

SUGUNA FOODS PRIVATE LIMITED

Registered Office: 5th Floor, Jaya Enclave, 1057, Avinashi Road, Coimbatore - 641018

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E-mail: corporate@sugunafoods.co.in, CIN: U01222TZ1994PTC004951

NOTICE OF 19th EXTRA ORDINARY GENERAL MEETING

NOTICE is hereby given that the 19th Extra-Ordinary General Meeting of the Company will be held on Monday, 08th June, 2020 at 12.00 Noon through Video Conference (VC)/ Other Audio Visual Means (OAVM) facility at the Registered Office of the Company, to transact the following business:

Special Business:

1. Issue of 7.5% Redeemable Optionally Convertible Cumulative Preference Shares on preferential basis to M/s. Suguna Holdings Private Limited (Holding Company)

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 42, 55, 62 and other applicable provisions, if any of the Companies Act, 2013 ("Act") read with Rule 9 and 13 of the Companies (Share Capital and Debentures) Rules, 2014 and such other rules and regulations framed there under as may be amended from time to time and subject to Memorandum and Articles of Association of the Company the consent of the shareholders be and is hereby accorded to create, offer, issue, and allot 97340 (Ninety Seven Thousand Three Hundred and Forty Only) 7.5% Redeemable Optionally Convertible Cumulative Preference Shares (ROCCPS) of Face value Rs.300/- (Rupees Three Hundred Only) with a premium of Rs.2782/- each to the extent of Capital Rs. 30,00,01,880/- (Rupees Thirty Crore One Thousand Eight Hundred and Eighty only) on preferential basis to M/s.Suguna Holdings Private limited.

RESOLVED FURTHER THAT in accordance with the provisions of section 55 of the Companies Act, 2013 and Rule 9 of the Companies (Share Capital and Debentures) Rules, 2014 and the ROCCPS 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 participating in the surplus funds;
- be paid dividend on a cumulative basis;
- option to convert into equity shares of the Company with consent of preference share holders
- carry voting rights as per the provisions of Section 47(2) of the Act;
- Redemption after period of 5 years from the date of allotment / option to redeem early with consent of preference share holders. The redemption price to be derived at the time of redemption on based share valuation at that point of time.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorized to take all such steps and actions and give such directions as may be in its absolute discretion deem necessary in this regard.

2. Issue of Secured Redeemable Non-Convertible Debentures during the FY 2020-21 by the Company on private placement basis

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

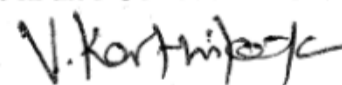
RESOLVED THAT pursuant to the provisions of Sections 42, 71, and all other applicable provisions, if any, of the Companies Act, 2013, read along with the Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014, Companies (Share Capital and Debentures) Rules, 2014 and other applicable rules under the Companies Act, 2013, including statutory modification(s), amendment(s) or re-enactment thereof and any circulars, notifications, clarifications, subject to Memorandum and Articles of Association of the Company, the consent of the shareholders be and is hereby accorded to the Board of Directors of the Company ("**Board of Directors**") to offer, issue and allot, in one or more issuances with each issuance being in one or more tranches, unlisted, secured, redeemable, non-convertible debentures during the FY 2020-21 on a private placement basis, for an amount not exceeding in aggregate Rs. 500,00,00,000 (Rupees Five Hundred Crore only) ("**Debentures**") on such terms and conditions as may be decided by the Board of Directors and to such body corporates, banks, financial institutions as may be decided by the Board of Directors.

RESOLVED FURTHER THAT the consent of the members be and is hereby accorded to the Board of Directors to determine in its absolute discretion the terms and quantum of each issue of the Debentures and of each series including the consideration and utilization of proceeds, class of investors and to do all such acts and things and deal with all such matters and take all such steps as may be necessary to give effect to this resolution.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, Mr.G.B.Sundararajan, Managing Director/ anyone Director of the Company, Mr.P.R.Srinivas, General Manager (Accounts & Taxation) and Mr.V.Karthikeyan Company Secretary of the Company (collectively, the "**Authorised Signatories**") be and are hereby severally authorized to finalise disclosure documents to be filed with the registrar of companies in the form and manner as prescribed under the Form PAS – 4 as set out in Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014, as prescribed under Section 42 of the Companies Act, 2013 and to take all such steps including but not limited to sending offer letter(s) to the proposed investors and do all such acts, deeds, matters and things, as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in regard to the offer / issue, allotment, utilisation of the proceeds and redemption of the Debenture and to finalise and execute such documents and writings as may be necessary or desirable as the Board of Directors may deem fit without being required to seek any further consent or approval of its members or otherwise, to the end and intent that its members shall be deemed to have given their approval thereto expressly by the authority of this resolution."

