

ASI INDUSTRIES LIMITED

(Formerly known as ASSOCIATED STONE INDUSTRIES (KOTAH) LIMITED)

(CIN L14101MH1945PLC256122)

Registered Office: Marathon Innova, 'A' Wing, 7th Floor, Off G.K.Marg, Lower Parel, Mumbai-400013
Tel: 022-4089 6100, Fax: 022-4089 6119, Email: investors@asigroup.co.in Website: www.asigroup.co.in

POSTAL BALLOT NOTICE

Dear Member,

Notice is hereby given, pursuant to Section 110 and other applicable provisions of the Companies Act, 2013 (the 'Act') read together with Rule 22 of the Companies (Management and Administration) Rules, 2014 (the 'Rules'), (including any statutory modification or re-enactment thereof for the time being in force), the relevant provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Secretarial Standard – 2 relating to General Meetings and other applicable laws and regulations, to the members of ASI Industries Limited (the 'Company') that the Special Resolutions appended below is proposed to be passed by way of Postal Ballot including e-voting.

The proposed resolutions and the Explanatory Statements setting out the material facts concerning these resolutions and the rationale thereof are annexed hereto along with a Postal Ballot Form for your consideration and voting.

The Board of Directors of the Company in its meeting held on Wednesday, 13th February, 2019 has appointed Mr. Prabhat Maheshwari, (Membership No. FCS 2405/COP 1432) or in his absence Mr. Mahesh Soni, (Membership No. FCS 3706/COP 2324) both Partners of GMJ & Associates, Practicing Company Secretaries, as the scrutinizer to conducting the Postal Ballot (physical and e-voting) process in accordance with law and in a fair and transparent manner

The business of the Postal Ballot shall, in addition to physical voting, also be transacted through electronic voting system. Accordingly, the Company in compliance with Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the 'Listing Regulations') and the provisions of Section 108 of the Act read with Rules 20 and 22 of the Rules, as amended from time to time and Secretarial Standard – 2 relating to General Meetings, is pleased to provide to the shareholders, the facility to exercise their right to vote on the matters included in the Notice of the Postal Ballot by electronic means i.e. through e-voting services provided by the Central Depository Services (India) Limited ('CDSL'). The e-voting period commences on **Monday, 25th February, 2019 at 9.00 a.m. IST and ends on Tuesday, 26th March 2019 at 5.00 p.m. IST.**

Please read carefully and follow the instructions as printed in this Notice for e-voting.

Those shareholders, who do not have access to e-voting facility can send their assent or dissent in writing on the Postal Ballot Form attached herewith. Shareholders are requested to carefully read the instructions on the Postal Ballot Form and return the Postal Ballot Form duly completed and signed in the attached self-addressed, pre-paid postage envelope, so as to reach the Scrutinizer before 5.00 p.m. IST on **Tuesday, 26th March 2019**. Please note that any Postal Ballot Form(s) received after the above mentioned period will be treated as not received.

The Scrutinizer will submit his report on the votes polled through E voting/Postal Ballot, to the Chairman or any Director or Company Secretary. The Chairman will or in his absence, any director or Company Secretary, will announce the results of Voting by Postal Ballot on **Thursday, 28th March 2019 at 5.00 p.m.** The Scrutinizer's decision on the validity of the votes cast through E-voting /Postal Ballot shall be final. The Results of the E-voting /Postal Ballot will be displayed at the Registered Office, posted on the Website of the Company www.asigroup.co.in and intimated to the Stock Exchange on which the shares of the Company are listed.

SPECIAL RESOLUTIONS

Item No.1: Re-appointment of Mr. Sanjay Seksaria as Independent Director

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

"RESOLVED THAT pursuant to the provision of Section 149 and 152 and other applicable provisions of the Companies Act, 2013 and Rules made under, Mr. Sanjay Seksaria (DIN 00111096) be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, for a period of 5 consecutive years from 1st April, 2019 to 31st March, 2024.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, matters and things, as it may in its discretion deem necessary, expedient or proper to give effect to these resolution and to settle

any questions, difficulties or doubts that may arise in this regard at any stage, without requiring the Board of Directors to secure any further consent or approval of the shareholders to this end and intent that they shall be deemed to have given approval thereto expressly by authority of this resolution.”

