



ARFIN INDIA LIMITED

ARFIN INDIA LIMITED

Corporate Identity No. (CIN): L65990GJ1992PLC017460

Registered Office Address: B 302, Pelican House, 3rd Floor, Ashram Road, Nr. Natraj Cinema, Gujarat Chamber of Commerce Building, Ahmedabad - 380009, Gujarat, India

Tel. No.: +91-79-2658 3791 / 92, **Fax No.:** +91-79-2658 3792,

Email: investors@arfin.co.in, **Website:** www.arfin.co.in

POSTAL BALLOT NOTICE

**Pursuant to Section 110 of the Companies Act, 2013 &
the Companies (Management and Administration) Rules, 2014**

Dear Member(s),

Notice is hereby given to the members of Arfin India Limited ('the Company') pursuant to Section 110 and other applicable provisions, if any, of the Companies Act, 2013 (the "Act") read with Rule 22 of the Companies (Management and Administration) Rules, 2014, (the "Rules"), including any statutory modification(s), amendment(s) or re-enactment(s) thereof, for the time being in force and further pursuant to applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the resolutions set out below are proposed to be passed as Special Resolutions by way of Postal Ballot

The Explanatory Statement pertaining to the said resolutions setting out the material facts and the reasons for proposing the same is annexed hereto along with the Postal Ballot Form ("the Form") for your consideration and approval. The Board of Directors of the Company has appointed Mr. Kamlesh M. Shah, (Membership No. ACS: 8356, COP: 2072), Proprietor, Kamlesh M. Shah & Co., Practising Company Secretaries, having its office at 801-A, 8th Floor, Mahalaya Complex, Opp. Hotel President, B/h. Fairdeal House, Swastik Cross Roads, Off. C. G. Road, Navrangpura, Ahmedabad – 380 009 as the Scrutinizer, for conducting the postal ballot process in a fair and transparent manner.

You are requested to carefully read and follow the instructions printed on the form and record your assent (for) or dissent (against) therein by filling the necessary details and by signing on the designated place in the form and return the same in original, duly completed, in the enclosed self-addressed postage pre-paid envelope, so as to reach the Scrutinizer on or before the working hours (i.e. upto 5:00 p.m.) on November 5, 2016. Your assent / dissent received after November 5, 2016 would be strictly treated as if a reply has not been received.

Alternatively, in accordance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended, and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Company is also providing e-voting facility to its members, details of which are given in notes forming part of the notice. Reference to postal ballot(s) in this notice includes voting through electronic means.

The Scrutinizer shall submit a consolidated report of voting (e-voting & ballot) of the total votes cast in favour or against, to the Chairman or person authorized by the Chairman. The results of voting by Postal Ballot will be declared at the Registered Office of the Company on November 7, 2016. The results along with the scrutinizer's report will be displayed on the Company's website as well as on CDSL website viz. www.cdslindia.com and will be communicated to the Stock Exchanges where Equity Shares of the Company are listed. In the event, the draft resolution is assented to by the requisite majority of Shareholders by means of Postal Ballot, the last date of receipt of duly completed postal ballot forms (or e-voting) shall be deemed to be the date of passing of the said resolution.

Item No.1: Alteration of Articles of Association

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

"RESOLVED THAT approval of the members of the Company be and is hereby accorded in pursuant to the provisions of Section 14 and all other applicable provisions of the Companies Act, 2013, (including statutory modification or re-enactment thereof for the time being in force) and rules framed thereunder, for the alteration of the Articles of Association of the Company in the manner and to the extent as is set out herein below:

The following Article with marginal note be inserted after the existing Article 4 of the Articles of Association of the Company and be numbered as Article 4A:

Equity Warrants under the control of Directors:

4A Subject to the applicable provisions of the Companies Act, 2013, the Company shall have the power to issue, offer, allot and convert or otherwise dispose of the Equity Warrants on such terms and conditions and either at a premium or at par and at such time as may be deemed fit by the Board of Directors.

