



# KAPASHI Commercial Ltd.

Date: 14/12/2020

To,  
**BSE LIMITED**  
Phiroze Jeejeebhoy Tower,  
Dalal Street, Mumbai-400 001

Scrip Code: 512399

Dear Sir/ Madam,

**Sub.: Notice of Extra-Ordinary General meeting.**

The Company is convening the Extra-Ordinary general meeting on Thursday, January 7, 2021 at 11.00 A.M. through VC/ OAVM for obtaining approval of shareholders for the agendas as mentioned in the said notice.

The Company has completed emailing of the notices to the concerned shareholders. In compliance with the provisions of Regulation 30 read with schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the copy of notice of Extra-Ordinary general meeting is enclosed herewith.

Kindly take the same on your records.

Yours faithfully,  
For Kapashi Commercial Limited

**KAPASHI COMMERCIAL LIMITED**

**AUTHORISED SIGNATORY DIRECTOR**

Shweta Samir Shah  
Managing Director  
DIN: 03082967

Encl.:  
As above.

CIN: L51900GJ1985PLC110976

Regd. Office: 206, S.F. Ashirwad Paras 1, Near Kanti Bharwad PMT, Opposite Andaz Party Plot,  
Makarba, Ahmedabad-380051, Phone: +91-79-4107-8078

E-Mail: kapashicl@gmail.com Website: www.kapashicommercial.com

# KAPASHI COMMERCIAL LIMITED

CIN: L51900GJ1985PLC110976

Regd. Office: 206, S.F. Ashirwad Paras 1, Near Kanti Bharwad PMT, Opposite Andaz Party Plot,

Makarba, Ahmedabad-380051, Phone: +91-79-4107-8078

E-Mail: kapashicl@gmail.com Website: www.kapashicommercial.com

**NOTICE** is hereby given that the Extra-ordinary General Meeting (“EGM”) of the Members of the Company will be held on Thursday, January 7, 2021 at 11.00 A.M. through two-way Video Conferencing (“VC”) facility or other audiovisual means (“OAVM”) to transact the following businesses:

## **SPECIAL BUSINESS:**

### **1. To Increase the Authorised Share Capital of the Company.**

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

**RESOLVED THAT** pursuant to the provisions of Section 61 of the Companies Act, 2013 and Companies (Share Capital & Debentures) Rules, 2014 and any other applicable provisions, if any, of the Companies Act, 2013, the Authorised Share Capital of the Company be and is hereby increased from existing Rs. 2,50,00,000/- (Rupees Two Crore Fifty Lac Only) divided into 25,00,000 (Twenty-Five Lac) Equity Shares of Rs. 10/- (Rupees Ten Only) each to Rs. 10,00,00,000/- (Rupees Ten Crore Only) divided into 1,00,00,000 (One Crore) Equity Shares of Rs. 10/- (Rupees Ten only) each.

**RESOLVED FURTHER THAT** pursuant to the provisions of Section 13 and all other applicable provisions, if any, of the Companies Act, 2013, the existing clause **V** of the Memorandum of Association of the Company be and is hereby substituted by the following new clause “**V**”:

- V.** The Authorised Share Capital of the Company is Rs. 10,00,00,000/- (Rupees Ten Crore only) divided into 1,00,00,000 (One Crore) Equity Shares of Rs. 10/- (Rupees Ten only) each.

**RESOLVED FURTHER THAT** Managing Director and/ or Company Secretary of the Company be and are hereby jointly and/or severally authorized to do all such acts, deeds, matters and things which may be necessary, usual, expedient and proper to give effect to this resolution.