Item No.2: Re-appointment of Mr. Anshul Sonawala as Independent Director

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

“**RESOLVED THAT** pursuant to the provision of Section 149 and 152 and other applicable provisions of the Companies Act, 2013 and Rules made under, Mr. Anshul Sonawala (DIN 00133376) be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, for a period of 5 consecutive years from 1st April, 2019 to 31st March, 2024.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, matters and things, as it may in its discretion deem necessary, expedient or proper to give effect to these resolution and to settle any questions, difficulties or doubts that may arise in this regard at any stage, without requiring the Board of Directors to secure any further consent or approval of the shareholders to this end and intent that they shall be deemed to have given approval thereto expressly by authority of this resolution.”

Item No.2: Conversion of Loan into Equity

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

“**RESOLVED THAT** pursuant to Section 62(3) and other applicable provisions, if any, of the Companies Act, 2013 and Rules made there under and in accordance with the Memorandum and Articles of Association of the Company and applicable regulations and subject to all such approval(s), consent(s), permission(s), sanction(s), if any, of appropriate statutory, governmental and other authorities and departments in this regard and subject to such condition(s) and modification(s) as may be prescribed or imposed, while granting such approval(s), consent(s), permission(s) or sanction(s), the consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the “Board”, which term shall be deemed to include any committee(s) constituted/to be constituted by the Board to exercise its powers including powers conferred by this resolution, to the extent permitted by law), on the terms and conditions contained in the financing documents, such terms and conditions to provide, inter alia, to convert the whole or part of the outstanding loans of the Company (whether disbursed on or prior to or after the date of this resolution and whether then due or payable or not), (as already stipulated or as may be specified by the Financial Institutions/Banks under the financing documents executed or to be executed in respect of the financial assistance which have already been availed or which may be availed) by the Company under the lending arrangements (existing and future arrangements) with various Banks and Financial Institutions (hereinafter collectively referred to as the “Lenders”), at the option of the Lenders, the loans or any other financial assistance categorized as loans (hereinafter referred to as the “Financial Assistance”), in Foreign Currency or in Indian Rupees, which have already been availed from the Lenders or as may be availed from the Lenders, from time to time, does not exceed a sum of ₹ 500 Crores (Rupees Five Hundred Crores only) over and above the aggregate of the paid up capital of the Company and its free reserves (that is to say reserves not set apart for any specific purpose) consistent with the existing borrowing powers of the Company under Section 180(1)(c) of the Companies Act, 2013, each such Financial Assistances being separate and distinct from the other, into fully paid up equity shares of the Company on such terms and conditions as may be stipulated in the financing documents and subject to applicable law and in the manner specified in a notice in writing to be given by the Lenders (or their agents or trustees) to the Company (hereinafter referred to as the “Notice of Conversion”) and in accordance with the following conditions:

- (i) the conversion right reserved as aforesaid may be exercised by the Lenders on one or more occasions during the currency of the Financial Assistance;
- (ii) on receipt of the Notice of Conversion, the Company shall, subject to the provisions of the financing documents, allot and issue the requisite number of fully paid-up equity shares to the Lenders or any other person identified by the Lenders as from the date of conversion and the Lenders may accept the same in satisfaction of the part of the loans so converted;
- (iii) the part of the loan so converted shall cease to carry interest as from the date of conversion and the loan shall stand correspondingly reduced. Upon such conversion, the repayment instalments of the loan payable after the date of conversion as per the financing documents shall stand reduced proportionately by the amounts of the loan so converted. The equity shares so allotted and issued to the Lenders or such other person identified by the Lenders shall carry, from the date of conversion, the right to receive proportionately the dividends and other distributions declared or to be declared in respect of the equity capital of the Company. Save as aforesaid, the said shares shall rank pari passu with the existing equity shares of the Company in all respects.