Item No. 2: Issue of Warrants, convertible into Equity Shares on Preferential Basis:

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

“RESOLVED THAT pursuant to the provisions of Section 62(1)(c) read with Section 42 and all other applicable provisions, if any, of the Companies Act, 2013 and Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and in accordance with and subject to the relevant provisions of the Memorandum and Articles of Association of the Company, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, provisions of the Chapter VII – “Preferential Issue” of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, [hereinafter referred to as **“SEBI (ICDR) Regulations”**] (including any statutory modification(s) or re-enactment(s) thereof from time to time) and in accordance with all other applicable regulations, guidelines and clarifications thereon issued by the Securities and Exchange Board of India (**“SEBI”**), Reserve Bank of India (**“RBI”**), Government of India (**“GOI”**) or any other statutory / regulatory authorities and subject to all such approvals, permissions, consents and sanctions of any authorities, 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, consents or sanctions, the consent of the Company be and is hereby accorded to the Board (which term shall deem to include any committee which the Board may have constituted or hereinafter constitute to exercise one or more its power, including the powers conferred hereunder) to create, offer, issue, and allot, on preferential basis, up to 11,42,857 (Eleven Lakhs Forty Two Thousand Eight Hundred and Fifty Seven Only) Warrants of Rs. 10/- each for cash at a premium of Rs. 165/- per Warrant i.e. totaling to Rs. 175/- per Warrant aggregating to Rs. 19,99,99,975/- (Rupees Nineteen Crores Ninety Nine Lakhs Ninety Nine Thousand Nine Hundred and Seventy Five Only) or such other price being not less than the price determined in accordance with SEBI (ICDR) Regulations (**“Issue Price”**), to be convertible at the option of Warrant holders in one or more tranches within 18 (Eighteen) months from the date of allotment, into equivalent number of fully paid up Equity Shares of the Company of face value of Rs. 10/- (Rupees Ten only) each, ranking pari-passu in all respects, including as to dividend, with the existing Equity Shares of the Company, to the following Promoters / Promoter Group and / or persons other than promoters on preferential basis (hereinafter referred to as the **“Proposed Allottees / Warrant holders”**) whether they are Shareholders of the Company or not, more particularly mentioned in the table below, in such manner and on such other terms and conditions, as the Board may, in its absolute discretion, thinks fit:

Sr. No.	Name of Person(s) / Proposed Allottee(s)	No. of Warrants proposed to be issued
Promoters		
1.	Mahendrakumar Rikhavchand Shah	1,55,000
2.	Jatin Mahendrakumar Shah	1,55,000
3.	Pushpaben Mahendrakumar Shah	1,55,000
4.	Rani Jatin Shah	1,00,000
5.	Mahendrakumar Rikhavchand Shah HUF	55,000
6.	Jatin Mahendra Shah HUF	55,000
7.	Khushbu Shah	42,857
8.	Krish Jatin Shah (Minor) through the Guardian Mr. Jatin M. Shah	1,00,000
9.	Khwaish Jatin Shah (Minor) through the Guardian Mr. Jatin M. Shah	25,000
Sub-Total		8,42,857
Persons other than Promoters		
1.	Ramesh kumar Babulal Shah HUF	25,000
2.	Ramesh kumar Babulal Shah	25,000
3.	Lalitkumar Babulal Shah HUF	25,000
4.	Sumitra Lalitkumar Shah	25,000
5.	Babita Ramesh kumar Shah	25,000

Sr. No.	Name of Person(s) / Proposed Allottee(s)	No. of Warrants proposed to be issued
6.	Babulal Sonmalji Balar	25,000
7.	Gopal Shantilal Shah	50,000
8.	Vartika Vijendra Khatod	50,000
9.	Shantilal Tulsiram Khator	50,000
Sub-Total		3,00,000
Grand Total		11,42,857

“RESOLVED FURTHER THAT the offer, issue and allotment of the aforesaid Warrants to the proposed allottees and the Equity Shares resulting from the exercise of the entitlement of the said Warrants, shall be subject to applicable guidelines, notifications, rules and regulations and on the terms and conditions given herein below:

- a) The “Relevant Date” pursuant to Regulation 71 of the SEBI (ICDR) Regulations for the purpose of calculating the price of Warrants to be issued in terms hereof shall be October 6, 2016, being the date 30 days prior to the date of the last date of Voting of Postal Ballot being November 5, 2016. The issue price of the said warrants will be Rs. 175/- (Rupees One Hundred and Seventy Five Only) per warrant or the minimum price determined in accordance with the SEBI (ICDR) Regulations and applicable law, whichever is higher.
- b) The proposed allottee(s) of Warrants shall be entitled to apply for and obtain, in one or more tranches allotment of one Equity Share of face value of Rs. 10/- (Rupees Ten only) each of the Company against each Warrant within a period of 18 (Eighteen) months from the date of allotment of such Warrants.
- c) An amount equivalent to at least 25% of the consideration shall be paid against each warrant on or before the date of such allotment.
- d) The Warrant holder(s) shall have the option of applying for and being allotted Equity Shares of the Company of face value of Rs. 10/- each by paying the balance 75% of the consideration after adjusting the upfront payment made.
- e) In case the Warrant holder(s) do not apply for the conversion of the outstanding Warrants into Equity Shares of the Company within 18 (eighteen) months from the date of allotment of the said Warrants, then the consideration paid upon each of the said outstanding Warrants shall be forfeited and all the rights attached to the said Warrants shall lapse automatically.
- f) The Equity Shares issued and allotted on conversion thereof shall be subject to lock-in for such period as prescribed under the SEBI (ICDR) Regulations.
- g) The said Warrants by itself do not give to the Warrant holders any rights of the Shareholders of the Company.
- h) The Board be and is hereby authorised to delegate all or any of the powers herein conferred by this resolution to any Director(s) or to any Committee of Directors or employee or officer of the Company, as it may consider appropriate, to give effect to the aforesaid resolution.”