### **2. To create, offer, Issue and allot Equity Shares on preferential basis.**

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

**RESOLVED THAT** pursuant to the provisions of Section 42, 62(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 and Rules made thereunder (including any statutory modification or re-enactment thereof for the time being in force and hereinafter collectively referred as “Act”), provisions of the Memorandum and Articles of Association of the Company, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (the “ICDR Regulations”) as amended and any other Rules/ Regulations/ guidelines, if any, prescribed by the Securities and Exchange Board of India, Stock Exchanges and/ or any other statutory/regulatory authority, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and subject to the approval to be received from Reserve Bank of India and such other approval(s), consent(s), permission(s) and/or sanction(s), if any, of the appropriate authorities, institutions or bodies as may be required, and subject to such conditions as may be prescribed by any of them while granting any such approval(s), consent(s), permission(s) and/or sanction(s) which may be agreed to by the Board of Directors of the Company (hereinafter referred to as ‘the Board’ which term shall be deemed to include any committee which the Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred by this resolution), the consent of the members of the Company be and is hereby accorded to create, offer, issue and allot from time to time in one or more tranches, up to 25,00,000 (Twenty Five Lakh) Equity shares of face value of Rs. 10/- each (Rupees Ten Only) for cash at an issue price of Rs. 56/- (Rupees Fifty-Six Only) (including a premium of Rs. 46/- (Rupees Forty-Six Only) per Equity Share) to the proposed allottees as mentioned below on preferential basis in such form and manner and in accordance with the provisions of SEBI (ICDR) Regulations and other



applicable laws on such terms and conditions as the Board may, in its absolute discretion think fit and without requiring any further approval and consent from the members.

| Sr. No.      | Name of the Proposed Allottee(s)                      | Category       | No. of Equity Shares to be allotted |
|--------------|---|----------------|-------------------------------------|
| 1.           | Samir Rohitkumar Shah                                 | Promoter Group | 4,50,000                            |
| 2.           | Sagar Samir Shah                                      | Promoter Group | 4,50,000                            |
| 3.           | Shweta Samir Shah                                     | Promoter       | 3,00,000                            |
| 3.           | Abil Chempharma Private Limited                       | Non Promoter   | 10,00,000                           |
| 4.           | Dhrumil Bhagwat Shah HUF                              | Non Promoter   | 50,000                              |
| 5.           | Harshit Rajesh Shah HUF                               | Non Promoter   | 50,000                              |
| 6.           | Zeal Harivadan Shah<br>J/w. Harivadan Vitthaldas Shah | Non Promoter   | 1,00,000                            |
| 7.           | Rajesh Vitthaldas Shah HUF                            | Non Promoter   | 50,000                              |
| 8.           | Bhagvat Vitthaldas Shah HUF                           | Non Promoter   | 50,000                              |
| <b>Total</b> |   |                | <b>25,00,000</b>                    |

**RESOLVED FURTHER THAT** without prejudice to the generality of the above resolution, the issue of the Equity shares to the proposed allottees under the preferential Allotment shall be subject to the following terms and conditions apart from others as prescribed under the applicable laws:

- a) The Equity shares to be offered, issued and allotted shall be fully paid-up and shall rank pari-passu with the existing equity shares of the company in all respects (including with respect to dividend and voting powers) from the date of allotment thereof, be subject to the requirements of all applicable laws and shall be subject to the provisions of Memorandum of Association and Articles of Association of the Company.
- b) The Equity shares to be issued and allotted shall be subject to lock-in for a period as specified in the provisions of Chapter V of the SEBI ICDR Regulations and will be listed on the Stock Exchanges where the existing equity shares of the Company are listed, subject to the receipt of necessary permissions and approvals as the case may be.
- c) The Equity Shares shall be issued and allotted in dematerialized form within a period of 15 days from the date of passing Special Resolution by the members, provided that where the allotment of equity shares is subject to receipt of any approval or permission from any regulatory authority or government of India, the allotment shall be completed within a period of 15 days from the date of receipt of last of such approvals or permissions.

**RESOLVED FURTHER THAT** subject to the provisions of the SEBI Regulations and other applicable laws, the Board be and is hereby authorized to decide, approve, vary, modify or alter any of the relevant terms and conditions, including size of the preferential issue to the investor, as may deem expedient.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this Resolution, the Board be and is hereby authorised to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, desirable or expedient, including without limitation, issuing clarifications, resolving all questions of doubt, effecting any modifications or changes to the foregoing (including modification to the terms of the issue), entering into contracts, arrangements, agreements, documents (including for appointment of agencies, intermediaries and advisors for the Issue) and to authorize all such persons as may be necessary, in connection therewith and incidental thereto as the Board in its absolute discretion shall deem fit without being required to seek any fresh approval of the Members and to settle all questions, difficulties or doubts that may arise with regard to the offer, issue and allotment of the Equity Shares and listing thereof with the Stock Exchanges as appropriate and utilisation of proceeds of the issue, take all other steps which may be incidental, consequential, relevant or ancillary in this connection and to effect any modification to the foregoing and the decision of the Board shall be final and conclusive.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all such acts, deeds, matters and things and also to execute such documents, writings, etc. as may be necessary to give effect to the aforesaid resolution and delegate all or any of the powers herein conferred by above resolution to any Director or to any Committee of Directors or any other executive(s) / officer(s) of the Company or any other person.

