

POSTAL BALLOT NOTICE

Notice is hereby given, pursuant to the provisions of Section 192A of the Companies Act, 1956 read with Companies (Passing of Resolution through Postal ballot) Rules, 2011, for passing Ordinary/Special Resolutions by the MEMBERS of M/s. SHREEYASH INDUSTRIES LIMITED

SPECIAL BUSINESS:

1. To consider and, if thought fit, to pass with or without modifications, pursuant to Section 192A of the Companies Act, 1956 read with Companies (Passing of resolution by Postal Ballot) Rules, 2011, the following resolution as a Ordinary resolution by way of Postal Ballot:

"RESOLVED THAT pursuant to the provisions of Section 94 and other applicable provisions, if any, of the Companies Act, 1956, the consent of the members be and is hereby accorded to increase the Authorized share capital of the Company from Rs. 6,00,00,000/- (Rupees Six Crores only) divided in to 60,00,000 (Sixty Lakhs only) Equity shares of Rs. 10/- Each to Rs. 14,00,00,000/- (Rupees Fourteen Crores only) divided in to 1,40,00,000 (One Crore Forty Lakhs Only) Equity Shares of Rs. 10/- each by creation of further 80,00,000 (Eighty Lakhs Only) Equity shares ranking Pari Passu with the existing shares".

"RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to do all such acts, deeds and things necessary to give effect to this above resolution."

2. To consider and, if thought fit, to pass with or without modifications, pursuant to Section 192A of the Companies Act, 1956 read with Companies (Passing of resolution by Postal Ballot) Rules, 2011, the following resolution as a Special resolution by way of Postal Ballot:

"RESOLVED THAT pursuant to the provisions of Section 16 and other applicable provisions, if any, of the Companies Act, 1956, the consent of the members be and is hereby accorded to alter the Capital clause of the Memorandum of Association of the Company by substituting the following words in the existing Clause V of the Memorandum of Association with the following:

V. The Authorized Share Capital of the Company is Rs. 14,00,00,000/- (Rupees Fourteen Crores only) divided into 1,40,00,000 (One Crore Forty Lakhs only) Equity shares of Rs.10/- (Rupees Ten only) each.

"RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to do all such acts, deeds and things necessary to give effect to this above resolution."

3. To consider and, if thought fit, to pass with or without modifications, pursuant to Section 192A of the Companies Act, 1956 read with Companies (Passing of resolution by Postal Ballot) Rules, 2011, the following resolution as a Special resolution by way of Postal Ballot:

"RESOLVED THAT pursuant to the provisions of Section 31 and other applicable provisions, if any, of the Companies Act, 1956, the consent of the members be and is hereby accorded to alter the Articles of Association of the Company by substituting the existing Clause 3 (a) of the Articles of Association with the following:

3. (a) The Authorized Share Capital of the Company is Rs. 14,00,00,000/- (Rupees Fourteen Crores only) divided into 1,40,00,000 (One Crore Forty Lakhs only) Equity shares of Rs.10/- (Rupees Ten only) each.

"RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to do all such acts, deeds and things necessary to give effect to this above resolution."

4. **To alter the Main objects of the Memorandum of Association of the Company and for this purpose to Consider and, if thought fit, to pass with or without modifications, pursuant to Section 192A of the Companies Act, 1956 read with Companies (Passing of resolution by Postal Ballot) Rules, 2011, the following resolution as a Special resolution by way of Postal Ballot:**

"RESOLVED THAT pursuant to Section 17 and other applicable provisions, if any, of the Companies Act, 1956, the existing Main Objects Clause of the Memorandum of Association of the Company be and are hereby altered by inserting the following additional new Main Objects as Clause 4 to 7 after the existing Main objects clauses 3:

NEW OBJECTS

4. To plant, grow, cultivate, produce, and raise plantations of various agricultural plants of proven utility along with other plantation, horticultural, medicinal and aromatic plants and crops and to buy, sell, export, import, process, distribute, or otherwise deal with all kinds of natural, agricultural, plantation, horticultural, medicinal and aromatic plants and plant products.

