



ASHAPURA

POSTAL BALLOT NOTICE

[Pursuant to Section 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014]

Dear Member(s),

Notice is hereby given pursuant to Section 110 and other applicable provisions, if any, of the Companies Act, 2013, read with Rule 22 of the Companies (Management and Administration) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), Secretarial Standard-2 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable provisions of the laws and regulations for the time being in force for transacting the Special Business by the members of Ashapura Minechem Limited (the '**Company**') by passing the Resolution appended below for approval by way of Postal Ballot/Electronic Voting (**e-voting**).

The Board of Directors at its meeting held on Friday, 10th January, 2020, has appointed Shri Virendra Bhatt (ACS No. 1157, COP No. 124), Practicing Company Secretary, as Scrutinizer for conducting the postal ballot (physical and e-voting process) in a fair and transparent manner.

This notice is being sent to all members/beneficiaries whose names appear on the Register of Members/Record of Depositories as on Cut-of-date i.e. Friday, 10th January, 2020.

The proposed Resolution and explanatory statement stating material facts, as required under Section 102 of the Companies Act 2013, are annexed herewith for consideration of the members along with the Postal Ballot Form (the 'Form' or the 'Postal Ballot Form').

The members are requested to peruse the proposed Resolution along with the explanatory statement and carefully read the instructions printed in the Postal Ballot Form and return the duly completed form in all respects in the attached self-addressed business reply envelope so as to reach the Scrutinizer not later than on Saturday, 15th February, 2020 at 5:00 p.m. Postal Ballot Forms received after this date shall be treated as if reply from the member has not been received.

Pursuant to Section 108 of the Companies Act, 2013 and other applicable provisions of the Act, read with Companies (Management and Administration) Rules, 2014 and in compliance with Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time, the Company has engaged the services of Central Depository Services (India) Limited (CDSL) to provide e-voting facility to the members of the Company. Accordingly, the Company is providing e-voting facility for voting electronically on the resolution proposed in this Postal Ballot Notice. Members desiring to opt for the e-voting facility are requested to read carefully the related notes to this Postal Ballot Notice and instructions given thereunder. The e-voting will commence on Friday, 17th January, 2020 (9.00 a.m.) and end on Saturday, 15th February, 2020 (5.00 p.m.).

If a member has opted for Physical Postal Ballot, then he/she should not vote by e-voting and vice versa. However, those members, who do not have access to e-voting facility can send their assent or dissent in writing on the Postal Ballot Form attached herewith.

The Scrutinizer shall submit his report to the Chairman or in his absence, to any other person authorised by him, after the completion of the scrutiny of the postal ballots (physical and e-voting). The results of the Voting by Postal Ballot (including voting through electronic means) will be announced by the Chairman of the Company or in his absence, by any other person authorized by him, on Thursday, 20th February, 2020 on or before 5.00 p.m. at the Registered Office of the Company at Jeevan Udyog Building, 3rd Floor, 278, D. N. Road, Fort, Mumbai-400001. The said results will be posted on the Company's website viz. www.ashapura.com besides communicating to the Stock Exchange where the Company's shares are listed.

SPECIAL BUSINESS:

Item No. 1

Issue of Convertible Warrants on preferential basis:

To consider and if thought fit, to pass the following resolution, as a Special Resolution:

“RESOLVED THAT pursuant to Sections 42, 62(1)© and other applicable provisions, if any, of the Companies Act, 2013, read with the relevant rules framed thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and in accordance with the enabling provisions of the Memorandum and Articles of Association of the Company and in accordance with the guidelines, rules and regulations of the Securities and Exchange Board of India (“SEBI”), including the SEBI (Issue of Capital And Disclosure Requirements) Regulations, 2018 (“SEBI ICDR Regulations”), SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, SEBI (Substantial Acquisitions of Shares and Takeovers) Regulations, 2011 and any amendment thereof and subject to the approvals, consents, permissions and/ or sanctions, as may be required from the SEBI, Stock Exchange(s) and any other relevant statutory authorities or departments, institutions or bodies and subject to such terms, conditions, alterations, corrections, changes, variations and/or modifications if any, as may be prescribed by any one or more or all of them in granting such approvals, consents, permissions and / or sanctions and which may be agreed by the Board of Directors of the Company (hereinafter referred to as the “Board” which terms shall be deemed to include any committee duly constituted by the Board or any committee, which the Board may hereafter constitute, to exercise one or more of its powers, including the powers conferred by this resolution), the consent of the members be and is hereby accorded to the Board to offer, issue and allot upto 45,00,000 (Forty Five Lakhs) Convertible Warrants on preferential basis, in one or more tranches, entitling the Warrant Holder to apply for and get allotted one equity share of the face value of Re. 2/- each fully paid-up against every Warrant held (hereinafter referred to as the “Warrants”), within a period of 18 (eighteen) months from the date of allotment of Warrants, in such manner, at such a price as may be arrived at in accordance with the SEBI (ICDR) Regulations and upon such terms and conditions as may be deemed appropriate by the Board in accordance with the provisions of the SEBI (ICDR) Regulations or other applicable laws in this respect, to the below-mentioned proposed allottee (Promoters/Promoters Group Members), in the manner as follows:

Sr. No.	Name of the Proposed Allottee	Category	No. of Warrants
1.	Ashapura Industrial Finance Limited	Promoter Group	45,00,000

RESOLVED FURTHER THAT the Relevant Date, as per the provisions of Chapter V of the SEBI (ICDR) Regulations for the determination of issue price of Warrants is Thursday, 16th January, 2020 i.e. 30 days prior to the last date for receipt of postal ballots.

RESOLVED FURTHER THAT without prejudice to the generality of the above, the issue of Warrants shall be subject to the following terms and conditions:

- (a) Each Warrant held by the Proposed Warrant Allottee (“**Warrant Holder**”) shall entitle them to apply for and obtain allotment of one Equity Share at any time after the date of allotment but on or before the expiry of 18 (eighteen) months from the date of allotment (the “**Warrant Exercise Period**”).
- (b) The Proposed Warrant Allottee shall, on the date of allotment of Warrants, pay an amount equivalent to at least 25% of the Warrant Issue Price fixed per Warrant in terms of the SEBI (ICDR) Regulations which will be kept by the Company to be adjusted and appropriated against the Warrant Issue Price of the Equity Shares. The balance 75% of the Warrant Issue Price shall be payable by the Warrant Holder at the time of exercising the right to convert the Warrants into Equity Shares.
- (c) Warrants, being allotted to the Proposed Warrant Allottee and the Equity Shares proposed to be allotted pursuant to the conversion of these Warrants shall be under lock-in for such period as may be prescribed under SEBI (ICDR) Regulations.
- (d) Warrants so allotted under this resolution shall not be sold, transferred, hypothecated or encumbered in any manner during the period of lock-in provided under SEBI (ICDR) Regulations except to the extent and in the manner permitted there under.
- (e) Warrants shall be issued and allotted by the Company only in dematerialized form.
- (f) The consideration for allotment of Warrants and/or Equity Shares arising out of exercise of such Warrants shall be paid to the Company from the bank account of the respective Proposed Warrant Allottee.

- (g) In the event the Warrant Holder do not exercise Warrants within the Warrant Exercise Period, the Warrants shall lapse and the amount paid shall stand forfeited by the Company.
- (h) The Warrants by itself until converted into Equity Shares, do not give to the Warrant Holder any voting rights in the Company in respect of such Warrants.

RESOLVED FURTHER THAT the resultant equity shares to be allotted on conversion of warrants in terms of this resolution shall rank pari-pasu in all respect with the then Equity Shares of the Company.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, Board/Committee(s) of the Board and/or the Company Secretary of the Company be and are hereby authorized jointly and/or severally to do all such acts, deeds, matters and things as it may in its absolute discretion consider necessary, desirable or expedient including issue and allot such number of Equity Shares of the Company as may be required to be issued and allotted upon exercise of the option in the Warrants held by the Warrant holder; applications to Stock Exchanges; filing of requisite documents with the Registrar of Companies, Depositories and/ or such other authorities as may be necessary for the purpose; to resolve and settle any questions and difficulties that may arise in the proposed issue and allotment of any of the said Warrants and to do all acts, deeds and things in connection therewith and incidental thereto as the Board may in its absolute discretion consider fit, without being required to seek any further consent or approval of the members or otherwise to the intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution.”

