

Date: 31<sup>st</sup> October, 2014

To,  
National Stock Exchange of India Limited  
The Corporate Relation Department,  
Exchange Plaza, Plot no. C/1, G Block,  
Bandra - Kurla Complex,  
Bandra (E) Mumbai - 400 051.  
Fax :02226598237/38  
Email :cmlist@nse.co.in

Company Name : Shekhawati Poly-Yarn Limited  
Ref.: Symbol : SPYL

Subject : Re-submission of Notice of Postal ballot and Postal Ballot Form u/s  
110 of Companies Act, 2013

Dear Sir/Madam,

We have sent the Notice of Postal Ballot and Postal Ballot Form u/s 110 of Companies Act, 2013 vide letter dated 30<sup>th</sup> October, 2014 and the notice missing the Postal Ballot form so please find enclosed herewith the revised Notice of Postal Ballot and Postal Ballot form.

Kindly take the above on record and oblige.

Thanking you.

Yours faithfully

For Shekhawati Poly-Yarn Limited

  
**Meena Agal**  
Company Secretary & Compliance Officer



Encl: As above.

**Shekhawati Poly-Yarn Ltd.**

Registered Office :

Survey No. 185/1 Near Kanadi Phatak, Village - Naroli, Silvassa, D. & N.H. - 396 235. India

0260-2650666 @ unit3@shekhawatiyarn.com CIN : 172001990010000440

Corporate Office :

EXPORT HOUSE



# SHEKHAWATI POLY-YARN LIMITED

Regd. Off.: Plot No. 185/1, Naroli Village, Near Kanadi phatak, Naroli Dadara - Nagar Haveli -396235  
Tel: 0260-2650666 Email id: unit3@shekhawatiyarn.com;  
Website: www.shekhawatiyarn.com; CIN : L17120DN1990PLC000440

## NOTICE OF POSTAL BALLOT PURSUANT TO SECTION 110 OF THE COMPANIES ACT, 2013

Dear Member(s),

Notice is hereby given pursuant to Section 110 of the Companies Act, 2013, read with the Companies (Management and Administration) Rules, 2014 (including any statutory modification or re-enactment thereof for the time being in force) to the members of **Shekhawati Poly-Yarn Limited** (hereinafter referred to as '**the Company**') to seek their approval by way of Postal Ballot for the proposals contained in the draft resolutions as given below:

1. Increasing the Authorised Share Capital of the Company and alteration in the Capital Clause of Memorandum of Association of the Company.
2. Issue of 17,98,89,330 number of warrants convertible into Equity Shares of the Company to Promoter/Promoter Group and Non-Promoters, on a Preferential Basis.
3. Transactions with Related Parties under Section 188 of the Companies Act, 2013.

The Explanatory Statement pertaining to the resolutions proposed in this notice setting out all material facts and reasons thereof along with Postal Ballot Form is annexed.

The Company has appointed Mr. Vishal Manesta, Practising Company Secretary, Mumbai, as Scrutinizer for conducting the Postal Ballot process in a fair and transparent manner.

You are requested to carefully read the instructions printed in the Postal Ballot Form and return the Form duly completed, in the attached self-addressed postage pre-paid business reply envelope, so as to reach the Scrutinizer not later than close of working hours i.e. 6.00 p.m. on Saturday, November 29, 2014.

The Scrutinizer after completion of scrutiny will submit the report to the Chairman and Managing Director of the Company on Tuesday, December 02, 2014. The results of the Postal Ballot will be declared by the Chairman and Managing Director i.e. 4.00 p.m. on Tuesday, December 02, 2014 at the Corporate Office of the Company. The Results of the Postal Ballot will also be posted on the website of the Company i.e. www.shekhawatiyarn.com. The Results of the Postal Ballot shall be intimated to the Stock Exchanges where the Equity Shares of the Company are listed and also to the general public through press release in newspaper.

Members may note that as required under Clause 35B of the Listing Agreement, the Company has engaged the services of Central Depository Services (India) Limited to provide e-voting facility to the Members of the Company. Accordingly, the Company is providing e-voting facility for the Postal Ballot as an alternate, which would enable the members to cast their votes electronically, instead of casting their votes and dispatching Postal Ballot Forms physically. Please read and follow the instructions on e-voting enumerated in the Notes and Instructions to this Notice.

Only members entitled to vote are entitled to fill in the Postal Ballot Form and send it to the Scrutinizer or vote under the e-voting facility offered by the Company, and any other recipient of this Notice who has no voting rights should treat the Notice as an intimation only. Detailed instructions to use the e-voting facility are given separately.