- (iv) In the event that the Lenders exercise the conversion right as aforesaid, the Company shall at its cost get the equity shares, issued to the Lenders or such other person identified by the Lenders as a result of the conversion, listed with such stock exchanges as may be prescribed by the Lenders or such other person identified by the Lenders and for the said purpose the Company shall take all such steps as may be necessary to the satisfaction of the Lenders or such other person identified by the Lenders, to ensure that the equity shares are listed as required by the Lenders or such other person identified by the Lenders.
- (v) The loans shall be converted into equity shares at a price to be determined in accordance with the applicable Securities and Exchange Board of India Regulations at the time of such conversion.

RESOLVED FURTHER THAT the Board be and is hereby authorized to finalise the terms and conditions for raising the Financial Assistance, from time to time, with an option to convert the Financial Assistance into equity shares of the Company any time during the currency of the Financial Assistance, on the terms specified in the financing documents, including upon happening of an event of default by the Company in terms of the loan arrangements

RESOLVED FURTHER THAT the Board be and is hereby authorized to issue, offer and allot from time to time to the Lenders such number of equity shares for conversion of the outstanding portion of the loans as may be desired by the Lenders.

RESOLVED FURTHER THAT the Board be and is hereby authorized to accept such modifications and to accept such terms and conditions as may be imposed or required by the Lenders arising from or incidental to the aforesaid terms providing for such option and to do all such acts and things as may be necessary to give effect to this resolution.

RESOLVED FURTHER THAT the Board be and is hereby also authorized to delegate all or any of the powers herein conferred by this resolution on it, to any committee of Directors or any person or persons, as it may in its absolute discretion deem fit in order to give effect to this resolution”.

Registered Office:

Marathon Innova, A wing , 7th Floor
Off G.K.Marg, Lower Parel
Mumbai - 400013,
Maharashtra, India.

By Order of the Board of Directors

Manoj Jain
Company Secretary

Place: Mumbai

Date: 13th February, 2019

Notes:

1. The Notice of the Postal Ballot is being sent by permitted mode along with a postage pre-paid self-addressed Business Reply Envelope to all the members, whose names appear in the Register of Members / List of Beneficial Owners as received from the National Securities Depository Limited (NSDL) / Central Depository Services (India) Limited (CDSL) as on **Friday, 08th February 2019 i.e. cut -off date**. The members who have registered their e-mail IDs for receipt of documents in electronic mode are being sent the Notice of Postal Ballot by e-mail. Those members who have not so registered their e-mail IDs will receive the Notice of the Postal Ballot and the Postal Ballot Form by post/courier. The voting rights shall be reckoned on the paid-up value of the shares registered in the names of the shareholders as on the cut-off date i.e. **Friday, 08th February 2019**. Shareholders can also download the Postal Ballot Form from the websites: www.evotingindia.com or www.asigroup.co.in or seek duplicate Postal Ballot Form from Registrar and Transfer Agent, M/s. Link Intime India Private Limited, C-101, 247 Park, L.B.S.Marg, Vikhroli (West), Mumbai 400083.
2. In accordance with the provisions of Sections 108, 110 and other applicable provisions, if any, of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the 'Listing Regulations'), the Company is also offering e-voting option to all the shareholders. For this purpose, the Company has signed an agreement with CDSL for facilitating e-voting and is pleased to offer e-voting facility as an alternate, to its shareholders to enable them to cast their votes electronically instead of exercising their votes by physical Postal Ballot Forms. The instructions for e-voting are annexed to this Notice.
3. The members can opt for only one mode of voting i.e. either by Physical Ballot or e-voting. In case, members cast their votes through both the modes, voting done by Physical Ballot shall be considered valid and the votes cast through e-voting shall be considered as invalid.

INSTRUCTIONS FOR E-VOTING

- (A) The instructions for shareholders voting electronically are as under:
- (i) The voting period begins on Monday, **25th February, 2019 at 9.00 a.m. IST and ends on Tuesday, 26th March, 2019 at 5.00 p.m. IST** During this period, members of the Company holding shares, either in physical form or in dematerialized form, as on the cut-off date i.e. **Friday, 08th February 2019**, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
 - (ii) Log on to the e-voting website www.evotingindia.com.
 - (iii) Click on Shareholders/Members tab.
 - (iv) Now Enter your User ID:
 - a. or 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 sequence number which is printed on postal ballot form 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 (iv).