“RESOLVED FURTHER THAT the Board be and is hereby authorised to issue and allot such Equity Shares as may be required to be issued and allotted upon conversion of the said Warrants and that Equity Shares shall be subject to the provisions of the Memorandum and Articles of Association of the Company and shall rank pari passu in all respects, including entitlement for dividend, with the existing Equity Shares of the Company.”

“RESOLVED FURTHER THAT the Board be and is hereby authorised to decide and approve other terms and conditions of the issue of the Warrants and / or Equity Shares and shall also be entitled to vary, modify or alter any of the terms and conditions, as it may deem fit, subject to the compliance with the applicable guidelines, notifications, rules and regulations.”

“RESOLVED FURTHER THAT the Board be and is hereby authorised to accept the terms, conditions, modifications and stipulations as the GOI, RBI, SEBI or Stock Exchange or any other regulatory authority may stipulate while granting approval to the Company for issue of the Warrants and / or Equity Shares as aforesaid.”

“RESOLVED FURTHER THAT the Board be and is hereby authorized to take necessary steps for listing of the Equity Shares allotted upon conversion of Warrants on Stock Exchanges, where the Company’s shares are listed, as per the terms and conditions of the Listing Agreement, and in accordance with such other guidelines, rules and regulations as may be applicable with regard to such listing.”

“RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorised to take such steps and to do all such acts, deeds, matters and things as the Board may, in its 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, allotment of the Warrants and / or Equity Shares and utilization of the issue proceeds, to prescribe the forms of applications, 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, permissions, sanctions which may be necessary or desirable as they may deem fit.”

**By order of the Board
For Arfin India Limited**

Date: September 20, 2016
Place: Ahmedabad

Sd/-
Purvash Pandit
Company Secretary

NOTES:

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 setting out the material facts of the proposed special resolutions is annexed to the Notice.
2. The postal ballot notice is being sent to all the members, whose names appear in the register of members and list of beneficial owners, received from the National Securities Depository Limited (NSDL) & the Central Depository Services (India) Limited (CDSL) as on close of working hours on September 30, 2016.
3. Notice of the postal ballot has been sent to all the shareholders of the Company via permitted mode.
4. Members cannot exercise their vote by proxy on Postal Ballot.
5. In compliance with the provisions of Section 108 and 110 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 and amendments made thereto, and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is providing facility to its members for voting by electronic means through e-voting services as provided by the Central Depository Services (India) Limited (CDSL), which would enable them to cast their vote electronically, instead of through physical postal ballot form and the business may be transacted through such voting. The detailed process for exercising the e-voting facility is given in point no. 11. Members are requested to carefully read the instructions of e-voting before exercising their vote.
6. The members are requested to carefully read the instructions printed in the attached postal ballot form. The postal ballot form, duly completed and signed should be returned in the enclosed self-addressed envelope directly to the Scrutinizer so as to reach the Scrutinizer on or before the working hours (i.e. upto 5:00 p.m.) on November 5, 2016. Any postal ballot form received after this date and time shall be treated as if the reply from the member has not been received. The Scrutinizer's decision on the validity of the Postal Ballot Form and e-voting will be final and binding on the members.
7. Members can opt only for one mode for voting i.e. either Physical through Postal Ballot Form or e-voting. If a member has opted for e-voting, then he / she should not vote by physical ballot also and vice-a-versa. However, in case member cast his / her vote both via physical ballot and e-voting then voting done by e-voting shall prevail and voting through physical ballot shall be invalid.
8. The voting (Postal & e-voting) begins on 10:00 a.m. on October 7, 2016 and ends on November 5, 2016 at 5:00 p.m. 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. Record date) viz. September 30, 2016 may cast their vote. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be able to change it subsequently. A person who is not a member as on the Cut-off should treat this notice for information purposes only.
9. All the documents referred to in the accompanying notice are available for inspection by the members at the Registered Office of the Company on all working days (except Saturdays and Sundays), between 2:00 p.m. to 5:00 p.m. up to the date of announcement of the results of the Postal Ballot.
10. Any query / grievances connected with the voting by Postal Ballot including voting by electronic means may be addressed to the Company Secretary, Arfin India Limited, B 302, Pelican House, 3rd Floor, Ashram Road, Nr. Natraj Cinema, Gujarat Chamber of Commerce Building, Ahmedabad - 380009, Gujarat, India or at +91-79-2658 3791 / 92 or at investors@arfin.co.in.

