

AI Champdany Industries Limited

(CIN: L51909WB1917PLC002767)

Registered Office: 25, Princep Street, Kolkata – 700 072

Email: cil@ho.champdany.co.in, Website: www.jute-world.com

Phone: (033) 2237 7880 to 85 / 2225 1050 / 7924 / 8150, Fax: (91) (33) 22250221 / 22363754

POSTAL BALLOT NOTICE

Dear Member(s),

Notice is hereby given pursuant to Section 110 and any other applicable provisions of the Companies Act, 2013 (Act) read with Rule 22 of the Companies (Management and Administration) Rules, 2014, including any statutory modification or re-enactment thereof for the time being in force, to transact the following business by the Shareholders of AI Champdany Industries Limited (“the Company”) through Postal Ballot:

SPECIAL BUSINESS:

1. Reclassification of Authorized Share Capital and Consequent Alteration of Memorandum of Association.

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

“**RESOLVED THAT** pursuant to the provisions of Sections 13, 61 and all other applicable provisions, under the Companies Act, 2013, (including any amendment thereto or re-enactment thereof) the existing Authorized Share Capital of the Company of Rs. 35,00,00,000 (Rupees Thirty Five Crores) comprising of 4,00,00,000 (Four Crores) Equity Shares of Rs.5/- (Rupees Five Only) each, 30,00,000 (Thirty Lacs) 7% Cumulative Preference Shares of Rs. 10/- (Rupees Ten Only) each and 2,40,00,000 (Two Crores Forty Lacs) 2% Cumulative Preference Shares of Rs. 5/- (Rupees Five Only) each be and is hereby reclassified to Rs. 15,50,00,000 (Rupees Fifteen Crores Fifty Lacs) divided into 3,10,00,000 (Three Crores Ten Lacs) Equity shares of Rs. 5/- (Rupees Five Only) each and Rs. 6,25,00,000 (Rupees Six Crores Twenty Five Lacs) divided into 1,25,00,000 (One Crore Twenty Five Lacs) 2% cumulative preference shares of Rs. 5/- (Rupees Five Only) each and Rs. 13,25,00,000 (Rupees thirteen Crores Twenty Five Lacs) divided into 1,32,50,000 (One Crore Thirty Two Lacs Fifty Thousand) 0.1% preference shares of Rs.10/- (Rupees Ten only) each.”

“**RESOLVED FURTHER THAT** the Memorandum of Association of the Company be and is hereby altered by substituting the existing Clause 5 thereof by the following new Clause 5 as under:

5. The Authorized Share Capital of the Company is Rs. 35,00,00,000/- (Rupees Thirty Five Crores) divided into 3,10,00,000 (Three Crores Ten Lacs) Equity Shares of Rs. 5/- each, 1,25,00,000 (One Crore Twenty Five Lacs) 2% Cumulative Preference Shares of Rs. 5/- each and such Preference shares shall confer the right to a fixed cumulative preferential dividend at the rate of 2 percent per annum on the capital for the time being paid up thereon and 1,32,50,000 (One Crore Thirty Two Lacs Fifty Thousand) 0.1% Preference Share of Rs. 10/- each and such Preference shares shall confer the right to a non-cumulative preferential dividend at the rate of 0.1% percent per annum on the capital for the time being paid up thereon. Both Preference Shares shall rank as regards capital in priority to the Equity Shares but shall not confer the right to any further participation in profits or assets, and upon any increase of capital, the company is to be at liberty to issue any new shares with any preferential, deferred, qualified or special rights, privileges or conditions attached thereto. The rights for the time being attached to the Preference Shares in the initial capital or to any shares having preferential, deferred, qualified of special rights, privileges or conditions attached thereto may be altered or dealt with in accordance with the provisions of the accompanying Articles of Association, but not otherwise.”