- (viii) After entering these details appropriately, click on “SUBMIT” tab.
- (ix) Members holding shares in physical form will then directly reach to 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 for the **<ASI Industries Limited >** on which you choose to vote.
- (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.

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- (xvi) You can also take out print of the votes cast by you by clicking on “Click here to print” option on the Voting page.
- (xvii) If a Demat account holder has forgotten the login password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) 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. iPhone and Windows phone users can download the app from the App Store and Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xix) **Note for Non-Individual Shareholders and Custodians:**
- a. Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.com> and register themselves as Corporates.
 - b. They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.
 - c. 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.
 - d. 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.
 - e. They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favor of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.
- (xx) 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.

B. In case of members receiving the physical copy:

1. Please follow all steps from sl. no. (i) to sl. no. (xviii) above to cast vote.
2. Kindly note that the shareholders can opt for only one mode of voting, i.e. either physical postal ballot or e-voting. If the shareholders are opting for e-voting, then do not vote by physical ballot also and vice-versa. However, in case shareholders cast their votes simultaneously by physical ballot and e-voting, then voting done through valid physical ballot only shall be considered valid and voting done by e-voting will be treated as invalid.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 AND RULE 22 OF THE COMPANIES (MANAGEMENT AND ADMINISTRATION) RULES, 2014:

ITEM NO.1

At the 68th Annual General Meeting of the Company held on 26th September, 2014, Mr. Sanjay Seksaria was appointed as an Independent Director for a period of 5 years w.e.f. 5th August, 2014. The existing term expired on 31st March, 2019. He is the member of Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee of the Company.

Pursuant to the provision of section 149 and 152 and other applicable provisions the Companies Act, 2013, the Independent Director can be re-appointed for a second term up to 5 years after obtaining the approval of the shareholders by passing a special resolution.

Mr. Sanjay Seksaria having graduate and having rich experience in the field of trading, real estate and entertainment industries especially in film making including advertisement.

Mr. Sanjay Seksaria hold 936 equity shares of the Company and he is not related to any directors or Key managerial personnel of the Company. He is not a Director in any other public Company.

The sitting fee paid to Mr. Sanjay Seksaria was disclosed in the Corporate Governance Report of the Company.

In the opinion of the Board of Directors of the Company, Mr. Sanjay Seksaria continue to fulfil the criteria specified in the Companies Act, 2013 and Rules made thereunder for re-appointment as Independent Director.

Having regard to the knowledge and experience, his re-appointed on the board of the Company as an Independent Director will be in the interest of the Company. Accordingly, the Board of Director recommend passing the Special Resolution at item no. 1 of the Notice.

The Copy of the letter of appointment of setting out the terms and conditions, would be available for inspection at the Register office of the Company during the postal ballot period from 25th February, 2019 to 26th March, 2019.

None of the Director, Key Managerial Personnel and /or their relative, except Mr. Sanjay Seksaria is concerned or interested in the Resolution.

ITEM NO.2

At the 68th Annual General Meeting of the Company held on 26th September, 2014, Mr. Anshul Sonawala was appointed as an Independent Director for a period of 5 years w.e.f. 05th August, 2014. The existing term expired on 31st March, 2019. He is the member of Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee and Corporate Social Responsibility of the Company.

Pursuant to the provision of section 149 and 152 and other applicable provisions the Companies Act, 2013, the Independent Director can be re-appointed for a second term up to 5 years after obtaining the approval of the shareholders by passing a special resolution.

Mr. Anshul Sonawala hold a Bachelor Degree in Management and having experience in the field of Business Management and Finance.

Mr. Anshul Sonawala does not hold any shares of the Company and he is not related to any directors or Key managerial personnel of the Company. He was first appointed as Non- Executive Independent Director w.e.f. 2nd December, 2009 and he is not a Director in any other public Company.

The sitting fee paid to Mr. Anshul Sonawala was disclosed in the Corporate Governance Report of the Company.

