



#### **BOARD OF DIRECTORS**

S.S. MISHRA

Chairman & Company Secretary

N.N. PURI

Director

M.A. SHARMA

Director

G.R. TOSHNIWAL

Director

V.K. MISHRA

Director

R.K. MISHRA

Managing Director

S.K. MISHRA

Director Finance

#### **AUDITORS**

M.B. AGRAWAL & CO.,

Chartered Accountants

N.G. THAKRAR & CO.,

Chartered Accountants

#### **SOLICITORS**

CRAWFORD BAYLEY & CO.

#### **BANKERS**

BANK OF INDIA

**DENA BANK** 

HDFC BANK LTD.

STATE BANK OF INDIA

TAMILNAD MERCANTILE BANK LTD.

UNION BANK OF INDIA

#### REGISTERED OFFICE

Plot No 45/46 Phase II

Piperia Industrial Estate

Silvassa, D & N H

#### **HEAD OFFICE**

Balkrishna Krupa, 2nd floor

45/49 Babu Genu Road

Princess Street, Mumbai 400 002

#### **WORKS**

Unit I & II: Plot No 45 & 46
 Phase II, Piperia Industrial Estate
 Silvassa, Dadra & Nagar Haveli

2. Unit III: 213, Kharvel

Behind Kharvel Sub-station

Taluka Dharampur

Dist. Valsad, Gujarat

#### **BRANCH**

601, Taxshila Apartments

Majura Gate, Ring Road, Surat

#### REGISTRARS AND SHARE TRANSFER AGENTS

Sharex Dynamic (India) Pvt. Ltd. Unit No1, Luthra Industrial Premises Andheri Kurla Road, Safed Pool

Andheri(E), Mumbai 400 072



NOTICE

The Twenty-third Annual General Meeting of members of **SUPERTEX INDUSTRIES LTD** will be held on Saturday, the 22nd day of August, 2009 at 10.30 A.M. at the Registered Office of the Company at Plot No. 45-46 Phase II, Piperia Industrial Estate, Silvassa (Dadra & Nagar Haveli) to transact the following business:

- To receive and adopt the Audited Balance Sheet as at 31<sup>st</sup> March, 2009 and the Audited Profit & Loss Account for the year ended as on that date along with the Reports of the Auditors and the Directors thereon.
- 2. To appoint a Director in place of Shri. M.A. Sharma, who retires by rotation and is eligible for re-appointment.
- 3. To appoint a Director in place of Shri. V.K. Mishra, who retires by rotation and is eligible for re-appointment.
- 4. To appoint auditors and fix their remuneration.

#### SPECIAL BUSINESS:

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

"RESOLVED THAT in accordance with the provisions of Section 94 and other applicable provisions, if any, of the Companies Act, 1956, the Authorised Share Capital of the Company be and is hereby increased from Rs. 15,00,00,000/- (Rupees Fifteen Crores only) divided into 1,50,00,000 (One Crore Fifty Lacs) Equity Shares of Rs.10/- (Rupees Ten) each to Rs.25,00,00,000/- (Rupees Twenty Five Crores Only) divided into 2,50,00,000 (Two Crores Fifty Lacs Only) Equity Shares of Rs.10/- (Rupees Ten) each by creation of 1,00,00,000 (One Crore Only) additional Equity Shares of Rs. 10/-each and that Clause V of the Memorandum of Association of the Company be altered accordingly."