By Order of the Board of Directors  
For **Shekhawati Poly-Yarn Limited**

Sd/-

**Meena Agal**  
Company secretary

Place: Mumbai  
Date: October 17, 2014

## **ITEM NO. 1 – INCREASE IN THE AUTHORIZED SHARE CAPITAL OF THE COMPANY AND ALTERATION IN THE CAPITAL CLAUSE OF MEMORANDUM OF ASSOCIATION OF THE COMPANY**

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

**“RESOLVED THAT** in supersession of the Special Resolution passed under Section 13 and 61 of the Companies Act, 2013, in the 23<sup>rd</sup> Annual General Meeting of the Company held on September 12, 2014 and pursuant to the provision of Section 13, 61 and 64 and other applicable provisions, if any, of the Companies Act, 2013 (including any amendment / substitution thereof), the consent of the members be and is hereby accorded to increase the Authorized Share Capital of the Company, from Rs. 28,00,00,000/- (Rupees Twenty Eight Crores Only) (divided into 28,00,00,000 Equity Shares of Re. 1/- each) to Rs. 40,00,00,000/- (Rupees Forty Crores Only) (divided into 40,00,00,000 Equity Shares of Re. 1/- each) by the creation of additional 12,00,00,000 Equity Shares of Re. 1/- each ranking pari passu with the existing Equity Shares of the Company.”

**“RESOLVED FURTHER THAT,** the Memorandum of Association of the Company be and is hereby altered by substituting the existing Clause “VA” thereof with the following Clause:

The Share Capital of the Company is Rs. 40,00,00,000/- (Rupees Forty Crores Only) divided into 40,00,00,000 (Forty Crores) Equity Shares of Re. 1/- (Rupee One) each.”

**“RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board of Directors of the Company, be and is hereby authorized to do all such acts, deeds, matters and things and to give such directions as may be necessary or expedient and to settle any question, difficulty or doubt that may arise in this regard, as the Board in its absolute direction may deem necessary desirable and its decision shall be final and binding.”

## **ITEM NO. 2 - ISSUE OF 17,98,89,330 NUMBER OF WARRANTS CONVERTIBLE INTO EQUITY SHARES OF THE COMPANY TO PROMOTER/PROMOTER GROUP AND NON -PROMOTERS, ON A PREFERENTIAL BASIS**

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

**“RESOLVED THAT** in supersession of the Special Resolution passed under Section 23, 42 and 62 of the Companies Act, 2013, in the 23<sup>rd</sup> Annual General Meeting of the Company held on September 12, 2014 and pursuant to the provisions of Section 23, 42 & 62 and all other applicable provisions, if any, of the Companies Act 2013 (including statutory modification(s), amendments or re-enactment thereof for the time being in force), read with the Companies (Share Capital & Debenture), Rules 2014, Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended from time to time and in accordance with the enabling provisions in the Memorandum and Articles of Association of the Company and the Listing Agreement entered into between the Company with the Stock Exchanges, where the Equity Shares of the Company are listed and all other applicable laws and regulation, guidelines and clarifications issued by the Government of India / Reserve Bank of India (RBI)/Securities and Exchange Board of India (SEBI) or any other relevant authority and subject to such approvals, consents, permissions and/or sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed by any of them while granting such approvals, permissions and sanctions, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall be deemed to include any committee thereof which the Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred by this Resolution), the consent of the company be and is hereby accorded to the Board of Directors of the Company in its absolute discretion to raise funds of amount not exceeding Rs. 56,00,00,000 (Rupees Fifty Six Crores Only) by way of offer, issue and allot on Preferential Basis, not exceeding 17,98,89,330 (Seventeen Crores Ninety Eight Lacs Eighty Nine Thousand Three Hundred Thirty) Warrants carrying an option/ entitlement to subscribe to equivalent number of Equity Shares of face value of Re. 1/- each at a future date, not exceeding 18 (Eighteen) months from the date of issue of such Warrants at such price as may be determined in accordance with the regulation for preferential Issue contained in Chapter VII of the Securities & Exchange Board of India (Issue of Capital & Disclosures Requirements ) Regulations, 2009 (hereinafter referred to as “SEBI” (ICDR) Regulations) as amended to Promoter/Promoter Group and Non-Promoters as per the list mentioned in the explanatory statement attached to this Postal Ballot Notice, as the Board may in its absolute discretion decide, in one or more tranches and on such terms and conditions, as the board considers fit, subject to the following:

- (i) The Equity Shares to be offered, issued and allotted as aforesaid against exchange/surrender of the said Warrants upon exercise of the option by the Warrant holder, shall be subject to the provisions of the Memorandum and Articles of Association of the Company in all respects and on allotment such Equity shares shall rank pari – passu in all respect with the existing Equity Shares of the Company.
- (ii) As per the provisions of Regulation 71 of the SEBI (ICDR) Regulations, the Relevant Date for calculating the price of the Equity Shares to be allotted on exchange/surrender of the said warrants shall be October 31, 2014.