RESOLVED FINALLY THAT all actions taken by the Board /Committee(s) of the Board in connection with any matter(s) referred or contemplated in any of the foregoing resolution be and are hereby approved, ratified and confirmed in all respects.”

By Order of the Board of Directors

**S/d-
Sachin Polke
Company Secretary &
VP (Group Affairs)**

**Place: Mumbai
Date: 10th January, 2020**

NOTES:

- a) The Explanatory Statement pursuant to Section 102 read with Section 110 of the Companies Act, 2013 setting out material facts in respect of the business specified above is annexed hereto.
- b) The Postal Ballot Notice is being sent to all the Members whose names appear in the Register of Members / List of beneficial Owners as received from Depositories as at the close of business hours on Friday, 10th January, 2020 (cut-off date). The Postal Ballot Notice is being sent to Members in electronic form to the email addresses registered with the Depository Participants (in case of electronic shareholding) / the Company's registrar and share transfer agent (in case of physical shareholding). For Members whose email ID are not registered, physical copies of the Postal Ballot Notice are being sent by permitted mode along with the postage-prepaid self-addressed Business Reply Envelope.
- c) The voting rights of the members shall be in the proportion to their share of the paid-up equity share capital as on cut-off date i.e. Friday, 10th January, 2020.
- d) The Members holding shares in physical form are requested to notify change in their address, if any, to the Company at the Registered Office and/or to the Company's registrar and share transfer agent. The Members holding shares in electronic form may update such details with their respective Depository Participant(s).
- e) Kindly note that the Members can opt for only one mode of voting i.e., either by post or by e-voting. If the Members opt for e-voting, then they should not vote by post and vice versa. However, in case Members cast their vote by post and e-voting, then voting done through e-voting shall prevail and voting done by post will be treated as invalid.
- f) In case a Member is desirous of obtaining Postal Ballot notice or form in printed form or a duplicate one, the Member may write to the Company or send an e-mail to cosec@ashapura.com.
- g) The resolution, if approved, by the requisite majority shall be deemed to have been passed on the last date for receipt of duly completed Postal Ballot Forms or e-voting i.e. Saturday, 15th February, 2020.

- h) The Scrutinizer's decision on the validity of the Postal Ballot shall be final.

Instructions for Voting:

a) Through Physical Postal Ballot Form:

1. A Member desiring to exercise vote by Postal Ballot shall complete the enclosed Postal Ballot Form with assent (for) or dissent (against) and send the duly signed form to the Scrutinizer in the enclosed self-addressed postage prepaid Business Reply Envelope so as to reach the Scrutinizer before 5.00 p.m. on Saturday, 15th February, 2020. Any Postal Ballot Form received after the said date shall be treated as if the reply from the Member(s) has not been received.
2. No other form or photocopy of the Postal Ballot Form will be permitted/ accepted.

b) Through E-Voting:

- (i) The shareholders should log on to the e-voting website www.evotingindia.com.
- (ii) Click on Shareholders / Members
- (iii) 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.
- (iv) Next enter the Image Verification as displayed and Click on Login.
- (v) 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.
- (vi) 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 sequence number which is printed on Postal Ballot / Attendance Slip indicated in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> • If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iii).

- (vii) After entering these details appropriately, click on "SUBMIT" tab.
- (viii) Members holding shares in physical form will then directly reach 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.
- (ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolution contained in this Notice.
- (x) Click on the EVSN for the relevant <Company Name> on which you choose to vote.

- (xi) 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.
- (xii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiii) 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.
- (xiv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xvi) If a 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.
- (xvii) **Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.**
- (xviii) **Note for Non – Individual Shareholders and Custodians**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xix) 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.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

Members can call on toll free no.: 18002005533 or contact Mr. Rakesh Dalvi, Manager, Marathon Futurex, A-Wing, 25th floor, NM Joshi Marg, Lower Parel, Mumbai 400013, Email – helpdesk.evoting@cdslindia.com for grievances connected with e-Voting.