11. The instructions for members for voting electronically are as under:

- i) Log on to the e-voting website www.evotingindia.com during the voting period.
- ii) Click on “Members / Shareholders” tab.
- iii) Now Enter your User ID
For CDSL: 16 digits beneficiary ID,
For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
For Physical Form: Members should enter Folio Number registered with the Company.
- iv) Thereafter please enter the Image Verification as displayed and Click on Login.
- v) If you are holding shares in Demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used. If you have forgotten the password, then enter the User ID and the image verification code and click on “FORGOT PASSWORD” and enter the details as prompted by the system.
- vi) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company / Depository Participant are requested to use the sequence number mentioned on address slip / email pertaining to the notice of this Postal Ballot.
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 for the said demat account or folio. <ul style="list-style-type: none"> • If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iii).

- vii) After entering these details appropriately, click on “SUBMIT” tab.
- viii) Members holding shares in physical form will then reach directly 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.
- ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- x) Click on the EVSN (Electronic Voting Sequence Number) of Arfin India Limited to vote.
- xi) On the voting page, you will see ‘RESOLUTION DESCRIPTION’ and against the same the option “YES / NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- xii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire resolution(s).
- xiii) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- xiv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote subsequently.
- xv) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- xvi) 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. Please follow the instructions as prompted by the mobile app while voting on your Mobile.
- xvii) Note for Non-Individual Shareholders and Custodians:
 - Non-Individual Shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to <https://www.evotingindia.com> 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.
 - 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 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:

Please follow all steps from sl. no. (i) to sl. no. (xvii) above to cast vote.

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.

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

In conformity with the provisions of Section 102 of the Companies Act, 2013, following Explanatory Statements sets out all material facts relating to the Special Resolutions mentioned at Item No. 1 & 2 of the accompanying Notice dated September 20, 2016 and should be taken as forming part of the Notice.

In respect of Item No. 1

With a view to having authority to the Company to issue Equity Warrants, the Company must have express powers / authority in its Articles of Association.

The present Articles of Association does not contain such specific clause for the issue of Convertible Warrants. It was thus found proper to alter the Articles of Association by insertion of Article 4A after the present Article 4 as explained in the Resolution.

As per Section 14 of the Companies Act, 2013 and rules framed thereunder, approval of members by way of Special Resolution is required to alter the Articles of Association of the Company.

None of the Directors, Key Managerial Persons (KMPs) of the Company or any relatives of such Directors or KMPs, are in any way concerned or interested financially or otherwise in the proposed Resolution.

Your Directors recommend passing of this resolution as a special resolution.

In respect of Item No. 2:

The Board of Directors at their meeting held on September 20, 2016, considered, subject to the approval by the shareholders by way of Postal ballot, receipt of requisite approval(s), proposal to issue upto 11,42,857 (Eleven Lakhs Forty Two Thousand Eight Hundred and Fifty Seven Only) Warrants of Rs. 10/- each for cash at a premium of Rs. 165/- per Warrant i.e. totaling to Rs. 175/- per Warrant aggregating to Rs. 19,99,99,975/- (Rupees Nineteen Crores Ninety Nine Lakhs Ninety Nine Thousand Nine Hundred and Seventy Five Only) on preferential basis to certain persons / entities (hereinafter referred to as the “Proposed allottees/Warrant holder”) whether they are existing Shareholders of the Company or not, with an option to warrant holders to subscribe for equal number of Equity Shares of face value of Rs. 10/- each.

In terms of the provisions of Section 62(1)(c) read with Section 42 of the Companies Act, 2013 (“the Act”) and Rules made thereunder, and Chapter VII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (the “SEBI (ICDR) Regulations”), as amended, a company can undertake preferential allotment only after obtaining prior approval of the shareholders by way of special resolution on the terms and conditions and formalities as stipulated in the Act and the SEBI (ICDR) Regulations.