- (iii) In accordance with Chapter VII of the SEBI (ICDR) Regulations, an amount not less than 25% of the consideration as determined in terms of regulation 76 of SEBI (ICDR) Regulations shall be paid upfront by the person to whom the allotment is being made, at the time of allotment of the warrant and the same shall be adjusted against the price payable for the subsequent allotment of Equity Shares against the Warrants. Further, in the event the option of conversion of Warrants into Equity Shares is not exercised by the warrant holder, in terms of this resolution the upfront payment of 25% shall stand forfeited.
- (iv) Each of the said warrants shall carry a right, entitling its registered owner to apply at his option and seek allotment of one Equity Shares of Re. 1/- each upon exchange/surrender of each warrant to the Company along with payment of balance 75% of the Issue Price of the Equity Shares.
- (v) Against each of the said warrants, the registered owner of the warrants shall be entitled to apply for and seek allotment of one Equity Share, at his option, in the manner aforesaid, within the period not exceeding 18 months from the date of issue of the said warrants. The Board of Directors of the Company at its discretion shall decide the time within which the application for Equity Share against exchange/surrender of the said warrant shall be made subject to the aforesaid time limit.
- (vi) The Equity Shares to be issued and allotted as aforesaid upon conversion of the said warrants, and also the entire pre-preferential Equity Shares held, if any, by the proposed allottees, shall be subject to the lock in for such period as prescribed under Regulation 78 of the SEBI (ICDR) Regulations.
- (vii) The warrant by itself shall not give to the holders thereof any rights of the shareholders of the Company.
- (viii) The option attached to each of the said warrants shall be independent of each other. ”

“**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board / Committee be and is hereby authorized to sign all documents and undertakings as may be required and generally to do all such acts, deeds, matters and things as it may in its absolute discretion deemed necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in regard to the offer/issue, allotment of the said Warrants/Equity Shares and utilization of the proceeds.”

“**RESOLVED FURTHER THAT** the Board is hereby authorized to accept such terms and conditions as the Government of India, SEBI, the Reserve Bank of India, Financial Institutions and / or Stock Exchanges where the Company’s Equity Shares are listed as per the terms and conditions of the Listing Agreements stipulate in that behalf.”

“**RESOLVED FURTHER THAT** the Board is hereby authorized to delegate all or any of the powers conferred on it by or under this resolution to any Committee of Directors of the Company or to any Director or Directors or any other officer(s) or employee(s) of the Company as it may consider appropriate in order to give effect to this resolution.”

**ITEM NO. 3 –TRANSACTIONS WITH RELATED PARTIES UNDER SECTION 188 OF THE COMPANIES ACT, 2013.**

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 Section 188 and other applicable provisions of the Companies Act, 2013, if any, consent of the Company be and is hereby accorded for entering into related party transactions by the Company with effect from 1<sup>st</sup> April, 2014 upto the maximum per annum amounts as mentioned herein below:

Maximum value of contract / transaction (per annum) with effect from April 01, 2014				
Transaction defined u/s 188(1) of the Companies Act, 2013				
	Sale, purchase or supply of any goods, materials		Selling or otherwise disposing of, or buying, property of any kind	
Name of Related Parties:-				
Companies:	Amounts (Rs. In Crores)			
Ruia Rayons Private Limited	Receipts	Payments	Receipts	Payments
	Upto Rs. 100.00 (Rupees One Hundred Crores)	Upto Rs. 100.00 (Rupees One Hundred Crores)	Upto Rs. 15.00 (Rupees Fifteen Crores)	Upto Rs. 15.00 (Rupees Fifteen Crores)

**“RESOLVED FURTHER THAT** although all these transactions are based on ordinary course of business and at the arms' length basis, the aforesaid consent is sought as an abundant caution, and thus the Board of Directors and/or any Committee thereof be and is hereby authorised to settle any question, difficulty or doubt that may arise with regard to giving effect to the above Resolution and to do all acts, deeds, things, as may be necessary in its absolute discretion deem necessary, proper desirable and to finalise any documents and writings related thereto.”