RESOLVED FURTHER THAT a copy of the foregoing resolutions certified to be true copies by Mr.V.Karthikeyan, Company Secretary of the Company be furnished wherever and whenever required.

BY THE ORDER OF THE BOARD



V.Karthikeyan
Company Secretary

Place: Coimbatore

Date: 28.05.2020

Notes:

- a) The relevant explanatory statements pursuant to Section 102 of the Companies Act, 2013 in regard to the Special Business set out as above, are annexed hereto.
- b) Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this EGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the EGM through VC/OAVM and participate there at and cast their votes.
- c) In view of the massive outbreak of the COVID-19 pandemic, social distancing is to be a pre-requisite and pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, physical attendance of the Members to the EGM venue is not required. Hence, Members have to attend and participate in the ensuing EGM through VC/OAVM.
- d) Those Shareholders whose email IDs are not registered, are requested to register their email ID with the Company Secretary at karthikeyanv@sugunafoods.co.in, by providing their Name as registered with the Company, Address, email ID, PAN, Folio Number and Number of shares held by them.
- e) The Members can join the EGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice.
- f) The attendance of the Members attending the EGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
- g) All documents referred to in the Notice calling the EGM and the Explanatory Statement are available on the website of the Company for inspection by the Members.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE EGM THROUGH VC/OAVM ARE AS UNDER:

1. Members whose email IDs are already registered with the Company and who are desirous to attend the EGM through VC/OAVM can apply at karthikeyanv@sugunafoods.co.in requesting for participation in the EGM, by giving their name as registered in the records of the Company, Folio Number and the Registered email ID.
2. *Those Shareholders whose email IDs are not registered, are requested to register their email ID with the Company Secretary at karthikeyanv@sugunafoods.co.in, by providing their Name as registered with the Company, Address, email ID, PAN, Folio Number and Number of shares held by them.*
3. *Members may send the above-mentioned request at point no (2) latest by Thursday, 04th June, 2020 Members who are desirous of attending the EGM may send their request on or before 04th June, 2020 to Company Secretary mail id: karthikeyanv@sugunafoods.co.in on successful registration with the Company, the invitation to join the EGM will be sent to the Members on their registered*

email IDs latest by 5th June, 2020. If any clarification in this regard please contact Mr.Karthikeyan V, Company Secretary @ Mob: 9363360667 Ph: 0422-4073130

4. Members may attend the EGM, by following the invitation link sent to their registered email ID. Members will be able to locate Meeting ID/ Password/ and Join Meeting tab. By Clicking on Join Meeting they will be redirected to Meeting Room via browser or by running Temporary Application. In order to join the Meeting, follow the step and provide the required details (mentioned above – Meeting Id/Password/Email Address) and Join the Meeting. Members are encouraged to join the Meeting through Laptops for better experience.
5. In case of Android/Iphone connection, Participants will be required to download and Install the appropriate application as given in the mail to them. Application may be downloaded from Google Play Store/ App Store.
6. Further Members will be required to allow Camera and use Internet audio settings as and when asked while setting up the meeting on Mobile App.
7. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

EXPLANATORY STATEMENT
Pursuant to Section 102 of the Companies Act, 2013

Item No. 1

The Board of Directors at their meeting held on 28th May, 2020, had approved the offer and issuance of 97340 (Ninety Seven Thousand Three Hundred and Forty Only) 7.5% Redeemable Optionally Convertible Cumulative Preference Shares (ROCCPS) of Rs.300/- each (Rupees Three Hundred Only) with premium of Rs.2782/- each i.e Rs.3082/- per share, aggregating Rs. 30,00,01,880/- (Rupees Thirty Crore One Thousand Eight Hundred and Eighty only) on a preferential basis to M/s.Suguna Holdings Private Limited (Holding Company).