**BY ORDER OF THE BOARD  
FOR KAPASHI COMMERCIAL LIMITED**

**Date: 28.11.2020**

**Place: Ahmedabad**

**Registered Office:**

206, S.F. Ashirwad Paras 1,  
Near KantiBharwad PMT,  
Opposite Andaz Party Plot,  
Makarba, Ahmedabad-380051

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**(SHWETA SAMIR SHAH)**  
**MANAGING DIRECTOR**  
**DIN: 03082967**

**NOTES:**

1. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020. The forthcoming EGM will thus be held through through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing EGM through VC/OAVM.
2. Pursuant to 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 SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the EGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the EGM will be provided by CDSL.
3. The Members can join the EGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the EGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the EGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the EGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this EGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the EGM through VC/OAVM and cast their votes through e-voting.

6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the EGM has been uploaded on the website of the Company at [www.kapashicommercial.com](http://www.kapashicommercial.com). The Notice can also be accessed from the websites of the Stock Exchange i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com). The EGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the EGM ) i.e. [www.evotingindia.com](http://www.evotingindia.com).
7. The attendance of the Members attending the EGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
8. The Explanatory Statement pursuant to the provisions of Section 102 of the Companies Act, 2013, setting out material facts in respect of the Item No. 1 and Item No. 2 is annexed hereto.
9. All documents referred to in the Notice calling the EGM and the Explanatory Statement are available on the website of the Company for inspection by the Members.
10. Mr. Uday Dave (C.P. No. 7158) or Mr. Umesh Parikh (C.P. No. 2413) Partners of Parikh Dave & Associates, Practicing Company Secretaries, have been appointed as Scrutinizer to scrutinize the E voting process (including electronic voting at EGM) in fair and transparent manner. The Scrutinizers will submit their consolidated report on voting within 48 hours of the conclusion of EGM to the Chairman or his authorised person and the Chairman or his authorised person shall announce the voting results after receipt of the Scrutinizer report.

**THE INTRUCTIONS FOR SHAREHOLDRES FOR REMOTE E-VOTING ARE AS UNDER:**

- (i) The voting period begins on Monday, January 4, 2021 at 10.00 A.M. and ends on Wednesday, January 6, 2021 at 5.00 P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of Thursday, December 31, 2020 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iv) Click on "Shareholders" module.
- (v) Now enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

OR

Alternatively, if you are registered for CDSL's **EASI/EASIEST** e-services, you can log-in at <https://www.cdslindia.com> from **Login - Myeasi** using your login credentials. Once you successfully log-in to CDSL's **EASI/EASIEST** e-services, click on **e-Voting** option and proceed directly to cast your vote electronically.

- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.

(viii) If you are a first time user follow the steps given below:

|  | <b>For Shareholders holding shares in Demat Form and Physical Form</b>   |
|--|--|
| 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"><li>Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.</li></ul>                |
| Dividend Bank Details<br><b>OR</b> Date of Birth (DOB) | Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"><li>If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).</li></ul> |

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders 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.
- (xi) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the Company on which you choose to vote.
- (xiii) 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.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) 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.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xviii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) Shareholders can also cast their vote using CDSL's mobile app "**m-Voting**". The m-Voting app can be downloaded from respective Store. Please follow the instructions as prompted by the mobile app while Remote Voting on your mobile.

**PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:**

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to Company be sending an e mail to kapashicl@gmail.com or with Registrar & Share Transfer Agent (R&STA) at support@purvashare.com.
2. For Demat shareholders -, please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to Company be sending an e mail to kapashicl@gmail.com or with Registrar & Share Transfer Agent (R&STA) at support@purvashare.com.

**INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE EGM THROUGH VC/OAVM ARE AS UNDER:**

1. Shareholder will be provided with a facility to attend the EGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at <https://www.evotingindia.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.
2. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
3. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least **7 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at kapashicl@gmail.com. The shareholders who do not wish to speak during the EGM but have queries may send their queries in advance **7 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at kapashicl@gmail.com. These queries will be replied to by the company suitably by email.
6. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
7. If you have any queries or issues regarding attending EGM through the link, you may contact Mr. Manish Shah on 9324659811 or write an email to support@purvashare.com.

**INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING DURING THE EGM ARE AS UNDER:-**

1. The procedure for e-Voting on the day of the EGM is same as the instructions mentioned above for Remote e-voting.
2. Only those shareholders, who are present in the EGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the EGM.
3. If any Votes are cast by the shareholders through the e-voting available during the EGM and if the same shareholders have not participated in the meeting through VC/OAVM facility , then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.
4. Shareholders who have voted through Remote e-Voting will be eligible to attend the EGM. However, they will not be eligible to vote at the EGM.

(xx) **Note for Non – Individual Shareholders and Custodians**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the “Corporates” module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; [kapashicl@gmail.com](mailto:kapashicl@gmail.com), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

If you have any queries or issues regarding attending EGM & e-Voting from the e-Voting System, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact Mr. Nitin Kunder (022-23058738) or Mr. Mehboob Lakhani (022-23058543) or Mr. Rakesh Dalvi (022-23058542).

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL, ) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call on 022-23058542/43.

**CONTACT DETAILS:**

|                              |  |
|------------------------------|--|
| Company                      | KAPASHI COMMERCIAL LIMITED   |
| Registrar and transfer agent | Purva Sharegistry (India) Pvt. Ltd   |
| E-voting Agency              | Central Depository Services (India) Limited<br>E-mail ID: <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> |
| Scrutinizer                  | Mr. Uday Dave or Mr. Umesh Parikh, Partners of Parikh Dave & Associates, Practicing Company Secretaries.                                     |

**BY ORDER OF THE BOARD  
FOR KAPASHI COMMERCIAL LIMITED**

**Date: 28.11.2020**

**Registered Office:**

206, S.F. Ashirwad Paras 1,  
Near KantiBharwad PMT,  
Opposite Andaz Party Plot,  
Makarba ,Ahmedabad-380051

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**(SHWETA SAMIR SHAH)  
MANAGING DIRECTOR  
DIN: 03082967**



# KAPASHI COMMERCIAL LIMITED

CIN: L51900GJ1985PLC110976

Regd. Office: 206, S.F. Ashirwad Paras 1, Near KantiBharwad PMT, Opposite Andaz Party Plot,  
Makarba,Ahmedabad-380051, Phone: +91-79-4107-8078

E-Mail: kapashicl@gmail.com Website: www.kapashicommercial.com

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## EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

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The following Statement pursuant to Section 102(1) of the Companies Act, 2013, sets out all material facts relating to the special businesses mentioned in the accompanying Notice.

### **Item No.1**

In order to raise the funds by issue of Equity Shares on preferential basis, it would be necessary to increase the Authorised Share Capital of the Company. Accordingly, the Board of Directors have decided to raise the Authorised Share Capital of the Company from existing Rs. 2,50,00,000/- (Rupees Two Crore Fifty Lac only) divided into 25,00,000 (Twenty Five Lac) Equity Shares of Rs. 10/- (Rupees Ten only) each to Rs. 10,00,00,000/- (Rupees Ten Crore only) divided into 1,00,00,000 (One Crore) Equity Shares of Rs. 10/- (Rupees Ten only) each.

In view of the same, consequential amendment in the Memorandum of Association of the Company is necessary.

In accordance with the provisions of the Companies Act, 2013 approval of members is required to increase the Authorized Share Capital and to amend the capital clause in the Memorandum of Association of the Company. The Board proposes and recommends to pass the said resolution.

None of the Directors, Key Managerial Personnel and their relatives are in any way concerned or interested financially or otherwise in the proposed resolution.

A copy of the existing Memorandum of Association, together with proposed alteration, is available online for inspection to the members during the business hours on any working day up to the date of Extra Ordinary General Meeting.

### **Item No.2**

The Board of Directors of the Company at their meeting held on November 28, 2020 have proposed to issue Equity shares through preferential allotment to selected group of people as mentioned in the resolution and also in the explanatory statement.