By Order of the Board of Directors  
For **Shekhawati Poly-Yarn Limited**

**Sd/-**  
**Meena Agal**  
**Company secretary**

Place: Mumbai  
Date: October 17, 2014

**NOTES:**

1. The Explanatory Statement pursuant to Sections 102 and 110 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 setting out material facts is annexed hereto.
2. The Company has appointed Mr. Vishal Manesta, Practising Company Secretary, Mumbai, as Scrutinizer for conducting the postal ballot process in a fair and transparent manner.
3. The Notice is being sent to all the members, whose names appear on the Register of Members / List of Beneficial Owners as received from National Securities Depository Limited (NSDL) / Central Depository Services (India) Limited (CDSL) as on October 17, 2014.
4. The self-addressed envelope attached to this Notice bears the address to which the duly completed Postal Ballot Form is to be sent.
5. Unsigned Postal Ballot Form or the form in which any other material information is missing or postal ballot containing misleading information will be rejected.
6. If a member has voted through e-voting and postal ballot both then the e-voting will be counted and voting done through postal ballot will be rejected.
7. Postal Ballot form shall not be filled in with the red pen.
8. In compliance with the provisions of Section 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014 and under Clause 35B of the Listing Agreement, the Company offers e-voting option to the shareholders as an alternative to enable them to cast their votes electronically. For this purpose, the Company has engaged Central Depository Services Limited (CDSL), for facilitating e-voting to enable the Members to cast their votes electronically instead of dispatching Postal Ballot Form.
9. E-voting is optional process and manner for members opting for e-voting are as under.

**The instructions for e-voting are as under:****In case of members receiving e-mail:**

- (i) Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
- (ii) Click on "Shareholders" tab.
- (iii) Now, select the "Shekhawati Poly -Yarn 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](http://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:

<b>For Members holding shares in Demat Form and Physical Form</b>	
<b>PAN*</b>	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"><li>• 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 last 8 digits of the demat account/folio number in the PAN field.</li><li>• In case the folio 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 lette Eg. If your name is Ramesh Kumar with folio number 100 then enter RA00000100 in the PAN field.</li></ul>

<b>For Members holding shares in Demat Form and Physical Form</b>	
<b>DOB</b>	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.
<b>Dividend Bank Details</b>	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. 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 <b>the number of shares held by you as on the cut off date in the Dividend Bank details field.</b>

- (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.
- (xi) Click on the EVSN (141017002) for Shekhawati Poly-Yarn Limited .
- (xii) 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.
- (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiv) 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.
- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xvii) 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](mailto: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](mailto: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 October 31, 2014 at 10.00 a.m. and ends on November 29, 2014 at 6.00 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 October 17, 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](http://www.evotingindia.co.in) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
10. Kindly note that the shareholders can opt only one mode of voting i.e. either by e-voting or physical mode. If you are opting for e-voting, then do not vote by physically also and vice-versa. However, in case shareholders cast their vote physically and e-voting, then voting done through e-voting will prevail and voting done physically will be treated as invalid.
  11. Shareholders whose email id is registered with depositories are being sent Notice of Postal Ballot by e-mail and others are sent by Registered Post/Speed Post or courier services along with Postal Ballot Form. Shareholder who have received Postal Ballot Notice by e-mail and who wish to vote through Physical Postal Ballot Form can download Postal Ballot Form from [www.shekhawatiyarn.com](http://www.shekhawatiyarn.com) or seek duplicate postal Ballot Form from M/s. Sharex Dynamic (India) Private Limited, Registrar and Share Transfer Agent at Sharex Dynamic (India) Pvt. Ltd. off Unit-1, Luthra Industrial Premises, 1st Floor, 44E, M Vasanti Marg, Andheri Kurla Road, Safed Pool, Andheri (E), Mumbai -400 072, fill in the details and send the same to the Scrutinizer.
  12. Shareholders desiring to exercise vote by physical Postal Ballot are requested to carefully read the instructions printed in the postal ballot Form and return the Postal Ballot Form duly completed and signed in the enclosed self-addressed business reply envelope to the scrutinizer so as to reach the Scrutinizer on or before the close of working hours on Saturday, November 29, 2014. The Postage cost will be borne by the Company. However, envelopes containing Postal Ballot Form, if deposited in person or sent by courier or registered/speed post at the expense of the shareholder will also be accepted.
  13. The voting period for e-voting ends on Saturday, November 29, 2014. The e-voting module will be disabled by CDSL at 6.00 p.m. on the same day.
  14. In case where the Postal Ballot Form has been signed by an authorised representative of a Body Corporate, certified copy of the relevant authorisation to vote on the Postal Ballot should accompany the Postal ballot Form.
  15. Voting Rights shall be reckoned on the paid-up value of the shares registered in the name(s) of the Member(s) on the cut-off date i.e. Friday, October 17, 2014.
  16. The Board of Directors have appointed Mrs. Meena Agal, Company Secretary as a person responsible for the entire Postal Ballot Process.
  17. Documents specifically stated in the Explanatory Statement are open for inspection at the Corporate Office of the Company situated at Express Zone, ‘A’-wing, Unit No. 1102/1103, Patel Vatika, Off Western Express Highway, Malad (East), Mumbai – 400 097 between 2.00 p.m. to 5.00 p.m. on all working days up to the date of announcement of Postal Ballot Results i.e. December 02, 2014.