5. To Manufacture, produce, refine, process, formulate, acquire, convert, sell distribute, import, export, deal in organic and inorganic chemicals, chemical compounds, chemical products, light and heavy chemicals of any nature used in the hair products, solvents of any mixtures, derivatives and compounds thereof

6. To Manufacture, produce, refine, process, formulate, acquire, convert, sell distribute, import, export, deal in Ayurvedic and natural herbs, herbal products, mixtures of herbs, herbal oils, pastes and natural conditioners, natural and processed herbs used in hair and facial products and any mixtures thereof and to carry on the business of manufacturing, refining, processing, preparing, raising, acquiring, buying, selling, importing, exporting, distributing and dealing, either on their own or as agents in various formulations of all kinds of health welfare drugs and/ or pharmaceuticals of various kinds, be it generic, medicinal, bio medicine and all other chemicals used in manufacturing of nutraceuticals and to carry on the business in India or abroad to develop, import, export, transfer, lease or carry on research in the field of molecular modelling of various applications in the field of bio technology or any stream of basic/ complex science and to establish centers in the field of biotechnology to further research for various commercial or non commercial applications, to enter into joint ventures, to take or grant licences for applications of the research and other rights attained by the Company in the related areas.

7. To construct, build, take on lease, purchase or acquire or manage in any manner whatsoever any residential or commercial estates, whether on ownership or development basis, such as land, open sites, apartments, houses, flats, rooms and multistoried or other buildings and group houses schemes, huts or other accommodation whether furnished or non furnished and to let or dispose of them on installment basis, on time - sharing basis, rent - purchase basis, whether by private treaty or by auction or in any other mode of disposition, all or any integral part thereof and to carry on the business of architects, engineers and contractors of all types of construction and fabrication works.

"RESOLVED FURTHER that Board of Directors be and are hereby authorized to do all such acts, deeds, things as may be necessary in this regard to give effect to above alteration."

Place: Hyderabad

Date: 24.10.2013

By Order of the Board

Sd/-

HITESH M. PATEL
Managing Director

NOTES:

1. Explanatory statement pursuant to section 192A and 173(2) of the Companies Act, 1956 in respect of Item Nos. 1 to 4 is annexed hereto.
2. Shri Ajay S Shrivastava, Practicing Company Secretary, having his office at 303, Durga Apartments, Road No. 10, Surya Nagar Colony, Somajiguda, Hyderabad - 500 082 has been appointed as Scrutinizer for the Special Business mentioned in Item nos 1 to 4 in this notice to be conducted by Postal Ballot.
3. The Shareholders are requested to convey their Assents or Dissents in writing in the Postal Ballot Form annexed to this notice and send the same in the Pre-Stamped and self addressed envelope which is also annexed herewith within 30 Days from the date of dispatch of this Notice i.e. by 28.10.2013.
4. The results of this Postal Ballot will be declared at the Annual General Meeting of the Company to be held on Friday the 29th November, 2013 at 11:00 AM held at the registered office of the Company.
5. Members are requested to make all correspondence pertaining to shares to the Company's Registrar & Transfer Agent.
6. In case of joint holders, only such joint holder who is higher in the order of names will be entitled to vote.
7. The relevant documents referred to in the Notice are open for inspection at the Registered Office of the Company on all working days, between 11.00 a.m. and 1.00 p.m. up to the date of the declaration of result.

Explanatory Statement

(Pursuant to Section 173(2) and Section 192A of the Companies Act, 1956)

Item Nos. 1 to 3:

Your Company wishes to expand its business operations by diversification in to new businesses namely Healthcare, natural minerals, Herbal products, Agricultural products and construction etc. by acquiring companies already engaged in the said business activities through a scheme of arrangement. Pursuant to the proposed scheme of arrangement, fresh equity is to be issued as consideration to the shareholders of the merging companies as per the Exchange ratio after approval of the same by High Court.

In order to facilitate such fresh equity issue, the Company is required to increase its Authorized share capital to the extent of Rs. 14, 00,00,000/-. In this connection, as per the provisions of Section 94 of the Companies Act, 1956, your approval is required in favor of resolution no 1 in the form of an ordinary resolution.

The resolutions in Item Nos. 2 & 3 are consequential to item no 1 for alterations of Capital clauses of Memorandum & Articles of Association of the Company respectively.

The Board recommends your approval for item nos 1, 2 & 3

None of the Directors is in any way concerned or interested in the said resolutions.

Item No. 4:

The Company has been carrying on the business of manufacturing and trading in Garments. Due to heavy competition and lack of adequate working capital, the Company is not able to carry out its business activities effectively on a large scale. Currently the company does not have any employable fixed assets for carrying out its business activities.

Considering the current business situation and in order to improve the Company's Business profile and profitability and to create value for all stakeholders, the management of the Company has decided to opt for conglomerate diversification and expand its business operations by diversifying in to the stream of Healthcare, natural minerals, Herbal products, Agricultural products and construction etc.

For the Company to carry out the said new businesses on completion of the proposed Scheme of Arrangement, Alteration of the Main objects clause of the Memorandum of Association of the Company is required so as to insert new objects 4 to 7 specified in the resolution above in addition to the existing objects 1 to 3 in the Main objects Clause of the Memorandum of association of the Company.

