



SYBLY INDUSTRIES LIMITED

Regd office: PAWANPURI, MURAD NAGAR, DISTT. GHAZIABAD (U.P.) - 201206
Phone : 01232-261765, 261288 email : sybly@rediffmail.com
(CIN-L17111UP1988PLC009594)

NOTICE

NOTICE IS HEREBY GIVEN THAT AN EXTRA ORDINARY GENERAL MEETING OF THE MEMBERS OF SYBLY INDUSTRIES LIMITED WILL BE HELD AT THE REGISTERED OFFICE OF THE COMPANY AT PAWANPURI, MURADNAGAR, DISTT. GHAZIABAD (U.P.) - 201206 ON THURSDAY, THE 07th AUGUST, 2014 AT 11.30 A.M. TO TRANSACT THE FOLLOWING BUSINESS AS SPECIAL BUSINESS.

TO CONSIDER AND, IF THOUGHT FIT, TO PASS WITH OR WITHOUT MODIFICATION(S), THE FOLLOWING RESOLUTION AS A SPECIAL RESOLUTION:

ISSUE OF EQUITY SHARES ON PREFERENTIAL BASIS

“**RESOLVED THAT** pursuant to the provisions of Section 62(1)(C) read with The Companies (Share Capital and Debenture) Rule, 2014 and other applicable provisions, if any, of the Companies Act, 2013 including any statutory modification(s) or re-enactment(s) thereof, for the time being in force, and the relevant provisions of the Memorandum and Articles of Association of the Company and in accordance with listing agreements entered into by the company with the Stock Exchanges where the shares of the Company are listed or proposed to be listed and subject to the approval of Securities and Exchange Board of India (hereinafter referred to as “SEBI”), Reserve Bank of India (hereinafter referred to as “RBI”), and all other appropriate authorities and departments, if and to the extent necessary and such other approvals, permissions and sanctions, as may be necessary, the consent be and is hereby accorded to offer 60,00,000 equity shares of Rs. 10/- each, at par aggregating to Rs. 6,00,00,000/- which price is calculated in accordance with the Regulations for preferential issue, issued by SEBI under Issue of Capital and Disclosure Requirement Regulations, 2009, with 08th July 2014, being the relevant date i. e. the date 30 days prior to the date of Extra Ordinary General Meeting of the Company, where the proposed issue is to be considered and shall be payable on such terms as may be approved by the shareholders, on preferential basis, for an amount not exceeding Rs. 6,00,00,000/- (Rupees Six Crore Only) in the aggregate on preferential basis to Promoters and/or Persons Acting in Concert with them of the company as per details given below on terms and conditions as contained herein below:

Identity of the Proposed Allotees	Present Holding	Proposed Allotment	Post Preferential holding	% of Post issued capital
		No. of Equity shares		
Promoter / Promoter Group (Pan Detail)				
MR. NISHANT MITTAL AMNPM4877C	166667	1500000	1666667	3.57
MRS. SUMAN MITTAL ABJPM0505E	1056788	1500000	2556788	5.47
MR. MAHESH CHAND MITTAL (KARTA OF MAHESH CHAND MITTAL-HUF) AACHM2007D	105200	150000	255200	0.55
MS. PARUL MITTAL ABJPM0515G	57208	400000	457208	0.98
M/S. VARTEX FABRICS (P) LTD. AABCL2484K	NIL	1700000	1700000	3.64
M/S. DUX TEXTILES (P) LTD. AABCS7164H	NIL	750000	750000	1.60
TOTAL	1385863	60,00,000	7385863	15.81

RESOLVED FURTHER THAT the issue of equity shares as mentioned above shall be subject to the following terms and conditions :

- The issue and allotment of equity shares to promoters/Persons Acting in Concert will be made by conversion of unsecured loans lying into the credit of Promoters/Persons Acting in Concert.
- That the Equity shares which are issued to promoters/Persons Acting in Concert shall be locked in for a period of 3 years or for such periods as provided in the SEBI Regulations.
- That the Equity shares to be issued shall be subject to the Memorandum and Articles of Association of the Company and shall rank pari passu in all respects with the existing Equity Shares of the Company and carry the same rights as of the existing Equity Shares of the Company including dividend declared, if any, by the company in respect of the Financial Year in which the shares will be allotted.
- The issue and allotment of the Equity shares shall be subject to compliance of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 as applicable from time to time.
- In terms of the said Regulations, the relevant date on the basis of which price of the equity shares calculated is 08th July, 2014.

RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of the powers herein conferred by this resolution to any director or directors or any other officer or officers of the Company to give effect to the aforesaid resolutions including to execute any document on behalf of the Company and to represent the Company before any Governmental authorities and to appoint any professional advisor/ consultant/ Solicitor.

RESOLVED FURTHER THAT subject to SEBI Regulations and other applicable laws, the Board be and is hereby authorised to decide and approve terms and conditions of the issue of above mentioned equity shares and to vary, modify or alter any of the terms and conditions, including size of the issue, as it may deem expedient.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors of the Company be and is hereby authorized on behalf of the Company to do all such acts, deeds, matters and things as the Board may, in its absolute discretion, deem necessary or desirable, for such purpose, including without limitation to enter into arrangements/ agreements and to settle all questions, difficulties or doubts that may arise in regard to such issue as the Board, in its absolute discretion deem fit and take all steps which are incidental, consequential relevant or ancillary in this connection."

DATE : 08/07/2014

PLACE : MURADNAGAR

Registered Office : Pawan Puri,

Muradnagar, Distt. Ghaziabad (U.P.)-201206

INDIA

For SYBLY INDUSTRIES LTD

Sd-

(MAHESH CHAND MITTAL)

MANAGING DIRECTOR

DIN No. 00284866

NOTES:

- A. MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ANOTHER PERSON(S) AS THE PROXY TO ATTEND AND ON A POLL TO VOTE INSTEAD OF HIMSELF. THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.

The proxy form duly completed and signed should be deposited at the registered office of the company at least 48 hours before the commencement of the meeting.

- B. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, in respect of Special Business is annexed herewith.
- C. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company.
- D. Electronic copy of the Notice of the Extra Ordinary General Meeting of the Company *inter alia* indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company's RTA/Depository Participants(s) for communication purposes as on the 04.07.2014 unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice along with Attendance Slip and Proxy Form is being sent in the permitted mode.
- E. Members may also note that the Notice of the Extra Ordinary General Meeting will also be available on the Company's website : sybly.com for their download. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's investor email id : sybly_investors@rediffmail.com.

F. Voting through electronic means**INSTRUCTIONS:****(A) In case of members receiving e-mail:**

- (i) Log on to the e-voting website www.evotingindia.com
- (ii) Click on "Shareholders" tab.
- (iii) Now, select the "SYBLY INDUSTRIES LIMITED" from the drop down menu and click on "SUBMIT"
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next, enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> • Members who have not updated their PAN with the company/Depository participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. • In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
DOB#	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank details#	Enter the Dividend Bank Details as recorded in your demat account or the company records for the said demat account or folio. <ul style="list-style-type: none"> • Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id/folio number in the Dividend Bank details field.

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
 - (i) Click on the EVSN for the "Sybly Industries Limited" on which you choose to vote.
 - (ii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
 - (iii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
 - (iv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
 - (v) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
 - (vi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
 - (vii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
 - Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.
 - They should submit a scanned copy of the Registration Form bearing the stamp and sign

of the entity to helpdesk.evoting@cdslindia.com.

- After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
- The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

In case of members receiving the physical copy:

- (A) Please follow all steps from sl. no. (i) to sl. no. (xvii) above to cast vote.
- (B) The voting period begins on 03rd August 2014 at 10.00 A.M. and ends on 5th August 2014 at 05.00 P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 04th July, 2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (C) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.co.in under help section or write an email to helpdesk.evoting@cdslindia.com.

EXPLANATORY STATEMENT

PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013.