**EXPLANATORY STATEMENT  
AS REQUIRED PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

**Item No. 1:**

The Board of Directors of the Company have decided to broad base the capital structure of the Company, pursuant to which the Board has approved the Preferential Allotment of shares. Accordingly, to meet with the capital requirement pursuant to the proposed preferential issue, the Authorized Share Capital of the Company is proposed to be increased and the Capital Clause of the Memorandum of Association of the Company needs to be altered.

None of the Directors, Key Managerial Personnel and their relatives are in any way concerned or interested in the said resolution except to the extent of their shareholding in the Company.

Your Directors recommend the Resolution for the members' approval.

**Item No. 2:**

Your Company proposed to issue and allot not more than 17,98,89,330 (Seventeen Crores Ninety Eight Lacs Eighty Nine Thousand Three hundred and Thirty) Warrants on a Preferential Basis carrying an option/entitlement to subscribe to equivalent number of Equity Shares of Re. 1/- each, at future date, not exceeding 18 (Eighteen) months from the date of issue of such warrants at such price as may be determined as per the provisions of Regulation 76 of the SEBI (ICDR) Regulations on a preferential basis, vide Resolution mentioned at item No. 2 of this Notice.

**Disclosures prescribed under the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended up to the date**

**a) Object of the preferential issue**

The Board has proposed to make preferential allotment to augment the capital base of the company for expansion and growth of the company. Thus the funds raised by the Company, shall be utilized for its present business operation or in such other manner as may be decided by the Board of Directors, in the interest of the company.

**b) Intention of the Promoters / Directors / Key Management Personnel of the Company to subscribe to the Preferential Allotment**

The Promoters of the Company, its Directors and Key Management Personnel of the company except Mr. Mukesh Ruia, do not intend to participate/subscribe to the proposed preferential issue.

**(c) Justification for the allotment proposed to be made for consideration other than cash together with the valuation report of the registered valuer:**

There will be no securities issued for consideration other than cash.

**d) Shareholding Pattern pre issue and post issue of the Preferential Issue is given hereunder**

Sr. No.	Category	Pre Issue*		No. of Equity Shares proposed to be allotted	Post Issue**	
		No. of Shares held	% of share holding		No. of shares held	% of share holding
<b>A</b>	<b>Promoter's holding:</b>					
<b>1</b>	<b>Indian:</b>					
	Individual	5,36,25,000	24.36	10,16,68,235	15,52,93,235	38.82
	Bodies Corporate	4,67,06,765	21.22	-	4,67,06,765	11.68
	<b>Sub Total</b>	<b>10,03,31,765</b>	<b>45.58</b>	<b>10,16,68,235</b>	<b>20,20,00,000</b>	<b>50.50</b>
<b>2</b>	Foreign Promoters	-	-	-	-	-
	<b>Sub Total (A)</b>	<b>10,03,31,765</b>	<b>45.58</b>	<b>10,16,68,235</b>	<b>20,20,00,000</b>	<b>50.50</b>
<b>B</b>	<b>Non-Promoter's holding:</b>					
<b>1</b>	<b>Institutional Investors :</b>	-	-	-	-	-
<b>2</b>	<b>Non- Institutional:</b>					
	Private Corporate Bodies	8,02,00,476	36.44	7,80,00,000	15,82,00,476	39.55
	Indian Public	3,91,38,000	17.78	2,21,095	3,93,59,095	9.84
	Others:					
	Clearing Member	2,92,291	0.13	-	2,92,291	0.07
	NRIs	1,48,138	0.07	-	1,48,138	0.03
	<b>Sub Total (B)</b>	<b>11,97,78,905</b>	<b>54.42</b>	<b>7,82,21,095</b>	<b>19,80,00,000</b>	<b>49.50</b>
	<b>GRAND TOTAL (A + B)</b>	<b>22,01,10,670</b>	<b>100.00</b>	<b>17,98,89,330</b>	<b>40,00,00,000</b>	<b>100.00</b>

\* The Shareholding pattern has taken as on date of October 17, 2014 for the purpose of Preferential Issue.

\*\* The above Post Issue Shareholding Pattern is based on the assumption of full subscription of Equity Shares upon conversion of entire 17,98,89,330 warrants.

**e) Proposed time within which the allotment shall be completed:**

Allotment of warrants shall be completed within 15 days from the date of passing of this resolution, subject to obtaining of In-principle approval of the Stock Exchanges, where the equity shares of the Company are listed, in terms of the Listing Agreement. Further, where the allotment is pending on account of pendency of any approval, if required, from any regulatory authority / Central Government, the allotment shall be completed within 15 days from the date of such approval.

**f) No. of persons to whom allotment on preferential basis has already been made during the year, in terms of number of securities as well as price:**

Save and except the Preferential Issue as proposed in the resolution as set in the accompanying Notice, the Company has made no other issue or allotment of securities on preferential basis during the year.

**g) Issue Price:**

The issue price will be determined in accordance with the provisions of Chapter VII of the SEBI ICDR Regulations.