In the opinion of the Board of Directors of the Company, Mr. Anshul Sonawala continue to fulfil the criteria specified in the Companies Act, 2013 and Rules made thereunder for re-appointment as Independent Director.

Having regard to the knowledge and experience, his re-appointed on the board of the Company as an Independent Director will be in the interest of the Company. Accordingly, the Board of Director recommend passing the Special Resolution at item no. 2 of the Notice.

The Copy of the letter of appointment of setting out the terms and conditions, would be available for inspection at the Register office of the Company during the postal ballot period from 25th February, 2019 to 26th March, 2019.

None of the Director, Key Managerial Personnel and /or their relative, except Mr. Anshul Sonawala is concerned or interested in the Resolution.

ITEM NO.3

In line with the regulatory changes in the recent past, the changes in the Companies Act and in line with various directives issued by Reserve Bank of India, from time to time, and in pursuance of the financing documents of the Company, the Company is required to pass a Special Resolution under Section 62(3) of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 and Rules made thereunder to enable the Banks and Financial Institutions (hereinafter referred to as the "Lenders") to convert the outstanding debt or any other financial assistance categorized as debt (hereinafter referred to as the "Financial Assistance"), in foreign currency or Indian Rupee, availed or to be availed from the Lenders or as may be availed from the Lenders, from time to time, at their option, into equity shares of the Company upon such terms and conditions as may be deemed appropriate by the Board and at a price to be determined in accordance with the applicable laws at the time of such conversion.

Section 62(1)(c) of the Companies Act, 2013, inter-alia, provides that where at any time, a Company having a share capital proposes to increase its subscribed capital by issue of further shares, such shares shall be offered to any person, if it is authorized by a special resolution either for cash or for a consideration other than cash, and the price of such shares is determined by the valuation report of a registered valuer subject to such conditions as may be prescribed

Further, Section 62(3) of the Companies Act, 2013, provides that nothing in Section 62 shall apply to the increase of the subscribed capital of a Company caused by the exercise of an option as a term attached to the debentures issued or loan raised by the company to convert such debentures or loans into shares in the Company; provided that the terms of issue of such debentures or loan containing such an option have been approved before the issue of such debentures or the raising of loan by a special resolution passed by the company in General Meeting.

Pursuant to Section 180(1)(a) and 180(1)(c) of the Companies Act, 2013, the Board of Directors of the Company also recommends to borrow any sum or sums of monies (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business), from time to time, in such form and manner and on such terms and conditions as the Board may deem fit, such that the total amount borrowed and outstanding at any time shall not exceed ₹ 500 Crores (Rupees Five Hundred Crores Only) and to create charges on the Company's properties for securing the borrowings within the above limits and working capital facilities availed or to be availed by the Company.

For the purposes of such Borrowings, the Company may, from time to time, be required to execute financing documents, which provides for an enabling option to the Lenders, to convert the whole or any part of such outstanding Financial Assistance (comprising loans, debentures or any other financial assistance categorised as loans), into fully paid up Equity Shares of the Company;

Accordingly, the Board recommends the resolution as set forth in the item no. 3 of the Notice, to enable the Lenders, in terms of the lending arrangements to be entered and as may be specified by the Financial Institutions/Banks under the financing documents to be executed in respect of the Financial Assistance to be availed, at their option, to convert the whole or part of their respective outstanding Financial Assistance into equity shares of the Company, upon such terms and conditions as may be deemed appropriate by the Board and at a price to be determined in accordance with the applicable laws at the time of such conversion.

The Company hereby clarifies that this resolution is merely an enabling resolution and there are no proposals of conversion of loan into Equity, either pending or envisaged currently

None of the Directors and Key Managerial Personnel of the Company and their relatives may be deemed to be interested/ concerned in this resolution, except to their respective shareholdings in the Company, if any

Registered Office:

Marathon Innova, A wing , 7th Floor
Off G.K.Marg, Lower Parel
Mumbai - 400013,
Maharashtra, India.

By Order of the Board of Directors

Manoj Jain
Company Secretary

Place: Mumbai**Date:** 13th February, 2019

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