You can also update your e-mail ID in the user profile details of the folio which may be used for sending future communication(s).

By Order of the Board of Directors

**S/d-
Sachin Polke
Company Secretary &
VP (Group Affairs)**

**Place: Mumbai
Date: 10th January, 2020**

Registered Office:
Jeevan Udyog Building, 278,
3rd Floor, Dr. D. N. Road,
Fort, Mumbai – 400 001

Explanatory Statement pursuant to Section 102 of the Companies Act, 2013

Item no. 1:

Issue of Convertible Warrants on preferential basis:

The Special Resolution contained in Item No. 1 of the Notice, has been proposed pursuant to the provisions of Section 42, 62(1)© and other applicable provisions, if any, of the Companies Act, 2013, read with the relevant rules framed thereunder and in accordance with the applicable guidelines, rules and regulations of the Securities and Exchange Board of India (“SEBI”), to issue and allot up to 45,00,000 (Forty Five Lakhs) Convertible Warrants of face value of Rs. 2/- (Rupees Two only) each on preferential basis to “Ashapura Industrial finance Limited (AIFL)”, being an entity belonging to the Promoter Group Category.

The said proposal has been considered and approved by the Board in their meeting held on 10th January, 2020.

The details of the issue and other particulars as required in terms of Regulation 163 of the SEBI (ICDR) Regulations and other applicable statutes in relation to the proposed Special Resolution are given hereunder:

a. OBJECTS OF THE PREFERENTIAL ISSUE:

The Company as a part of its financial strategy proposes to offer, issue and allot Convertible Warrants to its Promoter Group member on preferential basis, for infusing funds in the Company which may be employed in the business of the Company and/or may be used to augment the funding needs for re-structuring/settlement of liabilities/ debts and/or such other appropriate arrangements and/or understanding with Bankers and/or other Creditors.

b. PROPOSAL/INTENT OF THE PROMOTERS, DIRECTORS OR KEY MANAGEMENT PERSONNEL OF THE ISSUER TO SUBSCRIBE TO THE OFFER:

Proposed allottee, Ashapura Industrial Finance Limited, is belonging to the Promoter Group.

c. SHAREHOLDING PATTERN BEFORE AND AFTER THE PROPOSED PREFERENTIAL ISSUE:

The Shareholding pattern of the Company giving the position as on 31st December, 2019 and after considering the proposed issue of Equity Shares is provided hereunder:

Name of Shareholders	Pre issue Shareholding Structure		Post issue Shareholding Structure (Assuming full conversion of Warrants)#	
	Total No. of Shares	% of Holdings	Total No. of Shares	% of Holdings
A) Promoters Holdings				
Chetan Shah	13543814	15.57	13543814	14.80
Dina Shah	9202360	10.58	9202360	10.06
Manan Shah	2239220	2.57	2239220	2.45
Chaitali Shah	1255620	1.44	1255620	1.37
Himani Shah	142980	0.16	142980	0.16
Navnitlal Shah	129460	0.15	129460	0.14
Ashapura Industrial Finance Limited	8088000	9.30	12588000	13.76
Gurbarga Trading Co Pvt. Ltd.	2520	0.00	2520	0.00
Hemprabha Trading Co Pvt. Ltd.	2520	0.00	2520	0.00
Total (A)	34606494	39.78	39106494	42.75