1. The details of the issue and other particulars as required in terms of the Act and SEBI (ICDR) Regulations in relation to the aforesaid Special Resolution are given as under:

2. Objects of the Preferential Issue:

During the FY 2015-16, the company has started new lines of activities viz. Cored Wire plant and Alloy Plant and the same require additional working capital considering full year operations of FY 2016-17. We have added 16 new customers in Alloy vertical during previous year and it is expected to increase during current financial year which will result in increase of debtor’s level.

Further, Alloy vertical has large range of products which needs additional inventory holding. The Company has successfully completed setting up of Conductor & Cables plant and is in the process of completing the regulatory requirements to start commercial production from this plant. Commercial production is expected to start in the last quarter of current financial year.

During the year under operation, the Company has estimated turnover of Rs. 375 Crores. The Company has achieved gross sales of Rs. 96.11 Crores till June 30, 2016, which is at par with the estimated sales. The Company is having orders on hand worth Rs. 300 Crores.

Looking to the business development and future growth, the company has planned to infuse preferential capital of Rs. 20 crores during the current financial year.. The proceeds from the proposed preferential allotment of Warrants convertible into Equity Shares are proposed to be utilized to meet the working capital requirements, strengthen the Debt Equity Ratio, augment financial resources of the Company and other general corporate purposes.

3. Proposal / intention of the Promoter(s), Director(s) or Key Management Personnel to subscribe to the offer:

The Promoters and persons other than promoters and directors propose to subscribe to the present offer.

4. The price at which the allotment is proposed:

The issue of 11,42,857 (Eleven Lakhs Forty Two Thousand Eight Hundred and Fifty Seven Only) Warrants of Rs. 10/- (convertible into 11,42,857 Equity Shares of Rs. 10/- each) each for cash at a premium of Rs. 165/- per warrant totaling to Rs. 175/- (Rupees One Hundred and Seventy Five only) per Warrant or the minimum price determined in accordance with provisions of Regulation 76 of the SEBI (ICDR) Regulations and applicable law, whichever is higher.

5. Basis on which price has been arrived at along with report of the registered valuer:

As such this is not applicable in the present case since the Company is a listed company and the pricing is in terms of the SEBI (ICDR) Regulation.

6. Relevant Date:

The "Relevant Date" in terms of Regulation 71 of the SEBI (ICDR) Regulations for determination of minimum price is October 6, 2016, being the date 30 days prior to the date of the last date of Voting of Postal Ballot being November 5, 2016.

7. Payment and Conversion Terms:

Rs. 43.75 per Warrant being 25% of the Issue price of the Warrants is to be paid on or before the date of allotment of Warrants. The balance 75% i.e. Rs. 131.25 per Warrant is payable on or before the time of option of conversion into Equity Shares exercised by the allottees. Warrants will be converted in one or more tranches at the option of the allottees, into one Equity Share of Rs. 10/- each, at any time within 18 months from the date of allotment of Warrants. In case the warrant holder does not exercise the option to take Equity Shares against any of the Warrants within a period of 18 months from the date of allotment of Warrants, the aforesaid Rs. 43.75 per Warrant paid on or before the date of allotment of Warrant shall be forfeited.

8. Shareholding Pattern Before and after the Preferential Issue:

Sr. No.	Category of Shareholders		Pre Preferential Issue		Post Preferential Issue (Assuming full conversion of Warrants)*	
			No. of shares	%	No. of shares	%
A.	Promoters and promoter group					
1.	a)	Indian Promoters	22,11,400	73.27	30,54,257	73.40
	b)	Foreign Promoters	-	-		
	Sub Total		22,11,400	73.27	30,54,257	73.40
B.	Non-promoters					
2.	a)	Mutual Funds / UTI	-	-	-	-
	b)	Financial Institutions / Banks	-	-	-	-
	c)	Insurance Companies / Govt. Institutions	-	-	-	-
	d)	Foreign Institutional Investors	-	-	-	-
	e)	Qualified Foreign Investors	-	-	-	-
	Sub Total		NIL	NIL	NIL	NIL
3.	a)	Bodies Corporate	8,008	0.27	8,008	0.19
	b)	Individual holding	7,18,049	23.79	9,68,049	23.26
	c)	Foreign Companies	-	-	-	-
	d)	Non-Resident Individuals	63,075	2.09	63,075	1.52
	e)	Clearing Member	2,354	0.001	2,354	0.06
	f)	HUF	15,414	0.51	65,414	1.57
	Sub Total		8,06,900	26.73	11,06,900	26.60
	GRAND TOTAL		30,18,300	100.00	41,61,157	100.00