In order to meet the requirements of the funds for enhanced working capital needs of the Company, to meet certain capital expenditure and to meet expenditure for general corporate purposes, it is proposed to issue 60,00,000 Equity Shares of Rs.10/- each, aggregating to Rs 6,00,00,000/- (Rupees Six Crore Only) on preferential basis, as per the provisions of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 for Preferential issues, by conversion of unsecured loans lying into the credit of Promoters and Persons Acting in Concert (i.e.the proposed allottees). Disclosure in terms of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009.

Material Facts relating to the Preferential Allotment:

In terms of Section 102 of the Companies Act, 2013, the following Explanatory Statement sets out all the material facts relating to the above mentioned item of the accompanying Notice dated 08th July,2014.

- i) To meet the requirements of the funds for enhanced working capital needs of the Company, to meet certain capital expenditure and to meet expenditure for general corporate purposes.
- ii) The Equity Shares allotted to the investors shall rank pari passu with all other equity shares of the Company in respect of all rights including dividend.
- iii) Pursuant to provisions of Section 62(1)(c) of Companies Act, 2013, any offer or issue of Equity Shares of the Company to persons, including existing shareholders, for cash or consideration of other than cash, requires prior approval of the Shareholders in general meeting by a Special Resolution. The Listing Agreements executed by the Company with the Stock Exchanges also provide that the Company shall, in the first instance, offer all securities for subscription pro-rata to the Shareholders unless the Shareholders in a general meeting decide otherwise.

- iv) The pricing of the Equity Shares now to be allotted on preferential basis shall not be lower than the price determined in accordance with the SEBI (ICDR) Regulations, 2009.

The Board needs an authority to issue, offer and allot 60,00,000 Equity Shares. It may be noted that in terms of Chapter VII of the SEBI (ICDR) Regulations, 2009 it is necessary to disclose the details of investor and certain other terms to the shareholders while seeking their approval for issuing the Equity Shares on preferential basis. Hence, the requisite approval of the shareholders is being sought in terms of the provisions of the Companies Act, 2013, and the SEBI (ICDR) Regulations, 2009 the relevant disclosures/details of which are given below:

The Objects of the Preferential Issue:

The objects of the proposed allotment are:

- 1) To strengthen the equity base of the Company,
- 2) To arrange the funds required for meeting the enhanced working capital requirements of the company,
- 3) To meet certain capital expenditure and
- 4) To meet expenditure for general corporate purposes.

Type and the number of security offered:

The Company proposes to offer, issue and allot 60,00,000 Equity Shares of Rs.10/- each aggregating to Rs.6,00,00,000/- to the Investor on the terms and conditions determined by the Board.

Important terms and conditions:

- The total subscription amount, payable by the Investor, shall be payable at the time of allotment of the Issue Shares. (including by conversion of unsecured loans lying into the credit of Promoters and Persons Acting in Concert).
- The allotment of Equity Shares are subject to the Investor not having sold any Equity Shares during the six months preceding the Relevant Date (defined below) and the Investor not acquiring or selling Equity Shares until completion of the allotment of the Issue Shares under the proposed preferential issue;
- Under Chapter VII of the SEBI (ICDR) Regulations, 2009 issue of equity shares on a preferential basis shall be made at a price not less than higher of:
 - (a) the average of the weekly high and low of the Volume Weighted Average Price of the equity shares quoted on a recognized stock exchange during the six months preceding the Relevant Date;
 - (b) the average of the weekly high and low of the Volume weighted Average Price of the equity shares quoted on a recognized stock exchange during the two weeks preceding the Relevant Date;
- The "Relevant Date" for determining the issue price of the equity shares shall be 08th July, 2014 being the date which is 30 days prior to the date of shareholders resolution i.e. 07th August 2014.