2. Issue of Redeemable Preference Shares on preferential basis to the Promoter Group Companies

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 Sections 42, 43, 55, 62 and other applicable provisions, if any, of the Companies Act, 2013, (including any amendment thereto or re-enactment(s) thereof), for the

time being in force (the “Companies Act”) read with Companies (Share Capital and Debentures) Rules, 2014, the regulations/guidelines, if any, issued/prescribed by the Government of India, the Securities and Exchange Board of India (“SEBI”) and the Reserve Bank of India, the Foreign Exchange Management Act, 2000, the Foreign Exchange Management (Transfer or Issue of Securities by a Person Resident Outside India) Regulations, 2000, the Foreign Exchange Management (Borrowing or Lending in Rupees) Regulations, 2000, including any amendment, modification, variation or re-enactment thereof, the Master Circular on External Commercial Borrowings and Trade Credits, as applicable, (updated as on date) and in accordance with the relevant provisions of the Memorandum and Articles of Association of the Company, as applicable, subject to such terms and conditions, alteration and modifications as may be considered appropriate and agreed to by the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall include a duly authorized committee thereof for the time being exercising the powers conferred by the Board), the consent of the Company be and is hereby accorded to the Board to create, offer, issue, invite to subscribe and allot, in one or more tranches, through private placement and / or on preferential basis, through offer letter and/or circular and/or information memorandum and/ or such other documents/ writings, in such a manner and on such terms and conditions as may be determined by the Board in its absolute discretion, such number of 0.1% Redeemable Preference Shares of Face Value of Rs.10/- (Rupees Ten only) each, at an issue price of Rs.10/- (Rupees Ten only) at par for an aggregate value not exceeding Rs.13,25,00,000/-(Rupees Thirteen Crores Twenty Five Lakhs only) to below mentioned Promoter Group Companies, with such rights and privileges and on such terms and conditions as detailed in the explanatory statement annexed to the Notice convening this meeting including but not limited as to the rate of dividend,(where applicant) redemption period, manner of redemption, if any, by the Company in this regard and to modify, alter and re-set all or any of the said terms from time to time, as the Board at its absolute discretion deem fit and appropriate.

Sl.No.	Name of the person/entity to whom offer will be made	No. of Redeemable Preference Shares	% of total no. of Preference shares proposed to be issued
1.	Amar Investments Ltd	32,50,000	24.52
2.	Shibir India Ltd	50,00,000	37.74
3.	Rishra Investments Ltd	50,00,000	37.74
	Total	1,32,50,000	100.00

RESOLVED FURTHER THAT each RPS:

- Shall carry a preferential right vis-à-vis Equity Shares of the Company with respect to payment of dividend or repayment of capital;
- Shall be not-participating in the surplus funds;
- Shall be non-participating in the surplus assets and profits which remains after the entire capital has been repaid, on winding up of the Company;
- Shall be entitled for payment for payment of dividend on a non-cumulative basis @ 0.1% or such other rate as may be approved by the Board;
- Shall be non-convertible;
- Shall not carry any voting rights at General Meeting of the Company unless dividend has been in arrears for the prescribed minimum period and or any other provision applicable under the Companies Act, 2013;
- Shall be redeemable at the end of 20 years at par in full subject to exercise of put /call option at the end of 10 years and 15 years from the date of allotment if such option is exercised by either the holder of preference shares or by the issuer company 30 days notice in writing is to be given by either party.

RESOLVED FURTHER THAT the Board of Directors of the Company is authorized to do all the things necessary to give effect to the above resolution, including addition or deletion to the list of investors or addition or deletion in the number of shares offered.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, any one of Managing Director or Chief Financial Officer or Company Secretary be and is hereby authorized to take such steps and

to do all such acts, deeds, matters and sign papers or documents as they may, in their absolute discretion, deem necessary, expedient, usual, proper, incidental or desirable and to settle any question, difficulties or doubts that may arise in this regard and in regard to the issue and allotment of the Preference Shares and utilization of the issue proceeds, to enter and execute all such deeds, documents, agreements or other instruments, and to take such actions/directions as they may consider as being necessary or desirable and to obtain any approval, permission, sanction which may be necessary or desirable as they may deem fit.”