Since the Company is listed on both BSE Limited and National Stock Exchange of India Limited, the trading volume of Securities of the Company on both the stock exchanges will be considered to determine the higher trading volume for computation of issue price.

**h) Identity of the proposed allottees and the percentage of pre and post preferential issue is as under.**

Name of the Proposed Allottees	Category	Pre-Issue Holding*	% of Pre issue paid up capital	No. of Equity Shares Proposed to be Allotted	Post-Issue Holding**	% of Post issue paid up capital	Natural Person who are the ultimate beneficial owners / ultimately controlling the proposed allottee
<b>Promoter/Promoter Group</b>							
Mukesh Ramniranjan Ruia	Individual – Promoter	3,13,20,000	14.23	6,78,80,000	9,92,00,000	24.80	N.A.
Mukesh Ramniranjan Ruia – HUF	Resident H.U.F.	-	-	3,37,88,235	3,37,88,235	8.45	Mr. Mukesh Ramniranjan Ruia (Karta), Mrs. Kalpana M. Ruia (Member), Mr. Shrey M. Ruia (Member) and Miss. Ishani M. Ruia (Member)
<b>Non-Promoter Group</b>							
Paath Financial Services Private Limited	Resident – Body Corporate	-	-	2,60,00,000	2,60,00,000	6.50	Mr. Rakesh Shivdas Kanojiya and Mr. Indrajeet Nikhiddi Vishwakarma, the Promoters of the Company.
Modern Trading Business Private Limited.	Resident – Body Corporate	28,86,382	1.31	2,60,00,000	2,88,86,382	7.22	Mr. Raj Kumar Saraf and Mrs. Manjusha Rajkumar Saraf, the Promoters of the Company.
Azura Projects Private Limited.	Resident – Body Corporate	-	-	2,60,00,000	2,60,00,000	6.50	Mr. Anil Anant Mahadik and Mr. Pankaj Madhusudan Badheka, the Promoters of the Company.
Mukta Tulshyan	Resident Individual	-	-	2,21,095	2,21,095	0.06	N.A.

\*The Shareholding as on cut-off date i.e. October 17, 2014 is considered for Pre Issue Holding.

\*\*The above post issue pattern is based on the assumption of full subscription of Equity Shares upon conversion of entire 17,98,89,330 warrants.

**i) Change in the control or composition of the Board**

There will be no change in the control or composition of the Board subsequent to the issue of Equity shares by way of preferential issue.

**j) Relevant Date**

The Relevant Date for the pricing of the Equity Shares to be issued on conversion of warrants pursuant to the aforesaid preferential allotment is Friday, October 31, 2014, since November 02, 2014 being 30 days prior to the date of publication of the result of the Postal Ballot falls on Sunday and as per Regulation 71 of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, where the relevant date falls on a weekend/holiday, the day preceding the Weekend/Holiday is reckoned to be the relevant date.

**k) Lock In Requirements:**

The Equity Shares to be issued and allotted as aforesaid upon conversion of the said warrants, and also the entire pre-preferential Equity Shares held, if any, by the proposed allottees, shall be subject to the lock in for such period as prescribed under Regulation 78 of the SEBI (ICDR) Regulations.

**l) Allotment shall be in Dematerialized Form**

The present preferential allotment to the proposed allottees shall be made in dematerialized form in accordance with Regulation 74(4) of SEBI (ICDR), Regulations.

**m) Company's Undertaking:**

The undertaking required under paragraphs (f) and (g) of Regulations 73 (1) of Chapter VII of the SEBI (ICDR) Regulations will not be applicable to the Company as the Company's Equity Shares have been listed on the Stock Exchanges, where the Equity Shares of the Company are listed, for a period of more than 6 months prior to the relevant date.

**n) Miscellaneous:**

- (a) The Company is in Compliance with the conditions for continuous listing of Equity Shares as specified in the listing agreement with the Stock Exchanges, where the Equity Shares of the Company are listed.
- (b) The Company has obtained PAN of the allottees.

**o) Auditor Certificate:**

A copy of the Certificate of the Company's Statutory Auditor certifying that the proposed preferential issue is being made in accordance with requirements of SEBI (ICDR) Regulations shall be made available to the Shareholders at the Corporate Office of the Company situated at Express Zone, 'A'-wing, Unit No. 1102/1103, Patel Vatika, Off Western Express Highway, Malad (East), Mumbai – 400 097 between 2.00 p.m. to 5.00 p.m. on all working days up to the date of announcement of Postal Ballot Results i.e. December 02, 2014.

None of the Directors, Key Managerial Personnel and their relatives are in any way concerned or interested in the said resolution except to the extent of their shareholding in the Company or that of the companies and/or firms and/or HUFs and/or institutions of which they are directors, partners or members and who may hold shares in the Company.