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

"RESOLVED THAT in accordance with the provisions of section 81 (1A) and other applicable provisions if any, of the Companies Act, 1956 (the said Act) and in terms of the provisions of the Articles of Association of the Company and subject to the approval of Government of India (GOI), Securities and Exchange Board of India (SEBI), Reserve Bank of India (RBI), Stock Exchange and other authorities, if any, and subject to the consents, permissions and sanctions of all concerned authorities, if any to the extent required to such conditions and modifications as may be prescribed or as may be imposed while according such consents, which may be considered appropriate by the Board of Directors of the Company or any authorized committee thereof, (hereinafter referred to as "the Board") in its absolute discretion, consent of the Company be and is hereby accorded to the Board to create, offer, issue, allot, and deliver in one or more tranches, on a preferential basis upto 1,00,000 (One Crore) convertible awarrants ("Warrants") to prospective investors of the Company or any of its nominees or affiliates, details of which are given below, each warrant convertible at the sole option of the holder, any time before the expiry of 18 months from its allotment into 1 (One) fully paid up Equity share of the company of Rs 10/- each,

#### **List of Allottees**

Sr. No.	Name of the Allottees	No of warrants
1	Mr. Ramesh Kumar Mishra Mrs. Alka R. Mishra	5,90,000
2	Mr. Sanjay Kumar Mishra Mrs. Renu S. Mishra	3,90,000
3	P & R Mercantile Private Limited	28,40,000
4	Prajapati Mercantile P. Ltd.	28,40,000
5	P & M Distributions P. Ltd.	28,40,000
6	Alkamit Trading Company P. Ltd.	5,00,000

at an exercise price decided by the Board of Directors which is not lower than minimum price specified as per Clause 13.1.1.1 of Chapter XIII of SEBI Guidelines as stated below and 25% shall be payable before the allotment of warrants and balance on or before 18 months from the date of allotment or else the money received for the allotment shall be forfeited by the Company:



- Average of weekly high and low of closing prices of the related shares quoted on the stock exchange during six months preceding the relevant date or
- Average of weekly high and low of closing prices of the related shares quoted on the stock exchange during two
  weeks preceding the relevant date and at any other price above Exercise price, as may be finalized by the Board
  on the following terms and conditions.
  - (a) The warrants shall be converted within 18 months from the date of allotment. The Equity shares so issued on conversion shall be subject to the Momorandum and Articles of Association.
  - (b) The amount to be paid up on the warrants at the time of allotment shall not be less than 25% of the exercise price, and the rights to be attached to them, and other such terms and conditions of the warrants may be decided in accordance with SEBI Guidelines and other provisions of applicable law, by the "Board".
  - (c) The relevant date for the purpose of calculating the minimum exercise price for the Warrant under Chapter XIII of SEBI Guidelines is 23rd July, 2009 being 30 days prior to 22nd August, 2009 (i.e., 30 days prior to the date on which Meeting of General body of shareholders is held in terms of Sec. 81(1A) of the Companies Act, 1956, to consider this proposed issue.)
  - (d) The Equity Shares allotted on conversion shall rank pari passu in all respects with the other existing Equity Shares of the Company.
  - (e) The Warrants shall not be sold, transferred, hypothecated or encumbered in any manner during the period of lock in provided under SEBI Guidelines except to the extent and in manner permitted thereunder."

"RESOLVED FURTHER THAT the purpose of giving effect to this resolution, the Board of Directors of the Company, be and is hereby authorized to do deeds, acts and things and take action on matters, give such directions or instructions for settling any question, doubt or difficulty which may arise with regard to the offer, issue or allotment of the said shares and to take appropriate actions to bring into effect the above decision."

7. To consider and, if thought fit, to pass with or without modifications the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 13, 16, and 94 and other applicable provisions, if any, of the Companies Act, 1956, the Securities and Exchange Board of India (Disclosure and Investors Protection Guidelines, 2000), Listing Agreement entered into by the Company, guidelines issued by competent authorities in this behalf and the provisions of Article 55 of the Articles of Association of the Company and other applicable provisions if any and subject to the approvals, consents, permissions and sanctions as may be necessary from the appropriate authorities or bodies, the consent of the members be and is hereby accorded for Sub-Division of Authorized Equity Share capital of the company consisting of 2,50,00,000 Equity Shares of Rs. 10/- each be Sub-divided into 25,00,00,000 equity shares of Re. 1/- each AND THAT Clause V (being Capital Clause) of the Memorandum of Association of the Company relating to Equity Shares be altered accordingly."