3. Increase in the borrowing powers of the Company upto a limit of Rs. 150 Crore (Rupees One Hundred Fifty Crore Only) under Section 180 (1) (c) of the Companies Act, 2013.

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

“**RESOLVED THAT** in supersession of the Special Resolution passed by the Members of the Company at the 96th (Ninety Sixth) Annual General Meeting of the Company held on August 12, 2014 and pursuant to section 180(1)(c) and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification (S) or re-enactments thereof for the time being in force and subject to the consent of the Members of the Company, the Board of Directors be and are hereby authorized to borrow money in excess of the aggregate of the paid-up share capital and Free Reserves of the Company, that is to say reserves not set apart for any specific purpose, provided that the total amount borrowed and outstanding at any point of time, apart from temporary loans obtained / to be obtained from the Company’s Bankers in the ordinary course of business, shall not be in excess of Rs. 150 Crores (Rupees One Hundred Fifty Crores) as aforesaid.”

“**RESOLVED FURTHER THAT** for the purpose of giving effect to this Resolution, the Board be and is hereby authorized to finalize, settle and execute such document(s)/deed(s)/writing(s)/paper(s)/agreement(s) as may be required and to do all acts, deeds, matters and things, as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise, including but not limited to creation, modification or satisfaction of any security in respect of any borrowing and generally to do all acts, deeds and things as may be necessary, proper, expedient or incidental for the purpose of giving effect to the aforesaid Resolution.”

By order of the Board

For AI Champdany Industries Limited

Pintu Singh

Company Secretary

Place: Kolkata

Date: December 23, 2019

NOTES:

1. Voting period for Postal Ballot / E-voting will commence from Monday, 06th January, 2020 at 9.00 am (IST) and will end on Tuesday, 04th February, 2020 at 5.00 pm (IST).
2. The Explanatory Statement pursuant to section 102 of the Companies Act, 2013 (to the extent applicable), read with Section 110 as amended stating all material facts, disclosure of interest, if any and other relevant information and facts in respect of business is annexed hereto and forms part of this Notice.
3. The Postal Ballot Notice is being sent to all the Members, whose names appear in the Register of Members/ List of Beneficial Owners on Friday, 27th December, 2019 as received from the depositories. The Postal Ballot Notice is being sent to the Members in electronic form to the email addresses registered with their depository participants (in case of electronic shareholding) / the Company’s Registrar and Share Transfer Agent (in case of physical shareholding). For Members whose email IDs are not registered, physical copies of the Postal Ballot Notice along with the Postal Ballot Form are being sent by permitted mode along with a postage prepaid reply envelope addressed to the Scrutinizer, so that it reaches the Scrutinizer not later than close of working hours 5.00 p.m.(IST) on Tuesday, 04th February, 2020.
4. The Board of Directors has appointed M/s. K. Arun & Co., Practicing Company Secretaries (Membership no. FCS 3829 / CP 2270) as the “Scrutinizer” to conduct the Postal Ballot and e-voting process in a fair and transparent manner.

