Vadodara - 390 003
Dated: 2nd October, 2014

By Order of the Board

Manisha Kathed
Company Secretary

Explanatory Statement as required under Section 102 of the Companies Act, 2013

Item No. 1:

The Company, being incorporated in the year 1944, has its Articles of Association according to the law prevailing at that time. In view of enactment of Companies Act, 2013 and considering the proposal for issue of rights preference shares, which forms part of this notice, the Board of Directors at their meeting held on 2nd October, 2014, deemed it expedient to alter the Articles of Association of the Company by insertion of an article enabling the Board to issue shares by way of Rights Issue and subject to special resolution, by way of Employee Stock Options (ESOP) / Public Issue / Private Placement etc.

Your Directors recommend the special resolution set out at item No. 1 for your approval.

None of the Directors, KMPs or their relatives have any interest, financial or otherwise in the proposed Special Resolution at item No.1.

Item No. 2 & 3

The Board of Directors at their meeting held on 2nd October, 2014, has recommended, issue of 45,04,152, 1% Optionally Convertible Preference Shares (“OCPS”) of ₹ 400 each, aggregating ₹ 180.17 crore, for cash at par, on a rights basis to its existing Equity Shareholders in the ratio of 1:1.

SHRENO LIMITED

Section 55 of the Companies Act, 2013 read with Rule 9 of the Companies (Share Capital and debentures) Rules, 2014, requires a company to obtain prior approval of the Shareholders, by way of a Special Resolution for issuance of preference shares. Thus, the approval of the Members is being sought, by way of a Special Resolution, to offer OCPS.

A statement of complete material facts concerned with and relevant to the issue of the OCPS as required under Rule 9(3) of the Rules is as under:

1.	Issue size, number of preference shares to be issued and nominal value of each share	Issue Size: ₹ 180,16,60,800. No. of Preference Shares: 45,04,152. Nominal Value: ₹ 400 each.
2.	The nature of such shares	Cumulative, Optionally Convertible, Non-Participating Preference Shares.
3.	Objectives of the issue	The objects of the issue are (a) to augment funds for expanding Real Estate activities of the company; (b) to enhance capital base of the Company; (c) to restructure capital of the Company and (d) general corporate purposes.
4.	Manner of issue of shares	The OCPS are issued on a rights basis in accordance with the provisions of Section 62(1)(a) of the Act to existing equity share holders.
5.	The price at which such shares are proposed to be issued;	The OCPS are proposed to be issued at par.
6.	The basis on which the price has been arrived at	The OCPS are issued at Par, however they are convertible into Equity Shares at a premium of ₹ 1100 per equity share of ₹ 100 each of the Company. The same is backed by a valuation report from an Independent Chartered Accountant.
7.	Terms of issue and rate of dividend on each share	Terms of the Issue: The OCPS are issued for a period upto 5 years. Rate of Dividend: 1% P.A. on paid up value of OCPS on Cumulative basis.
8.	Terms, Tenure, Mode and Manner of redemption	1. The OCPS shall be issued initially on partly paid basis. A sum of ₹ 20 per OCPS shall be payable on application and allotment and balance may be called in one or more calls as specified later herein. 2. The Board, may call up the remaining amount considering the need of funds in phases and may consider other options available under the law. 3. The OCPS shall be redeemable at par at the option of Shareholder at the time of conversion of OCPS into equity shares of the Company.
9.	Terms of Conversion	The OCPS shall be optionally convertible, into equity shares of the Company in the ratio of 1 Equity Share of ₹ 100 each for every 3 Fully paid Preference Share of ₹ 400 each, unless decided by the Board of Directors to convert at an early date, at the end of 5 years from date of allotment.

10.	Shareholding pattern of the Company as on Date:		
	Sr. No.	Name of the Shareholder(s)	No. of Equity Shares
	1.	Promoters Holding	4268247
	2.	Public holding	235905
	Total		4504152
11.	Expected dilution in equity capital upon conversion of preference shares	Number of Equity shares may be higher by 15,01,384, on conversion of all the OCPS issued. However, actual addition to the number of Equity shares shall depend on the number of OCPS holders opting to redeem the OCPS.	

The issue of OCPS is in accordance with the provisions of the Articles of Association of the Company. There is no subsisting default in the redemption of preference shares issued by the Company or in the payment of dividend due on any preference shares issued by the Company.