"RESOLVED FURTHER THAT each issued Equity Share of face value of Rs. 10/- each be Sub-divided into 10 equity shares of the face value of Re. 1/- each and the Board of Directors of the Company ("the Board", which expression shall also include a Committee thereof) be and are hereby authorized to issue new Share Certificates representing the sub-divided Equity Shares with new distinctive numbers, consequent to the subdivision of shares as aforesaid and/or credit the shareholders' accounts maintained with the Depositories, subject to the rules as laid down in the Companies (Issue of Share Certificates) Rules, 1960, and the Articles of Association of the Company and to inform the Depositories and the Registrar and Transfer Agents of the Company and execute all such documents, instruments and writings as may be required in this connection and to delegate all or any of the powers herein vested in the Board, to any Committee thereof or to any Director(s) or Company Secretary, to give effect to the aforesaid resolution."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to finalise and modify the terms and conditions for issue of shares on sub-division as mentioned above and all matters relating to the same, to agree to such conditions or modifications that may be imposed, required or suggested by the Securities and Exchange Board of India (SEBI), Stock Exchange and other competent authorities, without being required to seek any further consent or approval of the Members in General Meeting and to settle all questions or difficulties that may arise with regard to the aforesaid in such manner as it may determine in its absolute discretion and to take such steps and to do all such acts, deeds, matters, and things as may be required, necessary and expedient to give effect to this resolution. "



To consider and, if thought fit, to pass with or without modifications the following resolution as a Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 16, 94 and all other applicable provisions, if any, of the Companies Act, 1956, the existing Clause V of the Memorandum of Association of the Company be deleted and substituted with the following new Clause:

V "The Authorized Share Capital of the Company is Rs. 25,00,00,000/- (Twenty Five Crores) divided into 25,00,00,000 (Twenty Five Crores) Equity Shares of Re. 1/- each with power to increase and reduce its capital and to divide its shares in the Capital, for the time being into several classes and to attach thereto any preferential, qualified or special rights, privileges or conditions as may be determined by or in accordance with the regulation of the Company and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may be, for the time being, provided by the regulation of the Company."

9. To consider, and if thought fit to pass with or without modification(s) the following as an Ordinary Resolution:-

"RESOLVED THAT in supersession of the Resolution(s) earlier passed in this behalf, the Company do hereby accord its consent under provisions of section 293(1)(d) and other applicable provisions, if any, of the Companies Act, 1956 to the Board of Directors to borrow monies, for the purpose of the Company from time to time on such terms and conditions as the Board may think fit and proper, notwithstanding that the money or monies to be borrowed together with the monies already borrowed by the Company (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) exceed the aggregate of the Paid-up Share Capital of the Company and its Free Reserves, that is to say reserves not set apart for any specific purposes, provided, however that the total amount so borrowed at any time shall not exceed a sum of Rs.100 crores (Rupees One hundred crores only)".

By Order of the Board

S.S. Mishra Chairman & Company Secretary

Mumbai, 17th July, 2009 Registered Office: Plot No. 45-46, Phase II Piperia Industrial Estate Silvassa, Dadra & Nagar Haveli.

#### Notes:

- 1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF ON A POLL AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.
- 2. The Register of Members and Share Transfer Books of the Company shall remain closed from Monday, the 17th August, 2009 to Saturday, the 22nd August, 2009 (both days inclusive).
- 3. M/s. Sharex Dynamic (India) Pvt. Ltd., Unit I, Luthra Indl. Premises, Andheri Kurla Road, Safed Pool, Andheri (East), Mumbai 400 072 are the Share Transfer Agents of the Company for transfer of shares. You are requested to forward all your share transfer applications or any correspondence relating to the shares of the Company to them directly at the aforesaid address.
- 4. Members are requested to notify any change in their address to the Share Transfer Agents.
- 5. Vide SEBI Circular No. SMDRP/POLICY/CIR-23/2000 dated 20th May, 2000, it has been made mandatory for all investors in your Company to settle the trade in demat form with effect from 25th September, 2000.
- 6. In terms of provision of Section 109A of the Companies Act, 1956, nomination facility is available to individual shareholders. The shareholders who are holding shares in physical form and are desirous of availing this facility may kindly write the Company's Share Transfer Agent, M/s. Sharex (Dynamic) India Pvt. Ltd., for nomination form quoting their folio number. Shareholders holding shares in dematerialized form should write to their Depository Participant for the purpose.