5. The Postal Ballot Form together with the self-addressed postage pre-paid envelope is enclosed for the use of the Members. Please read carefully the instructions printed on the enclosed Postal Ballot Form before exercising your vote and return the Form duly completed, signifying your assent or dissent, in the attached self-addressed, postage prepaid envelope, so as to reach the Scrutinizer within a period of 30 days from the date of dispatch of notice i.e. before the close of working hours 5.00 p.m.(IST) on Tuesday, 04th February, 2020.
6. Members irrespective of whether they have registered their e-mails for receipt of documents in electronic mode under the green initiative or they wish to vote through Postal Ballot Form, can seek Duplicate Form from Registered / Corporate Office of the Company and send the same by post to the Registered Office of the Company addressed to the Scrutinizer.
7. In case of Joint holding, Postal Ballot Form should be completed and signed by the first named Member and in his/her absence, by the second named Member.
8. The soft copies of the Postal Ballot and e-Voting Notice, the Postal Ballot Form and the postage pre-paid self-addressed envelope are also available at the website of the Company i.e. www.jute-world.com.
9. Incomplete, unsigned or incorrect Postal Ballot Forms will be rejected. The Scrutinizer's decision on the validity of Postal Ballot Form shall be final and binding.
10. Pursuant to Sections 108 and 110 of the Companies Act, 2013 as amended (the "Companies Act") read with Rule 20 and Rule 22 of the Companies (Management and Administration) Rules, 2014 as amended from time to time (the "Rules"), Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended by the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 (the "Listing Regulations"), the Company will be offering e-voting facility to the Members to cast their votes (for or against) electronically on business set forth in this Notice.
11. Votes will be considered invalid, inter alia, on the following grounds:
 - if the Member's signature does not tally
 - if the Member has marked all his shares both in favour and also against the resolution
 - if neither the assent nor dissent is mentioned
 - if the Postal Ballot Form is unsigned or has not been signed by or on behalf of the Member
 - the Postal Ballot Form not being accompanied by a certified copy of the relevant specific authority, if the Postal Ballot Form is signed in a representative capacity
 - if the Postal Ballot Form is received torn or defaced or mutilated to an extent that it is difficult for the Scrutinizer to identify either the Member or the number of votes or as to whether the votes are in favour or against or if the signature could not be checked or on one or more of the above grounds
 - if the information filled in the Postal Ballot Form is incomplete
 - if any other form is used, any direction given by competent authority in writing to the Company to freeze the voting rights of the Member
 - any direction given by competent authority in writing to the Company to freeze the voting rights of the Member
 - if the Member has made any amendment to the resolution or imposed any condition while exercising his vote
 - if the envelope containing the Postal Ballot Form is received after the last date prescribed
12. A Member cannot exercise his vote by proxy on Postal Ballot.
13. All relevant documents referred to in the accompanying Explanatory statement will be available for inspection at the Registered / Corporate Office of the Company on all working days (Monday to Friday) between 11:00 A.M. to 5.00 P.M. till Tuesday, 04th February, 2020 (i.e. the last date for receiving of Postal Ballots / e-voting).
14. The Company has appointed National Securities Depository Limited to provide the E-voting facility to the shareholders of the Company to vote electronically. Please read carefully the E-Voting Instructions for

casting your vote electronically.

15. The voting rights of Members shall be in proportion to their shareholding in the share capital of the Company as on Friday, 27th December, 2019, being the cut-off date.
16. The Members of the Company, holding shares either in physical form or in dematerialized form, as on Friday, 27th December, 2019 being the cut-off date, may cast their vote (for or against) electronically.
17. Kindly note that each Member can opt for only one mode for voting i.e. either by Postal Ballot or by E-voting. If you opt for E-voting, then please do not vote by Postal Ballot and vice versa. In case Member do cast their vote, via both modes i.e. Postal Ballot as well as E-voting, then voting done through E-voting shall prevail and Postal Ballot of that member shall be treated as invalid.
- 18. Instructions and other information relating to e-Voting:** In compliance with the provisions of sections 108 and 110 of the Companies Act, 2013 as amended (the “**Companies Act**”) read with Rule 20 and Rule 22 of the Rules, Regulation 44 of the Listing Regulations, the company is pleased to offer its Members facility to exercise their right to vote in respect of the business to be transacted through e-Voting facilities.

The detailed process, instructions and manner for availing e-voting facility is provided herein below:

- A) The E-voting period shall begin on Monday, 06th January, 2020 at 9.00 am (IST) and will end on Tuesday, 04th February, 2020 at 5.00 p.m. (IST). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. Friday, 27th December, 2019 may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter.
- B) For those shareholders opting for e-voting, the process and manner of e-voting will be as follows:

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:

Step 1: Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>

Step 2: Cast your vote electronically on NSDL e-Voting system.