Shareholding Pattern before and after the offer is given below:

The broad Shareholding Pattern of the Company before the issue of shares and after the allotment of shares of the Company will be as follows:

Pre-Allotment Shareholding*

CATEGORY	No. of Shares	%
Promoter and PAC's	5653208	13.89%
Mutual Funds and UTI	-	-
Bank, Institution, Insurance Companies	-	-
Public Corporate Bodies	22898819	56.24%
Indian Public, Trusts etc.	12101086	29.72%
NRI/FII	62987	0.15%
TOTAL	40716700	100.00%

*As at 31.03.2014

Post Allotment Shareholding

CATEGORY	No. of Shares	%
Promoter and PAC's	11653208	24.95%
Mutual Funds and UTI	-	-
Bank, Institution, Insurance Companies	-	-
Public Corporate Bodies	22898819	49.02%
Indian Public	12101086	25.90%
NRI/FII	62987	0.13%
TOTAL	46716100	100.00%

Intention of the promoters/directors/key management persons to subscribe to the offer:

The Promoters & PACs, have indicated their intention to subscribe to the proposed Preferential issue as per details given below:

Identity of the Proposed Allottees	Present Holding	Proposed Allotment	Post Preferential holding	% of Post issued capital
		No. of Equity shares		
Promoter / Promoter Group (Pan Detail)				
MR. NISHANT MITTAL AMNPM4877C	166667	1500000	1666667	3.57
MRS. SUMAN MITTAL ABJPM0505E	1056788	1500000	2556788	5.47
MR. MAHESH CHAND MITTAL (KARTA OF MAHESH CHAND MITTAL-HUF) AACHM2007D	105200	150000	255200	0.55
MS. PARUL MITTAL ABJPM0515G	57208	400000	457208	0.98
M/S. VARTEX FABRICS (P) LTD. AABCL2484K	NIL	1700000	1700000	3.64
M/S. DUX TEXTILES (P) LTD. AABCS7164H	NIL	750000	750000	1.60
TOTAL	1385863	60,00,000	7385863	15.81

No other director/Promoter/ Key management persons will subscribe to offer.

Proposed time within which the allotment shall be completed:

As required under the SEBI (ICDR) Regulations, 2009 the allotment of issue shares will be completed within 15 days from the date of the passing of the resolution. Provided that where the allotment is pending on account of pendency of any application for approval or permission by any regulatory authority, if applicable, the allotment would be completed within 15 days from date of such approval.

Lock in:

The aforementioned allotment shall be subject to lock-in in terms of SEBI (ICDR) Regulation, 2009, for the time being in force.

Change of Management

Due to above preferential allotment of Equity Shares, no change of management control is contemplated.

The identity of the proposed allottees and the percentage of the post issued capital that may be held by them:

Identity of the Proposed Allottees	Present Holding	Proposed Allotment	Post Preferential holding	% of Post issued capital
		No. of Equity shares		
Promoter / Promoter Group (Pan Detail)				
MR. NISHANT MITTAL AMNPM4877C	166667	1500000	1666667	3.57
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Auditor's Certificate:

The Company is in the process of obtaining a certificate from M/s. V.S.Gupta & Co., Statutory Auditors of the Company, certifying that the issue of the Equity Shares are being made in accordance with requirements of SEBI (ICDR) Regulations, 2009. A copy of this certificate shall be placed before the shareholders at the Extra-Ordinary General Meeting and the same will also be made available for inspection at the registered office of the Company during the hours between 10.00 A.M. and 5.00 P.M until 15 days after date of EGM.

Further, under section 62 of the Companies Act, 2013, approval of the members is required for allotment of securities on preferential basis. Accordingly, the consent of the shareholders is being sought, pursuant to the applicable provisions of the Companies Act, 2013, and SEBI (ICDR) Regulations, 2009 to issue and allot equity shares on preferential basis as stated in the resolutions.

The Special Resolution, if passed, will have the effect of allowing the Board to issue and allot Securities to the investor who may or may not be an existing shareholder of the Company. No director and Key managerial person except Mr. Mahesh Chand Mittal & Mr. Nishant Mittal are interested in this resolution.

The Board of Directors of the Company recommends passing of the resolution.

DATE : 08/07/2014

PLACE : MURADNAGAR

Registered Office : Pawan Puri,
Muradnagar, Distt. Ghaziabad (U.P.)-201206
INDIA

For SYBLY INDUSTRIES LTD

Sd-

(MAHESH CHAND MITTAL)
MANAGING DIRECTOR
DIN No. 00284866