Your Directors recommend the resolution for the member's approval.

**Item No. 3:**

As per provision of sub-section (1) of Section 188 read with rule 15 of Companies (Meeting of Board and its Powers) Rules 2014, a company (whether private, public or listed) needs to obtain prior approval of the Board of Directors and in case the paid-up share capital of a company is Rs.10 crores or more, the prior approval of shareholders by way of a Special Resolution is required for entering into the related party transactions.

Further, third proviso to section 188(1) provides that nothing in this sub-section shall apply to any transaction entered into by the company in its ordinary course of business and on arm's length basis. Though, your Company always seeks to enter into transactions with related parties in the ordinary course of business and at arm's length basis still there may be some such transactions which are done in the interest of the company and for which your approval is required under the provisions of the Companies Act, 2013.

The Additional information required to be disclosed pursuant to Rule 15 of the Companies (Meeting of Board and its powers) Rules, 2014:

Maximum value of contract / transaction (per annum) with effect from April 01, 2014				
	Transaction defined u/s 188(1) of the Companies Act, 2013			
	Sale, purchase or supply of any goods, materials		Selling or otherwise disposing of, or buying, property of any kind	
Name of Related Parties:-				
Companies:				
Amounts (Rs. In Crores)				
Ruia Rayons Private Limited	Receipts	Payments	Receipts	Payments
	Upto Rs. 100 (Rupees One Hundred Crores)	Upto Rs. 100 (Rupees One Hundred Crores)	Upto Rs. 15.00 (Rupees Fifteen Crores)	Upto Rs. 15.00 (Rupees Fifteen Crores)

**Other Disclosure:**

(a)	Name of the related party and Nature of Relationship	As provided in the table above Ruia Rayons Private Limited is Promoters Relative's Company.
(b)	Nature, duration of the contract and particulars of the contract or arrangement	As provided in the table above All proposed transactions would be carried out as part of the business requirements of the Company in ordinary course of business and on arm's length basis.
(c)	Material terms of the contract or arrangement including the value, if any:	As provided in the table above
(d)	Any advance paid or received for the contract or arrangement, if any	Advance Paid Rs. 3.66 crores (Rupees Three Crores Sixty Six Lacs Only) for selling or otherwise disposing of or buying, property of any kind.
(e)	Manner of determining the pricing and other commercial terms both included as part of contract and not considered as part of the contract:	All proposed transactions would be carried out as part of the business requirements of the Company and are ensured to be on arm's length basis.
(f)	Whether all factors relevant to the contract have been considered, if not, the details of factors not considered with the rationale for not considering those factors:	All the factors have been considered
(g)	Any other information relevant or important for the members to take a decision on the proposed transaction/resolution:	Nil
(h)	Interested Director	Mr. Mukesh Ruia, Chairman & Managing Director

Members are hereby informed that pursuant to second proviso of section 188(1) of the Companies Act, 2013, no member of the company shall vote on such special resolution to approve any contract or arrangement which may be entered into by the company, if such member is a related party.

The Board of Directors of your Company has approved this item in the Board Meeting held on October 17, 2014 and recommends the Resolution as set out in the accompanying Notice for the approval of members of the Company as a Special Resolution as an abundant precaution.

None of the Director or Key Managerial Personnel of the Company is concerned or interested in the said resolution except to the extent of their shareholding in the Company or their interest as director or shareholder or partner or otherwise in such other related party Entity, if any.

By Order of the Board of Directors  
For **Shekhawati Poly-Yarn Limited**

**Sd/-**

**Meena Agal**  
**Company secretary**

Place: Mumbai  
Date: October 17, 2014

Encl:

1. Postal Ballot Form
2. Self-addressed Postage Pre-paid Business Reply Envelope.



# SHEKHAWATI POLY-YARN LIMITED

Regd. Off.: Plot No. 185/1, Naroli Village, Near Kanadi phatak, Naroli Dadara - Nagar Haveli -396235  
Tel: 0260-2650666 Email id: unit3@shekhawatiyarn.com;  
Website: www.shekhawatiyarn.com; CIN : L17120DN1990PLC000440

## POSTAL BALLOT FORM (to be returned to the Scrutinizer appointed by the Company)

Serial No.:

1. Name and Registered address of the :  
sole / first named Member / Beneficial  
Owner
2. Name of the Joint Holder(s) :  
(if any)
3. Registered Folio No.\* :  
(\*applicable to Shareholders holding  
shares in Physical form)
4. DP Id No. \*/Client Id No.\* :  
(\*applicable to Shareholders holding  
shares in demat form)
5. Number of equity share(s) held :
6. I/We hereby exercise my/our vote in respect of the resolution to be passed through Postal Ballot for the business stated in the Postal Ballot Notice of the Company dated October 17, 2014 by conveying my/our assent or dissent to the said resolution by placing the tick (✓) mark at the appropriate box below:

Item No.	Description	Resolution	No. of share(s)	I/We assent to the Resolution (FOR)	I/We dissent to the Resolution (AGAINST)
1	Increase in the Authorized Share Capital of the Company and alteration in the Capital Clause of Memorandum of Association of the Company	Special			
2.	Issue of 17,98,89,330 number of warrants convertible into Equity Shares of the Company to Promoter / Promoter Group and Non-Promoters, on a Preferential Basis	Special			
3	Transactions with Related Parties under Section 188 of the Companies Act, 2013	Special			

Place:

Date:

\_\_\_\_\_  
Signature of the Shareholder  
or Beneficial owner  
or Authorised Signatory

Note: 1. Kindly read the instructions printed overleaf before exercising your vote through this Form or e-voting.  
2. Last date for receipt of Postal Ballot Forms by Scrutinizer is November 29, 2014.

## INSTRUCTIONS

1. A Member desirous to exercise vote by Postal Ballot may complete this Postal Ballot Form (no other form or photocopy thereof is permitted) and send it to the Scrutinizer, in the attached self-addressed postage prepaid business reply envelope. Postage will be borne and paid by the Company. However, envelopes containing Postal Ballot Form(s), if sent by courier or registered/speed post at the expense of the Shareholder will also be accepted. Members residing outside India should stamp the envelopes appropriately.
2. None of the Directors, Key Managerial Personnel and their relatives are in any way concerned or interested in the said resolution except to the extent of their shareholding in the Company.
3. There shall be one Postal Ballot for every folio, irrespective of the number of joint holders. Proxy shall not exercise the Postal Ballot.
4. The Postal Ballot should be completed and signed by the shareholder. In case of joint holding, this Form should be completed and signed (as per specimen signature registered with the Company in respect of shares held in physical form or furnished by NSDL or CDSL to the Company in respect of shares held in dematerialized form) by the first named shareholder and failing him/her, by the next named shareholder and so on. In case of shares held by the Company, Trust, Society etc., the duly completed Postal Ballot Form should be accompanied by Certified True Copy of the Board Resolution/Authority Letter.
5. Duly completed Postal Ballot Form should be received by the Scrutinizer on or before the close of working hours on Saturday, November 29, 2014. All Postal Ballot Forms received after this date will be strictly treated as if reply from such Shareholder has not been received.
6. Votes will be considered invalid on the following grounds:
  - a. If the Ballot Form is unsigned;
  - b. If the member's signature does not tally;
  - c. If the member has marked (✓) both in favour and also against in the ballot paper;
  - d. If the ballot paper received is torn or defaced or mutilated to an extent that it is difficult for Scrutinizer to identify either the member or number of votes or as to whether the votes are cast in favour or against the resolution or the signature could not be checked or on one or more of the above grounds;
  - e. On such other grounds which in the opinion of the Scrutinizer makes the votes invalid.
7. A Member may request for a duplicate Postal Ballot Form, if so required. All such requests should be addressed to the Company's Registrar & Transfer Agents, M/s. Sharex Dynamic (India) Pvt. Ltd. at off Unit-1, Luthra Industrial Premises, 1st Floor, 44E, M Vasanti Marg, Andheri Kurla Road, Safed Pool, Andheri (E), Mumbai -400 072, However, the duly completed duplicate Postal Ballot Form should reach the Scrutinizer on or before the date specified in Instruction No. 5 above.
8. Voting rights shall be reckoned on the paid up value of shares registered in the name of the Shareholders as on October 17, 2014.
9. A member need not use all the votes or cast all the votes in the same way.
10. Members are requested not to send any other paper along with the Postal Ballot Form in the enclosed self-addressed business reply envelope, as all such envelopes will be sent to the Scrutinizer and any extraneous paper found in such envelope would be destroyed by the Scrutinizer and the Company would not be able to act on the same.
11. Only a Member entitled to vote is entitled to exercise his vote through Postal Ballot and a Member having no right should treat this Notice as intimation only.
12. Incomplete, unsigned or incorrect Postal Ballot Forms will be rejected. The Scrutinizer's decision on the validity of a Postal Ballot shall be final and binding.
13. The result of the Postal Ballot will also be posted on the website of the Company [www.shekhawatiyarn.com](http://www.shekhawatiyarn.com) and also in the newspaper(s) for the information of the Shareholders.
14. The Company is pleased to offer e-voting facility as an alternate, for all the Shareholders of the Company to enable them to cast their votes electronically instead of despatching Postal Ballot Form. E-voting is optional. The detailed procedure is enumerated in the Notes to the Postal Ballot Notice.
15. The date of declaration of result i.e., December 2, 2014 shall be the effective date of passing of the resolution.