Details on Step 1 are mentioned below:

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholders’ section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is In300*** and Client ID is 12***** then your user ID is IN300***12*****.

b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Your password details are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'?
- (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
- (ii) If your email ID is not registered, your 'initial password' is communicated to you on your postal address.

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

- a) Click on "**Forgot User Details/Password?**" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
- b) "**Physical User Reset Password?**" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
- c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.
- d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.

9. After you click on the "Login" button, Home page of e-Voting will open.

Details on Step 2 are mentioned below:

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
3. Select "EVEN" of company for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for

which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.

6. Upon confirmation, the message “Vote cast successfully” will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to karun@cskarun.com with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries/grievance with respect to Remote E-voting, Members may refer to the Frequently Asked Questions (FAQs) for Shareholders and Remote E-voting User Manual for Shareholders available under download section of NSDL’s e-voting website or contact Mr. Amit Vishal, Senior Manager / Ms. Pallavi Mhatre, Manager, NSDL, at telephone no. 022-24994360 / 022-24994545 or toll free No. 1800-222-990 or at E-mail ID: evoting@nsdl.co.in.

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

The voting rights of Shareholders shall be in proportion to their shares of the paid up share capital of the Company as on the cut-off date i.e. Friday, 27th December, 2019.

The voting period ends on the close of working hours 5.00 p.m. (IST) on Tuesday, 04th February, 2020. The e-voting module shall also be disabled by NSDL for voting thereafter.

The Scrutinizer will submit his report to the Chairman / Managing Director of the Company after completion of the scrutiny of the Postal Ballot Forms and E-voting and the results of the Postal Ballot and E-voting will be announced at the Corporate Office of the Company situated at 25, Princep Street, Kolkata – 700 072, on Thursday, 06th February, 2020.

The result of the Postal Ballot along with the Scrutinizer’s Report shall be displayed at the Registered Office of the Company situated at 25, Princep Street, Kolkata – 700 072 and also posted on the Company’s website and on the website of the NSDL and shall also be communicated to the Stock Exchanges on which the shares of the Company are listed.

In the event, the resolution is assented to by the requisite majority of Shareholders by means of Postal Ballot and E-voting, the date of declaration of results of Postal Ballot and E-voting result shall be deemed to be the date of passing of the said Resolution.

ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT TO BE ANNEXED TO THE NOTICE PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item 1: Reclassification of Authorized Share Capital and Consequent Alteration of Memorandum of Association.

The present Authorized Capital of the Company is Rs. 35,00,00,000 (Rupees Thirty Five Crores) divided into 4,00,00,000 (Four Crores) Equity Shares of Rs. 5/- (Rupees Five Only) each, 30,00,000 (Thirty Lacs) 7% Cumulative Preference Shares of Rs. 10/- (Rupees Ten Only) each and 2,40,00,000 (Two Crores Forty Lacs) 2% Cumulative Preference Shares of Rs. 5/- (Rupees Five Only) each.

As per the provisions of Sections 13 of the Companies Act, 2013, a Company can alter the Share Capital Clause of its Memorandum of Association with the consent of Shareholders.

On reclassification of Authorized Capital, it would be necessary to amend Clause 5 of the Memorandum of Association. The Resolution seeks approval of Members to reclassify the Share Capital and to amend the said Clauses.

It is proposed to reclassify Authorized Share Capital of the Company to Rs.35,00,00,000/- (Rupees Thirty Five Crores) comprising of Rs.15,50,00,000/- (Rupees Fifteen Crores Fifty Lacs) divided into 3,10,00,000 (Three Crores Ten Lacs) Equity Shares of Rs. 5/- (Rupees Five Only) each, Rs. 6,25,00,000/- (Rupees Six Crores Twenty five Lacs) divided into 1,25,00,000 (One Crore Twenty Five Lacs) 2% Cumulative Preference Shares of Rs. 5/- (Rupees Five Only) each and Rs.13,25,00,000/- (Rupees Thirteen Crores Twenty Five Lacs) divided into 1,32,50,000 (One Crore Thirty Two Lacs Fifty Thousand) 0.1% Preference Share of Rs.10/- (Rupees Ten Only) each. The Resolution requires approval of Members to reclassify the Share Capital and to amend the respective Clauses in the Memorandum of Association of the Company to conform to exigencies of resolution under item-2.