Pursuant to provisions of Section 62 (1)(c) read with section 42 of Companies Act, 2013 (the "Act") and Rules made thereunder (the 'Act') and in accordance with the provisions of Chapter V "Preferential Issue" of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (the "ICDR Regulations") as amended and on terms and conditions and formalities as stipulated in the Act and the ICDR Regulations, the Preferential Issue requires approval of the members by way of a Special Resolution. The Board therefore, seeks approval of the members as set out in the notice, by way of Special Resolution to issue and allot upto 25,00,000 Equity shares of face value of Rs. 10/- each in one or more tranches at an issue price of Rs. 56/- per share (Rupees Fifty Six Only) per share including share premium of Rs. 46/- per share amounting to Rs. 14,00,00,000/-.

The proposed allottees to preferential issue have not sold any equity shares of the Company during six months preceding the Relevant Date.

The disclosures in accordance with the Companies Act, 2013, and the other disclosures as per the SEBI (ICDR) Regulations and the other applicable provisions of law, in relation to the Special Resolution no. 2 set out in the accompanying Notice are as follows:

| I. The Objects of the Preferential Issue  | (i) Funding of expansion plans/activities and for development of the business.<br>(ii) To augment the net worth and to broad base the capital structure of the Company required for its business growth.<br>(iii) General corporate Purpose.   |                      |                                |                  |              |  |     |  |   |    |                       |                |            |          |      |    |                  |                |            |          |      |    |                   |          |            |          |      |              |  |  |  |                  |              |
|---|--|----------------------|--------------------------------|------------------|--------------|--|-----|--|---|----|-----------------------|----------------|------------|----------|------|----|------------------|----------------|------------|----------|------|----|-------------------|----------|------------|----------|------|--------------|--|--|--|------------------|--------------|
| II. Total No. of Shares to be issued  | Upto 25,00,000 Equity Shares of Face Value of Rs. 10/- each in one or more tranches.   |                      |                                |                  |              |  |     |  |   |    |                       |                |            |          |      |    |                  |                |            |          |      |    |                   |          |            |          |      |              |  |  |  |                  |              |
| III. Intent of the Promoter, Directors or Key Managerial Personnel of the issuer to subscribe to the offer. | <p>Except Shweta Samir Shah, Managing Director and Promoter of the Company, none of the promoters, directors or key managerial personnel of the Company are subscribing to the Preferential Allotment.</p> <p>Along with Shweta Samir Shah two relatives of Key Managerial Personnel Shweta Samir Shah (Promoter and Managing Director of the Company) and Viraj Shah (Chief Financial Officer) and forming part of Promoter group of Shweta Samir Shah are subscribing to the preferential Allotment.</p> <p>The details of subscription by promoter/ promoter group are as below under:</p> <table border="1" data-bbox="363 707 1490 1196"> <thead> <tr> <th rowspan="2">Sr. No.</th> <th rowspan="2">Name of the Proposed allottees</th> <th rowspan="2">Category</th> <th rowspan="2">PAN</th> <th colspan="2">No. &amp; % of Equity shares to be issued and allotted</th> </tr> <tr> <th>No. of Equity Shares</th> <th>%</th> </tr> </thead> <tbody> <tr> <td>1.</td> <td>Samir Rohitkumar Shah</td> <td>Promoter Group</td> <td>AQCPS6044E</td> <td>4,50,000</td> <td>9.00</td> </tr> <tr> <td>2.</td> <td>Sagar Samir Shah</td> <td>Promoter Group</td> <td>CKLPS2759H</td> <td>4,50,000</td> <td>9.00</td> </tr> <tr> <td>3.</td> <td>Shweta Samir Shah</td> <td>Promoter</td> <td>AQFPS5288K</td> <td>3,00,000</td> <td>6.00</td> </tr> <tr> <td colspan="4"><b>Total</b></td> <td><b>12,00,000</b></td> <td><b>24.00</b></td> </tr> </tbody> </table> | Sr. No.              | Name of the Proposed allottees | Category         | PAN          | No. & % of Equity shares to be issued and allotted |     | No. of Equity Shares                               | % | 1. | Samir Rohitkumar Shah | Promoter Group | AQCPS6044E | 4,50,000 | 9.00 | 2. | Sagar Samir Shah | Promoter Group | CKLPS2759H | 4,50,000 | 9.00 | 3. | Shweta Samir Shah | Promoter | AQFPS5288K | 3,00,000 | 6.00 | <b>Total</b> |  |  |  | <b>12,00,000</b> | <b>24.00</b> |
| Sr. No.   | Name of the Proposed allottees   |                      |                                |                  |              | Category   | PAN | No. & % of Equity shares to be issued and allotted |   |    |                       |                |            |          |      |    |                  |                |            |          |      |    |                   |          |            |          |      |              |  |  |  |                  |              |