**the figures in the shareholding pattern are based on the assumption that all the Warrants will be subscribed, pursuant to the shareholders resolution and all said Warrants will be exercised / converted into Equity Shares. However, if any Warrants are not issued / allotted and the Warrants are not exercised, the figures will change accordingly.*

9. Proposed time frame within which the issue shall be completed:

The allotment of Warrants shall be completed within a period of 15 days from the date of passing of the Resolution by the Shareholders provided where the allotment is pending on account of any approval from any Regulatory Authority / Body, the allotment shall be completed by the Company within a period of 15 days from the date of such approval.

10. The identity of the proposed allottees being the Promoters, persons other than promoters, Directors :

Sr. No.	Name of person(s) / Proposed Allottee(s)	Address	PAN
Promoters			
1.	Mahendrakumar Rikhavchand Shah	Khandwala Bungalows, Hirani Haveli, Nr. Post Office, Dharam Nagar, Sabarmati, Ahmedabad - 380005, Gujarat, India	AFDPS6796P
2.	Jatin Mahendrakumar Shah	Khandwala Bungalows, Hirani Haveli, Nr. Post Office, Dharam Nagar, Sabarmati, Ahmedabad - 380005, Gujarat, India	ASMPS1116P
3.	Pushpaben Mahendrakumar Shah	Khandwala Bungalows, Hirani Haveli, Nr. Post Office, Dharam Nagar, Sabarmati, Ahmedabad - 380005, Gujarat, India	AEAPS1693F
4.	Rani Jatin Shah	Khandwala Bungalows, Hirani Haveli, Nr. Post Office, Dharam Nagar, Sabarmati, Ahmedabad - 380005, Gujarat, India	ACLPN2862L
5.	Mahendrakumar Rikhavchand Shah HUF	Khandwala Bungalows, Hirani Haveli, Nr. Post Office, Dharam Nagar, Sabarmati, Ahmedabad - 380005, Gujarat, India	AACHM0604A
6.	Jatin Mahendra Shah HUF	Khandwala Bungalows, Hirani Haveli, Nr. Post Office, Dharam Nagar, Sabarmati, Ahmedabad - 380005, Gujarat, India	AAEHJ8387H
7.	Khushbu Shah	Khandwala Bungalows, Hirani Haveli, Nr. Post Office, Dharam Nagar, Sabarmati, Ahmedabad - 380005, Gujarat, India	BRIPS0875D
8.	Krish Jatin Shah(Minor) through the Guardian Mr. Jatin M. Shah	Khandwala Bungalows, Hirani Haveli, Nr. Post Office, Dharam Nagar, Sabarmati, Ahmedabad - 380005, Gujarat, India	EZWPS2766E
9.	Khwaish Jatin Shah (Minor) through the Guardian Mr. Jatin M. Shah	Khandwala Bungalows, Hirani Haveli, Nr. Post Office, Dharam Nagar, Sabarmati, Ahmedabad - 380005, Gujarat, India	FSTPS5996F
Persons other than Promoters			
1.	Rameshkumar Babulal Shah HUF	11, Spring Valley Society, Urmi Crossing, BPC Road, Vadodara-390 007	AAEHR2965P
2.	Rameshkumar Babulal Shah	11, Spring Valley Society, Urmi Crossing, BPC Road, Vadodara-390 007	AFOPS9345F
3.	Lalitikumar Babulal Shah HUF	4, Chinar Wood, Akota Main Road, Vadodara-390 020	AA AHL4107K
4.	Sumitra Lalitikumar Shah	4, Chinar Wood, Akota Main Road, Vadodara-390 020	AFOPS9344E
5.	Babita Rameshkumar Shah	11, Spring Valley Society, Urmi Crossing, BPC Road, Vadodara-390 007	AAHPB0534B
6.	Babulal Sonmalji Balar	Opposite 32 Jawahar Society, R.V. Desai Road, Vadodara-390 001	AAHPB0534B
7.	Gopal Shantilal Shah	A/301, Kushal Vatika, B/h. Rajasthan Hospital, Shahibaug, Ahmedabad-380004	AKTPS8859A
8.	Vartika Vijendra Khatod	A/301, Kushal Vatika, B/h. Rajasthan Hospital, Shahibaug, Ahmedabad-380004	AMGPK8176P
9.	Shantilal Tulsiram Khator	6, Siddhi Apartments, Jain Colony, Near Terapanth Bhawan, Shahibaug, Ahmedabad-380004	ABGPK5166L

