



# E.I.D.-PARRY (INDIA) LIMITED

Regd.Office: "Dare House", 234, N.S.C. Bose Road,  
Parrys Corner, Chennai - 600 001.  
Website : www.eidparry.com



## NOTICE OF POSTAL BALLOT

PURSUANT TO SECTION 192A OF THE COMPANIES ACT, 1956

To,

The Members of E.I.D.- Parry (India) Limited

NOTICE is hereby given pursuant to Section 192 A of the Companies Act, 1956 , read with the Companies (Passing of the Resolution by Postal Ballot) Rules, 2001, and the Companies (Passing of Resolution by Postal Ballot) (Amendment) Rules, 2001, that the following resolutions for the purpose of sub division of the equity shares of Rs.2/ each of the Company into 2 (Two) equity shares of Re.1/-each commonly known as "**Stock Split**" and consequential alterations in the existing Clause V being Capital Clause of the Memorandum of Association and Article 4 (1) of the Articles of Association of the Company are proposed to be passed as Special Resolutions by way of Postal Ballot.

Your consent for the said proposals as contained in the said resolutions is sought to be obtained by means of Postal Ballot instead of transacting such business in general meeting of the Company.

The draft Special Resolutions along with the Explanatory Statement setting out all material facts and the reasons thereto are enclosed.

The Postal Ballot Form for voting by you as a shareholder of the Company is also enclosed.

The Board of Directors has appointed R.Sridharan & Associates, Company Secretaries, as Scrutiniser for conducting this Postal Ballot voting process in a fair and transparent manner.

Please read carefully the instructions printed in the postal ballot form and return the form duly completed and signed in the attached self-addressed, pre-paid postage business reply envelope, so as to reach the Scrutiniser on or before the close of working hours on Thursday, the 2<sup>nd</sup> December, 2010. Please note that any postal ballot form(s) received after the said date will be treated as not having been received. No other form or photocopy thereof is permitted. The Scrutiniser will submit his report to the Chairman or any Director of the Company after the completion of the scrutiny of the postal ballots. The results will be announced by the Chairman or any Director of the Company on Monday, the 6<sup>th</sup> December, 2010 at 3 p.m. at the Registered Office of the Company at Dare House, 234 N.S.C.Bose Road, Parrys Corner, Chennai- 600 001. The results of the Postal Ballot will also be displayed at the said office and posted on the Company's website [www.eidparry.com](http://www.eidparry.com) besides communicating to the Stock Exchanges where the Company's shares are listed.

The related resolutions being Special Resolutions shall be declared as passed if votes cast in favour of the resolutions are three times more in number than the votes cast against the resolutions.

By Order of the Board  
For E.I.D.-Parry (India) Limited

Chennai  
25.10.2010

SURESH KRISHNAN  
Company Secretary

### SPECIAL BUSINESS

1. To consider and if deemed fit, to pass through postal ballot, the following Resolution as a **Special Resolution**:

"**RESOLVED** that pursuant to the provisions of Section 94 and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification or reenactment thereof for the time being in force) read with Article 54 of the Articles of Association of the Company and subject to the approvals, consents, permissions and sanctions as may be necessary from the appropriate authorities or bodies, each of the 25,75,00,000 equity shares of the nominal value of Rs.2/- each in the Authorised Share Capital of the Company be and is hereby sub-divided into 51,50,00,000 equity shares of Re. 1/- each AND THAT Clause V (being Capital Clause) of the Memorandum of Association and Article 4 (1) of the Articles of Association of the Company relating to equity shares be altered accordingly.

**RESOLVED FURTHER** that the Board of Directors of the Company ("the Board", which expression shall also include a Committee thereof) be and they are hereby authorised to do all such acts, deeds, matters and things including calling back existing share certificates, issue of new share certificates to the members, representing the sub-divided equity shares with new distinctive numbers, consequent to the sub-division of shares as aforesaid, and if so decided, without seeking surrender of old share certificates, 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."

2. To consider and if deemed fit, to pass through postal ballot, the following Resolution as a Special Resolution:

"RESOLVED that the following amendments be and are hereby made in the Memorandum and Articles of Association of the Company:

- a) That Clause V of the Memorandum of Association of the Company shall be substituted by the following:

"The Authorised Share Capital of the Company is Rs.101,50,00,000 divided into 51,50,00,000 Equity Shares of Re.1 each and 50,00,000 Redeemable Preference Shares of Rs.100 each, with the rights, privileges and conditions attaching thereto as are provided by the regulations of the Company for the time being, with power to increase and reduce the Capital of the Company and to divide the shares in the Capital for the time being into several classes and to attach thereto respectively such preferential rights, privileges or conditions as may be determined by or in accordance with the regulations of the Company and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may for the time being be provided by the regulations of the Company".

- b) That the present Article 4 (1) of the Articles of Association of the Company shall be substituted by the following:

"The Authorised Share Capital of the Company is Rs.101,50,00,000 divided into 51,50,00,000 Equity Shares of Re.1 each and 50,00,000 Redeemable Preference Shares of Rs.100 each".

#### ANNEXURE TO THE NOTICE

#### EXPLANATORY STATEMENT PURSUANT TO SECTIONS 173(2) AND 192 A OF THE COMPANIES ACT, 1956 FOR SUB-DIVISION OF THE COMPANY'S EQUITY SHARES AND CONSEQUENTIAL ALTERATIONS IN ITS MEMORANDUM AND ARTICLES OF ASSOCIATION

The shareholders to note that the equity shares of the Company are listed on the Madras Stock Exchange Ltd. (MSE), the National Stock Exchange of India Ltd. (NSE) and Bombay Stock Exchange Ltd. (BSE). The shares are actively traded on NSE and BSE. The Company had made an application to The Madras Stock Exchange Limited for voluntary delisting of its equity shares in April, 2010 and the approval is awaited.

The Authorised Equity Capital of the Company as on date is divided into 25,75,00,000 Equity Shares of Rs.2/- each. In order to further improve the liquidity, widen the shareholder base and to make the shares affordable for smaller investors, the Board of Directors at their meeting held on 25<sup>th</sup> October, 2010, considered it desirable to further sub-divide (split the face value) the existing nominal value of the equity shares of the Company. It is expected that if shares are further sub divided, it may create a psychological affordability criterion among the investors and result into higher volume of transactions at the Stock Markets.

It is proposed to sub-divide the nominal value of equity share capital of the Company from the present Rs.2/- paid-up into Re.1/- paid up. The date on which this sub-division would become effective, will be decided by the Board after obtaining the shareholders' approval, which will be notified through the Stock Exchanges. The proposal of the Company to sub divide its shares into a smaller amount is permissible as per Section 94 (1) (d) of the Companies Act, 1956. The sub division of shares also calls for the corresponding amendment in Clause V of the Memorandum of Association and Article 4(1) of the Articles of Association of the Company, subject to the approval of shareholders.

Accordingly, in terms of Section 192 A of the Companies Act, 1956, approval of the members is being sought through postal ballot for passing the Special Resolutions as set out in the Notice.

#### Interest of Directors

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

By Order of the Board  
For E.I.D.-Parry (India) Limited

Chennai  
25.10.2010

SURESH KRISHNAN  
Company Secretary