The Board of Directors recommends the passing of these Resolutions by special resolutions. None of the Directors / key managerial persons of the Company or their relatives is interested, financially or otherwise, in the aforesaid resolution.

Item 2: Issue of Redeemable Preference Shares on preferential basis to the Promoter Group Companies

With a view to raise further capital to reduce the existing debt/loans, meeting working capital requirements and general corporate obligation, the Board of Directors has approved, subject to the approval of the shareholders, the issue of non-voting 0.1% redeemable preference shares on such terms and conditions and at such time as mentioned in the resolution at Item No. 2 of this Notice.

The information as desired as per sub-rule (3) of Rule 9 and Clause (d) of sub-rule 2 of Rule 13 of the Companies (Share Capital and Debentures) Rules, 2014 are furnished below:-

The said Preference Shares shall be non-cumulative, non-participating and non-convertible redeemable preference share will be redeemable at the end of 20 years at par in full subject to exercise of put /call option at the end of 10 years and 15 years from the date of allotment if such option is exercised by either the holder of preference shares or by the issuer company 30 days notice in writing is to be given by either party..

The following are objects of the issue:

To reduce the existing debt/loans; and

To meet working capital requirements and General corporate obligation of the Company

The RPS will be issued and offered through preferential basis in accordance with the applicable provisions of the Companies Act, 2013.

Other terms:-

Issue Size	Upto 1,32,50,000 RPS for an aggregate value not exceeding Rs.13,25,00,000/-.
Issue Price	RPS will be issued at par.
Offer Period	Not exceeding 20 years.
Rate of Dividend	The said preference shares shall carry 0.1% dividend.
Basis on which the price has been arrived at	Not applicable as shares are being issued at par

Class or class of person to whom the allotment is proposed to be made	The allotment is proposed to be made to the Promoter Groups Companies.
Intention of promoters, directors or key managerial personnel to subscribe to the offer	Optimization of Resources.
Proposed time within which the allotment shall be completed	Within one year of passing of members resolution.
No. of persons to whom already allotment on preferential basis have already been made during the year, in terms of number of securities as well as price.	NIL
Change in Control, if any.	Not Applicable
Terms of Redemption	Redeemable in full before expiry of 20 years from date of allotment
Tenure of RPS	Not exceeding period of 20 years.
Manner and mode of redemption	Redeemable at the end of 20 years at par in full subject to exercise of put /call option at the end of 10 years and 15 years from the date of allotment if such option is exercised by either the holder of preference shares or by the issuer company 30 days notice in writing is to be given by either party
Expected dilution in equity share capital upon conversion of preference shares	Not Applicable

1. The names of the proposed allottees and the percentage of preferential offer capital held by them:

Sl. No.	Name of the proposed allottees	% of preferential offer capital to be held by them
1.	Amar Investments Ltd	24.52
2.	Shibir India Ltd	37.74
3.	Rishra Investments Ltd	37.74