11. Percentage of Equity Shares that may be held by proposed allottees being the Promoters, persons other than Promoters, Directors (pre & post preferential issue of Warrants as well as its conversion into Equity Shares):

Sr. No.	Name of person(s)/ Proposed Allottee(s)	Pre Issue holding	% of Pre issue Capital	Warrants under Preferential Allotment	Holding of Equity Shares after total conversion of Warrants	% Post Issue Capital post total conversion
Promoters						
1.	Mahendrakumar Rikhavchand Shah	5,27,400	17.47	1,55,000	6,82,400	16.40
2.	Jatin Mahendrakumar Shah	4,53,900	15.04	1,55,000	6,08,900	14.63
3.	Pushpaben Mahendrakumar Shah	4,42,700	14.67	1,55,000	5,97,700	14.36
4.	Rani Jatin Shah	4,03,900	13.38	1,00,000	5,03,900	12.11
5.	Mahendrakumar Rikhavchand Shah HUF	62,500	2.07	55,000	1,17,500	2.82
6.	Jatin Mahendra Shah HUF	1,80,500	5.98	55,000	2,35,500	5.66
7.	Khushbu Shah	5,000	0.17	42,857	47,857	1.15
8.	Krish Jatin Shah (Minor) through the Guardian Mr. Jatin M. Shah	-	-	1,00,000	1,00,000	2.40
9.	Khwaish Jatin Shah (Minor) through the Guardian Mr. Jatin M. Shah	-	-	25,000	25,000	0.60
	Sub-Total	20,75,900	68.78	8,42,857	29,18,757	70.13
Persons other than Promoters						
1.	Rameshkumar Babulal Shah HUF	-	-	25,000	25,000	0.60
2.	Rameshkumar Babulal Shah	-	-	25,000	25,000	0.60
3.	Lalitikumar Babulal Shah HUF	-	-	25,000	25,000	0.60
4.	Sumitra Lalitikumar Shah	16,600	0.55	25,000	41,600	1.00
5.	Babita Rameshkumar Shah	16,800	0.56	25,000	41,800	1.00
6.	Babulal Sonmalji Balar	-	-	25,000	25,000	0.60
7.	Gopal Shantilal Shah	-	-	50,000	50,000	1.20
8.	Vartika Vijendra Khatod	-	-	50,000	50,000	1.20
9.	Shantilal Tulsiram Khatod	-	-	50,000	50,000	1.20
	Sub-Total	33,400	1.11	3,00,000	3,33,400	8.00
	TOTAL	21,09,300	69.89	11,42,857	32,52,157	78.13

12. Auditors' Certificate:

A copy of the certificate from Statutory Auditors certifying that the issue is being made in accordance with the requirements of SEBI (ICDR) Regulations shall be made available for inspection at the registered office of the Company between 2.00 p.m. to 5.00 p.m. on all working days (except Saturdays, Sundays and Holidays) up to the date of announcement of the results of the Postal Ballot.

13. Lock-in Period:

The securities allotted to Proposed Allottees shall be locked in as per Regulation 78 and other applicable provisions of SEBI (ICDR) Regulations.

14. Change in control consequent to the preferential issue:

The existing Promoters of the Company will continue to be in control of the Company and there will not be any change in the management or control of the Company as a result of the proposed preferential allotment. However, there shall be addition of two new promoters details of the same are available at Sr. No. 8 & 9 of the above tables under promoter category.

15. The Company hereby undertakes that:

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

16. Others:

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

None of the Promoters or Directors have been categorized as a willful defaulter by any bank or financial institution or consortium thereof, in accordance with the guidelines on willful defaulters issued by the Reserve Bank of India

The Board of Directors believes that the proposed Preferential Issue is in the best interest of the Company and its members. The Board recommends the resolutions as set out in the accompanying notice for the approval of members as a Special Resolutions.

None of the Directors, Key Managerial Personnel of the Company or their relatives are in any way concerned or interested, financially or otherwise, in the resolutions, except holding their designations in general.

**By order of the Board
For Arfin India Limited**

Date: September 20, 2016
Place: Ahmedabad

Sd/-
Purvash Pandit
Company Secretary



ARFIN INDIA LIMITED

ARFIN INDIA LIMITED

Registered Office: B-302, 3rd Floor, Pelican House, Gujarat Chamber of Commerce Building,
Ashram Road, Ahmedabad 380009, Gujarat, India.