|   |  | No. of Equity Shares | %                              |                  |              |  |     |  |   |    |                       |                |            |          |      |    |                  |                |            |          |      |    |                   |          |            |          |      |              |  |  |  |                  |              |
| 1.  | Samir Rohitkumar Shah  | Promoter Group       | AQCPS6044E                     | 4,50,000         | 9.00         |  |     |  |   |    |                       |                |            |          |      |    |                  |                |            |          |      |    |                   |          |            |          |      |              |  |  |  |                  |              |
| 2.  | Sagar Samir Shah   | Promoter Group       | CKLPS2759H                     | 4,50,000         | 9.00         |  |     |  |   |    |                       |                |            |          |      |    |                  |                |            |          |      |    |                   |          |            |          |      |              |  |  |  |                  |              |
| 3.  | Shweta Samir Shah  | Promoter             | AQFPS5288K                     | 3,00,000         | 6.00         |  |     |  |   |    |                       |                |            |          |      |    |                  |                |            |          |      |    |                   |          |            |          |      |              |  |  |  |                  |              |
| <b>Total</b>  |  |                      |                                | <b>12,00,000</b> | <b>24.00</b> |  |     |  |   |    |                       |                |            |          |      |    |                  |                |            |          |      |    |                   |          |            |          |      |              |  |  |  |                  |              |
| IV. The price or price band at which the allotment is proposed.   | The Issue Price is Rs. 56/- per share provided that the minimum price of equity shares so issued shall not be less than the price determined considering various parameters arrived at, in accordance with Chapter V of ICDR Regulations.  |                      |                                |                  |              |  |     |  |   |    |                       |                |            |          |      |    |                  |                |            |          |      |    |                   |          |            |          |      |              |  |  |  |                  |              |
| V. Basis on which the price has been arrived at   | <p>The Equity Shares of the Company are Listed on the Stock Exchange viz. BSE Limited and are infrequently traded in accordance with ICDR Regulations.</p> <p>In terms of applicable provisions of ICDR Regulations the price at which equity shares shall be allotted, shall be determined after taking into account various valuation parameters including book value, comparable trading multiples and such other parameters as are customary for valuation of shares of the company.</p> <p>Pursuant to the provisions of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, the Company has obtained necessary certificate dated November 26, 2020 from the Registered valuer, CA Rohit Maloo with regard to the compliance of the said Regulations and the same is also available online for inspection to the members.</p> <p>Name and address of valuer who performed valuation:<br/>CA Rohit Maloo<br/>403, Shaival Plaza, Ellisbridge, Ahmedabad- 380006, Gujarat.</p>   |                      |                                |                  |              |  |     |  |   |    |                       |                |            |          |      |    |                  |                |            |          |      |    |                   |          |            |          |      |              |  |  |  |                  |              |
| VI. The Relevant Date on the basis of which price has been arrived at                                       | <p>The relevant date shall be the date thirty days prior to the date on which the meeting of shareholders is held to consider the proposed preferential issue in accordance with the provisions of SEBI (ICDR) Regulations, 2018 as amended from time to time.</p> <p>With regard to the provisions of Pricing, as the shares of the Company are infrequently traded as defined under Regulation 165 of SEBI (ICDR) Regulations, 2018 the provisions of "Relevant date" for pricing will not be applicable.</p> <p>For other purposes the Relevant Date shall be Tuesday, December 8, 2020.</p>  |                      |                                |                  |              |  |     |  |   |    |                       |                |            |          |      |    |                  |                |            |          |      |    |                   |          |            |          |      |              |  |  |  |                  |              |