2. Current and post issue Preference Shareholding pattern of the Company:

Sl. No.	Category	Pre-Issue		Post Issue	
		No. of Preference Shares held	% of Shareholding	No. of Preference Shares held	% of Shareholding
A	Promoters' Holding				
1.	Indian				
	Individual	0	0	0	0
	Bodies corporate	9771140	78.71	23021140	89.70
	HUF	0	0	0	0
	Sub-total	9771140	78.71	23021140	89.70
2.	Foreign promoters	0	0	0	0
	Sub-Total (A)	9771140	78.71	23021140	89.70
B	Non-Promoters' Holding				
1.	Institutional Investor	2558332	20.61	2558332	9.97
2.	Non-Institutional:				
	Private Corporate Bodies	6540	0.05	6540	0.03
	Directors and Relatives	0	0	0	0
	Indian Public	78341	0.63	78341	0.30
	Others (Including NRIs)	0	0	0	0
	Sub-Total (B)	2643213	21.29	2643213	10.30
	GRAND TOTAL	12414353	100.00	25664353	100.00

3. Company's Equity Shareholding Pattern as follows:

Category	No. of Shares Held	Percentage (%)
Promoters & Promoters Group		
Individuals/Hindu undivided Family	1865354	6.07
Bodies Corporate	14275496	46.42
Trust	1971804	6.41
Sub-Total (A)	18112654	58.90
Public & Others		
Institutions	2674678	8.69
Non-Institutions	9966499	32.41
Sub-Total (B)	12641177	41.10
Grand Total	30753831	100.00

The approval of the Members is accordingly being sought by way of a Special Resolution under Sections 42, 43, 55 and 62 of the Act read with the Rules made there under, for the issue of 0.1% Redeemable Preference Shares (RPS) of face value of Rs. 10/- at an issue price of Rs.10/- (Rupees Ten only) to the Promoter Group Companies, through preferential basis.

As the securities proposed to be issued by this resolution are "0.1% Redeemable Preference Shares", the provisions of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 ("ICDR Regulations"), are not applicable.

The Board recommends the Resolution at Item No. 2 of the Notice for approval by the members of the Company as a Special Resolution.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the said Special Resolution, except to the extent of their Shareholding in the Company, if any.

Item 3: Increase in the borrowing powers of the Company upto a limit of Rs. 150 Crore (Rupees One Hundred Fifty Crores) under Section 180(1)(c) of the Companies Act, 2013.

The Board of Directors of the Company are presently authorized to borrow upto an amount of Rs.125 Crore (Rupees One Hundred Twenty Five Crore Only) as per the provisions of Section 180(1)(c) of the Companies Act, 2013 vide the Resolution passed by the Members at the 96th (Ninety Six) Annual General Meeting of the Company held on August 12th, 2014. Considering the current road map of the Company read with its future financial requirements, the Company proposes to enhance its borrowing limit under Section 180(1)(c) of the Companies Act, 2013 from Rs. 125 Crore (Rupees One Hundred Twenty Five Crore Only) to Rs. 150 Crore (Rupees One Hundred Fifty Crore Only).

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the said Special Resolution, except to the extent of their Shareholding in the Company, if any.

The Board recommends the Special Resolution set out at Item No. 3 of this Postal Ballot Notice for approval by the Members.

By order of the Board
For AI Champdany Industries Limited
Pintu Singh
Company Secretary

Place: Kolkata
Date: December 23, 2019

Enclosures:
Postal Ballot Form
Self-Addressed Postage Pre-Paid Envelope

AI CHAMPDANY INDUSTRIES LIMITED

(CIN: L51909WB1917PLC002767)

Registered Office: 25, Princep Street, Kolkata – 700 072

Email: cil@ho.champdany.co.in, Website : www.jute-world.com

Phone: (033) 2237 7880 to 85 / 2225 1050 / 7924 / 8150 Fax: (91) (33) 22250221 / 22363754

POSTAL BALLOT FORM

1. Name(s) of Shareholder(s):
including Joint-holders, if any
2. Registered Address of the:
Sole / First named Shareholder
3. Folio No. / DPID No.*/ Client ID No.* :
(*Applicable to shareholders holding
shares in dematerialised form)
4. No. of Share(s) held:

I/We hereby exercise my/our vote in respect of the under noted resolution to be passed through Postal Ballot by sending, my/our assent (FOR) to, or, dissent (AGAINST) from the said resolution by placing tick (√) mark in the appropriate box below:

Item No.	Description of Resolution	Number of Shares	I/We assent to the Resolution (FOR)	I/We dissent to the Resolution (AGAINST)
1	Reclassification of Authorized Share Capital and Consequent Alteration of Memorandum of Association.			
2	Issue of Redeemable Preference Shares on preferential basis to the Promoter Group Companies			
3	Increase in the borrowing powers of the Company upto a limit of Rs. 150 Crore (Rupees One Hundred Fifty Crore Only) under Section 180 (1) (c) of the Companies Act, 2013.			