CIN: L65990GJ1992PLC017460, Phone: +91 79 26583791, 92, Fax: +91 79 26583792,

Email: investors@arfin.co.in, Website: www.arfin.co.in

POSTAL BALLOT FORM

Sr. No.	Particulars	Details
1.	Name of the first named shareholder (in blocked letters)	
2.	Postal Address	
3.	Name(s) of the Joint-Holder(s), if any	
4.	Registered Folio No. / *Client ID No. (*applicable to investors holding shares in dematerialized form)	
5.	Class of Shares	Equity Shares

I / We, hereby exercise my / our vote in respect of the following Special Resolutions proposed for passing through Postal Ballot via Postal Ballot Notice dated September 20, 2016 of Arfin India Limited (the "Company") by sending my / our assent (**FOR**) or dissent (**AGAINST**) to the said resolutions by placing the tick mark (v) at the appropriate column below:

Item No.	Description of the Resolution	No. of Shares held	I assent to the Resolution (FOR)	I dissent to the Resolution (AGAINST)
1	Special Resolution to consider alteration of Article of Association pursuant to Section 14 of the Companies Act, 2013 of the Company to insert a Specific Clause for the issue of Equity Warrants.			
2	Special Resolution to consider and approve the Issue upto 11,42,857 Warrants, Convertible into Equity Shares on Preferential Basis.			

Place:

Date:

(Signature of the Shareholder)

NOTE

- 1) Please read the instructions printed overleaf and in the notice of the postal ballot carefully before exercising your vote.
- 2) Last date for receipt of Postal Ballot Form by the Scrutinizer: November 5, 2016 (5:00 p.m.)
- 3) If the voting rights are exercised by e-voting, this form need not be used.

INSTRUCTIONS

1. A Member desirous of exercising her/ his vote by Postal Ballot may complete this Postal Ballot Form and send it to the following address of the Scrutinizer.
Mr. Kamlesh M. Shah
Scrutinizer, Arfin India Limited
B 302, Pelican House, 3rd Floor,
Gujarat Chamber of Commerce Building,
Ashram Road, Ahmedabad 380009
Gujarat, India
2. Please convey your assent / dissent in this Postal Ballot Form. The assent or dissent received in any other physical form shall not be considered valid.
3. This Form must be completed and signed (as per specimen signature registered with the Company) by the Member. In case of Joint-holding, this Form must be completed and signed by the first named Member and in his absence, by the next named Member.
4. Unsigned, incomplete or incorrectly ticked Postal Ballot Forms shall be rejected.
5. The Scrutinizer's decision on the validity of the Postal Ballot / e-voting will be final.
6. The Postal Ballot / e-voting shall not be exercised by a proxy.
7. In case of shares held by companies, trusts, societies, etc., the duly completed Postal Ballot Form should be accompanied by a certified copy of Board Resolution / Authorization together with the specimen signature(s) of the duly authorized signatories.
8. Voting rights shall be reckoned on the paid-up value of shares registered in the name of the Member as on September 30, 2016.
9. Members are requested not to send any other paper along with the Postal Ballot Form and any extraneous paper found in such envelope would be destroyed by the Scrutinizer.
10. There will be one Postal Ballot Form for every Folio / Client ID, irrespective of the number of joint holders.
11. In case of non-receipt of the Postal Ballot Form or for any query related thereto, the Members may contact the Company or its Registrar and Transfer agent, Link Intime India Private Limited, Unit No. 303, Shoppers Plaza - V, Opp. Municipal Market, Off C. G. Road, Navrangpura, Ahmedabad - 380009 or send an email at ahmedabad@linkintime.co.in or investors@arfin.co.in or download the Postal Ballot Form from the Company's website www.arfin.co.in.
12. The Members can opt for any one mode of voting i.e., either by e-voting or by physical Postal Ballot Form. The voting, both through postal ballot and through electronic modes shall commence from October 7, 2016 at 10:00 a.m. and shall end on November 5, 2016 at 5:00 p.m. In case, member(s) cast their votes through both the modes, voting done by e-voting shall prevail and votes cast through physical Postal Ballot Forms will be treated as invalid.
13. The Company is pleased to offer e-voting facility, as an alternative, for all the members of the Company to enable them to cast their votes electronically instead of dispatching Postal Ballot Form. E-voting is optional.

THE DETAILED PROCEDURE FOR E-VOTING IS ENUMERATED IN THE NOTES TO THE POSTAL BALLOT NOTICE.