Section 55 of the Act read with Rule 9 of the Companies (Share Capital and Debentures) Rules, 2014 ("Rules") framed there under, inter alia, requires a company to obtain the prior approval of the Shareholders, by way of a Special Resolution for issuance of preference shares.

Given below is a statement of disclosures as required under the applicable provisions of the Companies Act, 2013 read with Rules made thereunder and the terms of issue of the ROCCPS:

(i)	Object of the issue	To meet out the working capital and capital expenditure requirements of the Company
(ii)	the total number of shares or other securities to be issued	The issue size is Rs. 30,00,01,880/-. 97340, 7.5% Redeemable Optionally Convertible Cumulative Preference Shares
(iii)	the manner of issue of shares;	On preferential basis to M/s. Suguna Holdings Private Limited (Holding Company)
(iv)	the price or price band at / within which the allotment is proposed	The issue price will be Rs.3082/- per share. The face value of Rs.300/- each with a premium of Rs.2782/- per share
(v)	basis on which the price has been arrived at along with report of the registered valuer	Price has been arrived based on Discounted Cash Flow Method and Valuation report received from M/s. Sakunthala & Associates, Chartered Accountant & Registered Valuer (Independent Valuer)
(vi)	relevant date with reference to which the price has been arrived at	The price has arrived at Discounted Cash Flow method. The valuation analysis is based upon the future projections of the Company for the period of Eight Years. (FY 2020 to 2028)
(vii)	the class or classes of persons to whom the allotment is proposed to be made	The preference share is proposed to be issued to existing equity share holder M/s. Suguna Holdings Private Limited (SHPL) on preferential basis
(viii)	intention of promoters, directors or key managerial personnel to subscribe to the offer;	To infuse share capital into the Company from M/s. Suguna Holdings Private Limited. (Holding Company). None of the Promoters, Directors or Key Managerial personnel other

		than SHPL has intention to subscribe the offer.
(ix)	the terms of issue, including terms and rate of dividend on each share, etc.;	Tenure – 5 years from the date of Allotment A dividend 7.5% per share per annum if declared, would be payable on a pro rata basis from the date of allotment. Preference shares will carry on cumulative dividend rights
(x)	the terms of redemption, including the tenure of redemption, redemption of shares at premium and if the preference shares are convertible, the terms of conversion;	SFPL's Board may decide to redeem or convert at its option on or before the expiry of 5 th year by communicating the same to SHPL in writing, 30 days before the due date for redemption/ conversion.
(xi)	the manner and modes of redemption;	Out of Profits of the Company and or out of fresh issue of Capital. Modes of redemption will be decided by SFPL Board at the end of the tenure based on valuation Report
(xii)	Current share holding pattern	Ref. Annexure 1
(xiii)	Pre issue and post issue share holding pattern of the Company	Ref. Annexure 2
(xiv)	the proposed time within which the allotment shall be completed	Within 30 days from the date of approval of the shareholders
(xv)	the names of the proposed allottees and the percentage of post preferential offer capital that may be held by them	The proposed allottee is Suguna Holdings Private Limited. (Holding Company) Post allotment Suguna Holdings Private Limited will hold 100% of preference share capital of the Company.
(xvi)	the change in control, if any, in the company that would occur consequent to the preferential offer;	No changes in control
(xvii)	the number of persons to whom allotment on preferential basis have already been made during the year, in terms of number of securities as well as price.	No allotment made during the year
(xviii)	The justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer.	Not Applicable
(xix)	the expected dilution in equity share capital upon conversion of preference shares.	It is subject to valuation report obtained at the time of redemption/conversion into equity