Place:

Date:

(Signature of the Shareholder/Power of Attorney Holder/
Authorised Representative)

ELECTRONIC VOTING PARTICULARS		
EVEN (E-Voting Event Number)	USER ID	Password

Notes : Please read instructions printed overleaf carefully before exercising your vote.

INSTRUCTIONS

1. Please convey your assent in column "FOR" and dissent in the column "AGAINST" by placing a tick (✓) mark in the appropriate column in the Ballot Form only. The assent/ dissent received in any other form / manner will not be considered.
2. Shareholders who have received the postal ballot form by e-mail and who wish to vote through postal ballot form, can download the postal ballot form and postage pre-paid self-addressed envelope from the Applicant Company's website www.jute-world.com or seek duplicate postal ballot form from the Applicant Company.
3. Shareholders shall fill in the requisite details and send the duly completed and signed postal ballot form in the enclosed self-addressed postage pre-paid envelope to the scrutinizer so as to reach the scrutinizer on or before 5.00 p.m. on 04th February, 2020. Postal ballot form, if sent by courier or by registered post/speed post at the expense of shareholders will also be accepted. Any postal ballot form received after the said date and time period shall be treated as if the reply from the shareholders has not been received.
4. Incomplete, unsigned, improperly or incorrectly tick marked postal ballot forms will be rejected by the scrutinizer.
5. The vote on postal ballot cannot be exercised through proxy.
6. There will be only 1 (one) postal ballot form for every registered folio/client ID irrespective of the number of joint shareholders.
7. The postal ballot form should be completed and signed by the shareholders (as per specimen signature registered with the Applicant Company and/or furnished by the Depositories). In case, shares are jointly held, this form should be completed and signed by the first named shareholder and, in his/her absence, by the next named shareholder. Holder(s) of Power of Attorney ("POA") on behalf of shareholder may vote on the postal ballot mentioning the registration number of the POA with the Applicant Company or enclosing a copy of the POA authenticated by a notary. In case of shares held by companies, societies etc., the duly completed postal ballot form should be accompanied by a certified copy of the board resolution/ authorization giving the requisite authority to the person voting on the postal ballot form.
8. Kindly note that the shareholders (which includes Public Shareholders) can opt only one mode for voting i.e. either by postal ballot or e-voting. If shareholder has opted for e-voting, then he/she should not vote by postal ballot form also and vice versa. However, in case shareholder(s) (which includes Public Shareholder(s)) cast their vote both via postal ballot and e-voting, then voting validly done through e-voting shall prevail and voting done by postal ballot shall be treated as invalid.
9. The voting rights of Members shall be in proportion to their shareholding in the paid-up share capital of the Company as on Friday, 27th December, 2019, being the cut-off date.
10. Shareholders are requested not to send any other paper along with the Postal Ballot in the enclosed self-addressed postage prepaid envelope.
11. M/s. K. Arun & Co., Practicing Company Secretaries (Membership no. FCS 3829 / CP 2270) has been appointed as the scrutinizer to conduct the postal ballot and e-voting process in a fair and transparent manner. The Scrutinizer's decision on the validity of the Postal Ballot Form will be final.

BUSINESS REPLY ENVELOPE

Postage
paid by
Addressee

To,
The Scrutinizer,
Mr. Arun Kumar Khandelia
8, Camac Street, Shantiniketan Building
8th Floor, Room No.807,
Kolkata- 700 017