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# ADDITIONAL INFORMATION ABOUT DIRECTORS SEEKING RE-APPOINTMENT AT THE TWENTY THIRD ANNUAL GENERAL MEETING:

- 1. Shri M.A. Sharma (65) is an M.Sc. from Mumbai University and has FTA fellowship of Textile Association (India). He is also a fellow of the Institute of Environmental Engineers (India). He has varied experience of teaching Textile Chemistry and allied subjects at Victoria Jubilee Technical Institute for 10 years. He had also served with Century Textile & Industries Ltd., Mumbai, for a number of years as Manager (Chemical Technology).
- Shri V.K. Mishra is a commerce graduate from the University of Mumbai and an associate member of the Institute of Cost and Works Accountants of India, besides being an MBA (USA). He started his career as Sales Executive of the Company in 1987, till 2003, when he ventured in his independent business of textiles, etc. He is well versed in Finance, Foreign Exchange and Commodity market.

By Order of the Board

S.S. Mishra Chairman & Company Secretary

Mumbai, dated 17th July, 2009

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

#### ITEM NO. 5

The Board of Directors in order to accommodate Preferential issue and also to undertake various future plans like expansion, diversification, merger etc related to the industry, has proposed to increase the Authorised Share Capital.

The present Authorised Share Capital of the Company is Rs.15,00,00,000/-. It is proposed to increase the Authorised Share Capital of the Company from Rs. 15,00,00,000/-(Rupees Fifteen Crores only) to Rs. 25,00,00,000/- (Rupees Twenty Five Crores Only) at Rs. 10/- each indicating total increase of Rs. 10,00,00,000/- (Rupees Ten Crores Only). The Board of Directors at their meeting held on 17th July, 2009 approved the proposal for increase in Authorised Share Capital of the Company and consequent amendments to the Memorandum of Association of the Company.

Increase in Authorised Share Capital would necessitate amendment to Clause V of the Memorandum of Association of Company and would require member's approval by passing an Ordinary Resolution.

A copy of a Memorandum and Article of Association of the Company is open for inspection by any member of the Company between 4:30 P.M. to 6:30 P.M. at the Registered Office of the Company.

The Directors of the Company are deemed to be concerned or interested in the resolution only to the extent of shares held by them in the Company.

#### ITEM NO. 6

In order to finance the Company's requirements of funds for expansion, diversification and modernization activities, requirements arising out of growth in operations, business acquisitions, capital expenditure investment in loans / Joint Ventures / Associates and for other corporate purposes, the Company proposes to raise funds / resources in India and / or international market at any point of time, in one or more tranches by issue of Preferential Equity Warrants.

In terms of the SEBI (Disclosure and Investor Protection) Guidelines, 2000 ("SEBI Guidelines") the following disclosures are being made:-

## Object of the Issue:

The object of the proposed Preferential Issue of Warrants is to permit strategic investment in the Company which would pave the way for addressing the business opportunities presented before the Company. The Company is undertaking an expansion programme, by looking for prospective Merger's/ Acquisition, promoting companies in the textile and in textile related industries, etc.

#### Pricing of the issue:

The equity shares of the Company are traded on the Stock Exchange where the shares of the Company are listed during six months or two weeks preceding the relevant date i.e. 23rd July, 2009 as arrived in accordance with the provisions of SEBI (Disclosure and Investor Protection) Guidelines.