The existing Authorized Capital of the Company is not sufficient to accommodate the proposed issue of OCPS. Further the Company has unused Authorized Preference Share Capital which can be utilized for the proposed issue of OCPS. Therefore, it is proposed to reclassify the existing Preference Share Capital of ₹ 7,00,00,000, divided into 7,00,000 Preference Shares of ₹ 100 each to 1,75,000 Preference Shares of ₹ 400 each and increase the Authorised Capital by creation of additional 43,37,500 Preference Shares of ₹ 400 Each.

The Board has proposed to increase Authorised Capital to ₹ 240 Crores from existing ₹ 66.50 Crores, considering the proposed issue of OCPS.

Consequent to the increase of Authorised Capital, the Authorised Capital Clause contained in Clause V of the Memorandum of Association need to be replaced with the revised clause as indicated in Resolution No. 2 of the Notice.

Your Directors recommend the Special Resolutions set out at item No. 2 and 3 for your approval.

None of the Directors, KMPs or their relatives have any interest, financial or otherwise in the proposed Special Resolution at item No. 2.

Disclosure of interest for item No. 3:

(i) Directors Interested:

Mr. Chirayu Amin, Mrs. Malika Amin, Ms. Yera Amin have financial interest in the proposed Special Resolution, to the extent of their entitlement to OCPS as per their equity shareholding in the Company.

(ii) Key Managerial Personnel Interested:

None of the Key Managerial Personnel of the Company have interest, financial or otherwise in the proposed Special Resolution.

(iii) Relatives of persons mentioned in (i) and (ii) above:

Relatives of Mr. Chirayu Amin, Mrs. Malika Amin, Ms. Yera Amin may have financial interest in the Special Resolution, to the extent of their entitlement to OCPS as per their equity shareholding, if any, in the Company.

None of the other Directors, KMPs or their relatives have interest, financial or otherwise in the proposed Special Resolution.

Registered Office:

Alembic Road,
Vadodara - 390 003
Dated: 2nd October, 2014

By Order of the Board

Manisha Kathed
Company Secretary

PROXY FORM

CIN : U26100GJ1944PLC000345
Name of the company : Shreno Limited
Registered office : Alembic Road, Vadodara – 390003 Tel. : 0265-2280550 • Fax : 0265 - 2282506
www.yera.com • www.shreno.com E-mail : shreno.investors@alembic.co.in

Name of the Member (s):		
Registered Address:		
Email Id:		
Folio No./DP ID:		Client ID:

I/We, being the member (s) of shares of the above named company, hereby appoint -

1. Name : Address :
..... E-mail Id :
Signature :, or failing him
2. Name : Address :
..... E-mail Id :
Signature :, or failing him
3. Name : Address :
..... E-mail Id :
Signature :

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the **Extraordinary General Meeting** of the company, to be held on **Wednesday, the 5th November, 2014** at **4.30 p.m.** at "Sanskriti" Alembic Corporate Conference Center, Opp. Pragati Sahakari Bank Limited, Alembic Colony, Vadodara - 390 003 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolution
Special Business	
1	To alter Articles of Association of the Company
2	To increase and reclassify Authorized Capital of the Company and alteration of capital clause of Memorandum of Association:
3	Offer and Issue of 1% Optionally Convertible Preference Shares on Rights basis

Signed this..... day of..... 2014.

Signature of shareholder(s)

Signature of Proxy holder(s)

Notes:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. Please complete all details including details of member(s) before submission.

Please
Affix Re.1
Revenue
Stamp



SHRENO LIMITED
A T T E N D A N C E S L I P

(To be handed over at the entrance of the Meeting Hall)

CIN : U26100GJ1944PLC000345
Name of the company : Shreno Limited
Registered office : Alembic Road, Vadodara – 390003
Tel. : 0265-2280550 • Fax : 0265 - 2282506
www.yera.com • www.shreno.com
E-mail : shreno.investors@alembic.co.in

Name of the Member(s)/ Proxy (In Block Letters)	
Folio No.	
DP ID - Client ID	
No. of Shares Held	

I hereby record my presence at the Extraordinary General Meeting of the Company at “Sanskriti”, Alembic Corporate Conference Centre, Opp. Pragati Sahakari Bank Limited, Alembic Colony, Vadodara -390 003 held on Wednesday, the 5th November, 2014 at 4.30 p.m.

Signature of the Member(s) / Proxy

If undelivered please return to :
Shreno Limited
Alembic Road, Vadodara 390 003.