B) Public Holding				
i) Institutions				
Foreign Portfolio Investor	20562166	23.64	20562166	22.48
Mutual Fund	130000	0.15	130000	0.14
Bank	8660	0.01	8660	0.01
Total (B)(i)	20700826	23.80	20700826	22.63
ii) Non-Institutions				
Public	23678351	27.22	23678351	25.88
NBFC	2600	0.00	2600	0.00
Bodies Corporate	3739819	4.30	3739819	4.09
Non Resident Indian	3221213	3.70	3221213	3.52
Hindu Undivided Family	975835	1.12	975835	1.07
Other Director	17861	0.02	17861	0.02
Market Maker	2	0.00	2	0.00
Clearing Members	43097	0.05	43097	0.05
Total (B)(ii)	31678778	36.42	31678778	34.62
Total (B)(i) + (B)(ii)	52379604	60.22	52379604	57.25
Grand Total (A) + (B)(i) + (B)(ii)	86986098	100.00	91486098	100.00

d. PROPOSED TIME WITHIN WHICH ALLOTMENT SHALL BE COMPLETED:

The allotment of Warrants, pursuant to the Issue, shall be completed within a period of 15 (Fifteen) days from the date of approval of the members to the preferential issue (i.e., the last date for receipt of postal ballot or e-voting, Saturday, 15th February, 2020), provided that where the said allotment is pending on account of pendency of any application for approval/permission for such allotment by any regulatory authority, if applicable, the allotment shall be completed within a period of 15 (Fifteen) days from the date of such approval or within such further period as may be prescribed or allowed by SEBI, stock exchange(s) or other concerned authorities.

e. IDENTITY OF THE NATURAL PERSONS WHO ARE ULTIMATE BENEFICIAL OWNERS OF THE SHARES PROPOSED TO BE ALLOTTED AND/OR WHO ULTIMATELY CONTROL THE PROPOSED ALLOTTEE:

The details of the proposed allottee are as per the following table. No change in control or management is contemplated consequent to the proposed preferential issue of warrants. However, voting rights will change in accordance with the shareholding pattern. For post issue share capital, please refer to paragraph ©.

Name of the Proposed Allottee	Category	Ultimate Beneficial Owner
Ashapura Industrial Finance Limited	Promoter Group	Shri Chetan Shah

f. THE COMPANY HEREBY UNDERTAKES THAT:

- i) It would re-compute the price of the securities specified above in terms of the provisions of SEBI (ICDR) Regulations, where it is so required.
- ii) If the amount payable, if any, on account of the re-computation of price is not paid within the time stipulated in SEBI (ICDR) Regulations, 2018 the above warrants/shares shall continue to be locked-in till the time such amount is paid by the allottee.

g. AUDITORS' CERTIFICATE:

A copy of the certificate from the Company's Statutory Auditor certifying that the proposed preferential issue of Warrants is being made in accordance with the requirements contained in the SEBI (ICDR), Regulations, shall be available for inspection at the Registered Office of the Company during office hours on all working days, except

Saturday/ Sunday and other holidays, between 10.00 a.m. and 1.00 p.m. up to the last date for receipt of duly completed postal ballot forms/evoting i.e. Saturday 15th February, 2020.

Further, In accordance with the SEBI (ICDR) Regulations:

- i) all the Equity Shares held by the Proposed Allottee in the Company are in dematerialized form only;
- ii) No person belonging to the promoters/promoter group have sold any Equity Shares of the Company during the 6 (Six) months preceding the Relevant Date;
- iii) No person belonging to the promoters/promoter group has previously subscribed to any warrants of the Company but failed to exercise them;
- iv) the Company and none of its promoters or directors is a willful defaulter or a fugitive economic offender; and
- v) valuation requirement is not applicable as the securities are proposed to be issued for cash consideration.

The Board of Directors of the Company recommends passing of the resolution as set out at Item No. 1 as a Special Resolution. Except Shri Chetan Shah, Director of the Company and his relatives, being a part of the promoter group of the Company and relatives of the ultimate beneficial owners of the Proposed Allottee, none of the other directors or any key managerial personnel or any relative of any of the other directors/key managerial personnel of the Company are, in any way concerned or interested, financially or otherwise, in the above referred resolution.

By Order of the Board of Directors

**S/d-
Sachin Polke
Company Secretary &
VP (Group Affairs)**

Place: Mumbai

Date: 10th January, 2020

Registered Office:

Jeevan Udyog Building, 278,
3rd Floor, Dr. D. N. Road,
Fort, Mumbai – 400 001
(L14108MH1982PLC026396)