In the best interests of the Company and its shareholders, the Board of Directors recommends the approval of the resolution in Item No

4.Pursuant to Section 192A, in respect of Item Nos. 1 to 4, the following is also stated:

For the proposals in Item nos. 1 to 4, your approval is being sought under the provisions of Section 192A of the said Act, read with Companies (Passing of Resolutions by Postal Ballot) Rules, 2011 through a resolution to be passed by Postal Ballot as set out in the Notice.

You are requested to carefully read the instructions contained in the Postal Ballot Form and send the same after exercising your vote to the Scrutinizer **Shri Ajay S Shrivastava, Practicing Company Secretary, 303, Durga Apartments, Rd. No. 10, Surya Nagar Colony, Somajiguda, Hyderabad - 500 082**

The Board has appointed him as Scrutinizer for the Postal Ballot Programme.

Please note that after recording your vote, please sign the postal form and forward it to the Scrutinizer in the enclosed prepaid self-addressed envelope so as to reach to the Scrutinizer **on or before 27th November, 2013 - by 5.00 PM** to be able to announce the result of the Postal Ballot by the Chairman at the **Annual General Meeting on 29th November, 2013.**

SHREEYASH INDUSTRIES LIMITED

REGD OFFICE: 5-8-272, Flat No 201, Ayesha Residency,
Public Garden road, Nampally, Hyderabad – 500 001

POSTAL BALLOT FORM

S. No.

1. Name of the shareholder (in BLOCK letters) including Joint holder(s)	
Registered Address of the First/ sole named shareholder	
Registered Folio No. / Client ID No. (Applicable to members holding shares in Demat Form)	
No. of Shares held	
I / We hereby exercise my/our vote in respect of the Special resolution to be passed through Postal Ballot for the business stated in the Notice of the Company by sending my/ our assent / dissent to the said resolution(s) by placing tick (*) mark at the appropriate box given below.	

Item No. 1 Ordinary Resolution under Section 94 of the Companies Act, 1956 for increasing the Authorize share capital of the Company of the Company.	No. of Shares	..	Please tick(*) in the appropriate box below
		I / We Assent to the resolution	..
		I / We Dissent to the resolution	..
			..
Item No. 2 Special Resolution under Section 16 of the Companies Act, 1956 for alteration of Capital Clause of Memorandum of Association of the Company.	No. of Shares	..	Please tick(*) in the appropriate box below
		I / We Assent to the resolution	..
		I / We Dissent to the resolution	..
			..
Item No. 3 Special Resolution under Section 31 of the Companies Act, 1956 for alteration of Articles of Association of the Company.	No. of Shares	..	Please tick(*) in the appropriate box below
		I / We Assent to the resolution	..
		I / We Dissent to the resolution	..
			..
Item No. 4 Special Resolution under Section 17 of the Companies Act, 1956 for alteration of Main Objects Clause of Memorandum of Association of the Company.	No. of Shares	..	Please tick(*) in the appropriate box below
		I / We Assent to the resolution	..
		I / We Dissent to the resolution	..
			..

Place:
Date:

Signature of the shareholder

Please read the instructions printed overleaf before exercising the vote

INSTRUCTIONS

1. A member desiring to exercise vote by Postal Ballot may complete this Form and send to the Registered Office in the self addressed pre-paid envelope. Envelopes containing Postal Ballot Form, if sent by courier at the expense of Shareholder will also be accepted.
2. The self addressed postage pre-paid envelope bears the address of Scrutinizer appointed by the Board of Directors of the Company.
3. This Form should be signed by the First name shareholder. In case of Joint holding, by the First named holder and in his absence by the next holder (as per the registered Specimen signatures).
4. Unsigned Postal Ballot Forms will be rejected.
5. Duly completed Postal Ballot Forms should reach the Scrutinizer not later than the close of working hours on 27th November, 2013 before 05:00 PM. All Forms received after the said date will strictly be treated as if the reply from the member has not been received.
6. In case of shares held by Trusts, Societies, Companies etc., the duly completed Postal Ballot Form should be accompanied by a certified copy of the Board Resolution giving requisite authority to the person voting on the Postal Ballot Form.
7. Voting rights shall be reckoned on the paid up value of the shares registered in the name of the shareholder on the date of dispatch of the Notice for the said meeting .i.e. 28th October, 2013.
8. Members are requested not to send any other paper along with the Postal Ballot Form in the enclosed Pre- paid envelope as the same will be sent to the Scrutinizer and any extraneous paper found in the envelope would be destroyed by the Scrutinizer.