The conversion price of Rs.60/- per Equity Share of the proposed issue of warrants is well above the provisions of SEBI (Disclosure and Investor Protection) Guidelines and is calculated by taking 23rd July, 2009 as the Relevant Date.



#### Intention of the Promoters, Directors, Management personnel to subscribe to the offer:

The Promoter's Promoter's Group of the Company are taking convertible warrants to the tune of 9,80,000 warrants at Rs.60/- per warrant, to be converted into one Equity share of Rs. 10/- each at a premium of Rs. 50/- per share.

Details of the subscription are appended below.

#### Share holding pattern:

Sr. No.	Category of Shareholders	Pre-issue Shareho (as on 30th June,		Post- issue Shareholding (assuming full conversion)	
1	Promoters/Promoters' Group	Number	%	Number	%
	Promoters/promoters Group				
i)	Individuals/HUF				
	Mr. Ramesh Kumar Mishra Mrs. Alka R. Mishra	881401	4.44	1471401	7.42
	Mr. Sanjay Kumar Mishra Mrs. Renu S. Mishra	228402	2.32	618402	3.12
	Other Individual	1479940	15.04	1479940	7.46
ii)	Body Corporate	2424372	24.63	2424372	12.22
	Total of (i) and (ii)	5014135	50.95	5994135	30.21
2	Public Holding				
i)	Institutions	1260	0.01	1260	0.01
ii)	Non - Institutions				
a)	Individuals/HUF	2766020	28.11	27 <mark>6</mark> 6020	13.94
b)	Body Corporate	1783930	18.12	17 <mark>83</mark> 930	9.00
	P & R Mercantile Private Limited	NIL	NIL	2840000	14.31
	Prajapati Mercantile P. Ltd.	NIL	NIL	2840000	14.31
	P & M Distributions P. Ltd.	NIL	NIL	2840000	14.31
	Alkamit Trading Company P. Ltd.	NIL	NIL	500000	2.52
	Total of (i) and (ii)	4551210	46.24	13571210	68.40
3	Any Other				
i)	Clearing. Member	247733	2.52	247733	1.25
ii)`	NRIs	28242	0.29	28242	0.14
	Total of (i) and (ii)	275975	2.81	275975	1.39
	Total of 1+2+3	9841320	100	19841320	100

### Proposed time within which allotment will be completed:

The Warrants are proposed to be allotted within 15 days of the passing of the Special Resolution approving their allotment. Provided that where the allotment is pending on account 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 receipt of such approval.

#### Consequential changes if any in the Board of Directors and the voting rights and the shareholding pattern:

There will be no change in the Board of Directors and Management as a consequence of the preferential issue of warrants. The Equity shares arising out of conversion of warrants shall have the same voting rights as available to the existing Equity Shareholders.



Whether there will be a change in control over the Company:

The preferential issue will not result in change in the control of the Company. The promoters who already have control over the Company will continue to have control over the Company.

Identity of allottee with percentage of expanded capital to be held by them:

The allottees in the proposed preferential issue are as follow:-

Sr. no.	Name of the prospective investors	No of warrants	Post- issue Shareholding (assuming full conversion)		
			Number	%	
1	Mr. Ramesh Kumar Mishra Mrs. Alka R. Mishra	5,90,000	14,71,401	7.42	
2	Mr. Sanjay Kumar Mishra Mrs. Renu S. Mishra	3,90,000	6,18,402	3.12	
3	P & R Mercantile Private Limited	28,40,000	28,40,000	14.31	
4	Prajapati Mercantile P. Ltd.	28,40,000	28,40,000	14.31	
5	P & M Distributions P. Ltd.	28,40,000	28,40,000	14.31	
6	Alkamit Trading Company P. Ltd.	5,00,000	5,00,000	2.52	