The current shareholding pattern of the company

Equity Shareholding Pattern

Category	No of Shares held	% of Shareholding
Promoter & Director Holding		
Directors Holding	0	0.00
Relatives and Persons acting in Concert	0	0.00
Body Corporate - SHPL	16298282	99.67
Total	16298282	99.67
Non-Promoter's Holding		
Bodies Corporate	0	0.00
Banks, Financial Institutions, Insurance Companies (Central / State Govt. Institutions / Non- Government Institutions)	0	0.00
FII	0	0.00
Total	0	0.00
Others		
Private Bodies Corporate	2332	0.01
Indian Public	52164	0.32
NRI / OCBs	0	0.00
Any Other (Specify)	0	0.00
Total	54496	0.33
Grand Total	16352778	100.00

The pre issue and post issue Preference shareholding pattern of the company

Preference Share holding Pattern

Sr. No.	Category	Pre Issue		Post Issue	
		No of shares held	% of share holding	No of shares held	% of share holding
A	Promoters' Holding:				
1	Indian:				
	Individual	0	0	0	0
	Bodies Corporate – SHPL	0	0	97340	100%
	Sub Total	0	0	97340	100%
2	Foreign Promoters	0	0	0	0
	Sub Total (A)	0	0	97340	100%
B	Non-Promoters' holding:				
1.	Institutional Investors	0	0	0	0
2.	Non-Institution:				
	Private Corporate Bodies	0	0	0	0
	Directors and Relatives	0	0	0	0
	Indian Public	0	0	0	0
	Others (Including NRIs)	0	0	0	0
	Sub Total(B)	0	0	0	0
	GRAND TOTAL	0	0	97340	100%

Accordingly, the approval of the Members is being sought, by way of a Special Resolution, to offer and issue 7.5% Redeemable Optionally Convertible Cumulative Preference Shares (ROCCPS) to Suguna Holdings Private Limited (Holding Company).

Mr.G.B.Sundararajan, Managing Director, Mr.B.Soundararajan, Director, Mr.S.Vignesh, Executive Director and Ms Sathya, Executive Director are Promoters and interested in this resolution.

None of the Directors other than above said, Key Managerial Personnel or their relatives is concerned or interested financially set out in Item No.1 of the Notice

The Board recommends the Special Resolution set out at Item No. 1 of the Notice for approval by the members.

Item No. 2

The Board may, at an appropriate time, consider offering or inviting subscriptions for secured redeemable non-convertible debentures, in one or more series / tranches, on private

placement basis, in order to augment long-term resources for financing *inter alia* the ongoing capital expenditure, working capital and for general corporate purpose.

Section 71 of the Act which deals with the issuance of debentures read with Section 42 of the Act which deals with the offer or invitation for subscription of securities of a company on private placement and Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 provide that a company which intends to make a private placement of its non-convertible debentures, shall, before making an offer or invitation for subscription, obtain approval of its shareholders by means of a special resolution. It shall be sufficient if the company passes a special resolution only once in a year for all the offers or invitations for such secured redeemable non-convertible debentures during the financial year 2020-21.

Keeping in view the above, consent of the members is sought for passing the Special Resolution as set out at Item No.2 of the Notice. This enabling resolution authorises the Board of Directors of the Company to offer or invite subscription for secured, redeemable, non-convertible debentures, as may be required by the Company, from time to time and as set out herein, for a period of one year from the date of passing this resolution.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the proposed resolution, set out at Item No. 2 of the Notice.

The Board recommends the Special Resolution set out at Item No. 2 of the Notice for approval by the members.

BY THE ORDER OF THE BOARD



V.Karthikeyan
Company Secretary

Place: Coimbatore
Date: 28.05.2020

Route Map and Prominent Landmark of EGM Venue and Attendance Slip.

In view of the extraordinary circumstances due to COVID-19 pandemic prevailing in the country, MCA vide its Circular No. 14/2020 had clarified that social distancing is a pre-requisite in the current scenario and in reference to clarifications/ Guidance on applicability of Secretarial Standards on General Meetings (SS-2) dated April 15, 2020, the Company will hold the EGM through VC/OAVM, without the physical presence of the Members at 5th Floor, Jaya Enclave, 1057, Avinashi Road, Coimbatore (Registered Office of the Company). In view of the directions from MCA, the Meeting is being convened through VC/OAVM and physical presence of the Members are not required at the venue and that the proceedings of the EGM conducted shall be deemed to be made at this venue.