| VII. The class or classes of persons to whom the allotment is proposed to be made                                       | Name of the Investor   | Category       | Identity of the Natural Person who are the Ultimate Beneficial Owners of the Shares proposed to be issued | Pre Issue     |       | Post Issue    |       |
|---|--|----------------|---|---------------|-------|---------------|-------|
|   |  |                |   | No. of Shares | %     | No. of Shares | %     |
|   | Samir Rohitkumar Shah<br>PAN:AQCPS6044E  | Promoter Group | Samir Rohitkumar Shah   | 0             | 0     | 4,50,000      | 9.00  |
|   | Sagar Samir Shah<br>PAN:CKLPS2759H   | Promoter Group | Sagar Samir Shah  | 0             | 0     | 4,50,000      | 9.00  |
|   | Shweta Samir Shah<br>PAN: AQFPS5288K   | Promoter       | Shweta Samir Shah   | 7,24,875      | 29.00 | 10,24,875     | 20.50 |
|   | Abil Chempharma Private Limited<br>PAN:AAECA1503D  | Non Promoter   | Ms. Namita Maniar (holding 53.25% share capital) and Mr. Nirav Maniar (holding 46.75% share capital)      | 0             | 0     | 10,00,000     | 20.00 |
|   | Dhrumil Bhagwat Shah HUF<br>PAN: AAJHD2021B  | Non Promoter   | Dhrumil B Shah (Karta), Anar D Shah   | 0             | 0     | 50,000        | 1.00  |
|   | Harshit Rajesh Shah HUF<br>PAN: AAEHH2950L   | Non Promoter   | Harshit R Shah (Karta), Prutha H Shah, Dharav H Shah  | 0             | 0     | 50,000        | 1.00  |
|   | Zeal Harivadan Shah J/w. Harivadan Vitthaladas Shah<br>PAN: JZMPS9481P and ACKPS0128D  | Non Promoter   | Zeal Harivadan Shah and Harivadan Vitthaladas Shah  | 0             | 0     | 1,00,000      | 2.00  |
|   | Rajesh Vitthaladas Shah HUF<br>PAN: AAEHR7112Q   | Non Promoter   | Rajesh V Shah(Karta), Tasvina R Shah, Harshit R Shah, Prutha H Shah, Mayuri Shah                          | 0             | 0     | 50,000        | 1.00  |
|   | Bhagvat Vitthaladas Shah HUF<br>PAN: AAAHB5591H  | Non Promoter   | Bhagvat V Shah (Karta), Jayshree B Shah, Dhrumil B Shah, Anar D Shah, Dhawani Rajyaguru.                  | 0             | 0     | 50,000        | 1.00  |
| III. The proposed time within which the Preferential Allotment shall be completed                                       | As required under SEBI (ICDR) Regulations, the Preferential Allotment of the Equity Shares shall be completed within a period of 15 (fifteen) days from the date of passing of the special resolution of the shareholders of the Company or within the statutory time limits prescribed by the regulatory authorities subject to all the necessary approvals being in place. If any approval or permissions by any regulatory or statutory authority or the Central Government for allotment is pending, the period of 15 (fifteen) days shall commence from the date of such approval or permission being obtained. |                |   |               |       |               |       |
| IX. Change in control, if any in the Company that would occur consequent to the preferential offer                      | There will not be any change in the control of the Company pursuant to the Preferential allotment. However there will be change in the shareholding pattern and corresponding change in the voting rights consequent to the preferential allotment.  |                |   |               |       |               |       |
| X. No. of persons to whom allotment on preferential basis have already been made during the year, in terms of number of | NIL  |                |   |               |       |               |       |