- 1,00,00,000 Warrants are proposed to be issued and allotted to the aforesaid prospective investors as specified in Explanatory Statement, (or its nominees/affiliates) each Warrant convertible at the sole option of the holder, any time before the expiry of 18 months from its allotment, into 1 (One) fully paid up Equity Share of the Company of Face Value Rs. 10/-
- ii. A Copy of certificate issued by the Statutory Auditors of the Company, certifying that the proposed preferential issue of Warrants is being made in accordance with the requirements contained in the SEBI Guidelines shall be laid before the Annual General Meeting.
- iii. Any of the warrants issued as above, that may remain unsubscribed for any reason whatsoever, may be offered and allotted by the Board in its absolute discretion to any other.
- iv. The consent of the Shareholders in terms of the Special resolution of the accompanying notice is required under Section 81(1A) of the Companies Act, 1956.

The Directors of the Company may be deemed to be interested in this resolution to the extent of their respective share holding in the Company in the same proportion as they may be alloted in the preferential issue.

The Directors recommend this Resolution for your approval.

#### **ITEM NO.7**

The management of your company has believed that whether big or small, living in metros or villages, all of them should partake of the value process at Supertex Industries Limited. High value denomination of the shares may deter small shareholders from acquiring the piece of wealth-share of your company. It is in this context that we feel splitting of face value of shares into smaller denomination, would enhance its access to small investors.

In view of this, your Board has proposed that face value of equity shares of the Company be fixed at Re.1/- per share. To give effect to change in nominal value of equity shares, the capital Clause in memorandum of the Company is to be altered. Resolution set out at item No. 7 of this notice are to make changes in Memorandum of Association of the Company.

The Board of Directors recommends the resolution for approval of the members.

A copy of a Memorandum and Article of Association of the Company is open for inspection by any member of the Company between 4:30 P.M. to 6:30 P.M. at the Registered Office of the Company.

None of the Director of the Company is in any way interested in the said resolution, except to the extent of their shareholding in the Company.

#### ITEM NO. 8

Consequent to the sub-division of the face value of the Equity Shares of the Company and Increase in the Authorised Share Capital of the Company (as per item no. 5 and 7 of the notice), it is necessary to alter the Capital Clause of the Memorandum of Association of the Company.

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## SUPERTEX INDUSTRIES LIMITED

Section-16 read with Section-94 of the Companies Act, 1956, provides inter alia, that subject to the provision of the Companies Act, 1956 and the conditions contained in its Memorandum, the Company may, alter its Memorandum by passing an Ordinary Resolution, at a general meeting. Accordingly, the Ordinary Resolution for item no. 7 is placed before the meeting to approve the corresponding amendments in clause V of the Memorandum of Association in the manner set out in the text of the respective resolutions, so as to reflect the alteration in the Authorized Share Capital of the Company.

The Board of Directors of the Company accordingly, recommends the resolution for approval by the members.

A copy of a Memorandum and Article of Association of the Company is open for inspection by any member of the Company between 4:30 P.M. to 6:30 P.M. at the Registered Office of the Company.

The Directors of the Company are deemed to be concerned or interested in the resolution only to the extent of shares held by them in the Company.

#### ITEM NO. 9

By an earlier resolution passed in 2003 the Company had already empowered the Board to borrow upto Rs.40 crores over and above the Company's paid up Capital and Free Reserves. In order to expand the present activity, the Directors are in negotiations with various parties including financial institutions and financial companies and may have to make further borrowings which together with the existing borrowings may at some point of time exceed the said sanctioned limit of Rs.40 crores. With a view to facilitate implementation of the above projects, the borrowing powers of the Board need to be enhanced by another Rs.60 crores so that the Board may, if necessary, borrow up to Rs.100 crores as proposed in the resolution placed for approval.

The Board, therefore, requests that the resolution now proposed be approved and passed.

None of the Directors of the Company is in any way concerned or interested in this resolution.

By Order of the Board

S.S. Mishra Chairman & Company Secretary

Mumbai, 17th July, 2009 Registered Office: Plot No. 45-46, Phase II Piperia Industrial Estate Silvassa, Dadra & Nagar Haveli,



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