|  |   |   |                           |                          |                           |                          |
|--|---|---|---------------------------|--------------------------|---------------------------|--------------------------|
| securities as well as price.   |   |   |                           |                          |                           |                          |
| XI. Justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer. | Not Applicable.   |   |                           |                          |                           |                          |
| XII. The Shareholding Pattern of the Company before and after the allotment of securities under the preferential allotment.                        | <b><u>Shareholding Before the offer: (as on 30/09/2020)</u></b>                                     |   |                           |                          |                           |                          |
|  | <b>Sr. No.</b>  | <b>Category</b>   | <b>Pre Issue</b>          |                          | <b>Post Issue</b>         |                          |
|  |   |   | <b>No. of Shares held</b> | <b>% of Shareholding</b> | <b>No. of Shares held</b> | <b>% of Shareholding</b> |
|  | <b>A</b>  | <b>Promoters and Promoter Group Holding:</b>                                      |                           |                          |                           |                          |
|  | <b>(1)</b>  | <b>Indian:</b>  |                           |                          |                           |                          |
|  |   | Individual/HUF  | 18,38,615                 | 73.54                    | 30,38,615                 | 60.77                    |
|  |   | Bodies Corporate  | -                         |                          |                           |                          |
|  |   | <b>Sub Total (A) (1)</b>  | <b>18,38,615</b>          | <b>73.54</b>             | <b>30,38,615</b>          | <b>60.77</b>             |
|  | <b>(2)</b>  | <b>Foreign:</b>   |                           |                          |                           |                          |
|  |   | Individuals (Non Resident Individuals/ Foreign Individuals)                       | -                         | -                        | -                         | -                        |
|  |   | <b>Sub Total (A)(2)</b>   | <b>18,38,615</b>          | <b>73.54</b>             | <b>30,38,615</b>          | <b>60.77</b>             |
|  | <b>B</b>  | <b>Public Shareholdings</b>   |                           |                          |                           |                          |
|  |   | <b>Institutions</b>   | -                         | -                        | -                         | -                        |
|  |   | <b>Sub total (B) (1)</b>  | -                         | -                        | -                         | -                        |
|  |   | <b>Non Institutions</b>   |                           |                          |                           |                          |
|  |   | <b>Individual</b>   |                           |                          |                           |                          |
|  |   | a) Individual shareholders holding nominal share capital up to Rs. 2 lakhs.       | 24,264                    | 0.97                     | 24,264                    | 0.48*                    |
|  |   | b) Individual shareholder holding nominal share capital in excess of Rs. 2 lakhs. | 3,32,252                  | 13.29                    | 4,32,252                  | 8.65                     |
|  |   | <b>Any other (Specify)</b>  |                           |                          |                           |                          |
|  |   | a) LLP  | 28,492                    | 1.14                     | 28,492                    | 0.57                     |
|  |   | b) HUF  | 2,73,252                  | 10.93                    | 4,73,252                  | 9.47                     |
|  |   | c) Bodies Corporate   | 3,125                     | 0.13                     | 10,03,125                 | 20.06                    |
|  |   | d) NRIs   | -                         | -                        | -                         | -                        |
|  | e) Clearing members   | -   | -                         | -                        | -                         |                          |
|  | f) Directors or Directors relatives.  | -   | -                         | -                        | -                         |                          |
|  | <b>Sub Total (B) (2)</b>  | <b>6,61,385</b>   | <b>26.46</b>              | <b>19,61,385</b>         | <b>39.23</b>              |                          |
|  | <b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>  | <b>6,61,385</b>   | <b>26.46</b>              | <b>19,61,385</b>         | <b>39.23</b>              |                          |
| <b>C</b>   | <b>Shares held by Custodians and against which depository receipts have been issued</b>             | -   | -                         | -                        | -                         |                          |
|  | <b>Sub Total</b>  | -   | -                         | -                        | -                         |                          |
|  | <b>Grand Total (A+B+C)</b>  | <b>25,00,000</b>  | <b>100.00</b>             | <b>50,00,000</b>         | <b>100.00</b>             |                          |
|  | * The actual % comes to 0.49%, however for making total % to 100 the figure has been rounded off to |   |                           |                          |                           |                          |



|  |   |
|--|---|
|  | <b>nearest lower fraction number i.e. 0.48%.</b>  |
| III. Lock-In Period  | The Equity Shares issued pursuant to this Preferential Allotment to the proposed allottees shall be locked in as per Regulation 167 and other applicable provisions of ICDR Regulations.<br><br>The entire pre-preferential shareholding of the proposed allottee(s) shall be locked in as per the provisions of SEBI (ICDR) Regulations, 2018 as amended from time to time.  |
| XIV. Requirements as to re-computation of price:                                   | The Company undertakes to re-compute the price of the equity shares, if required, in terms of the provisions of SEBI (ICDR) Regulations, where it is required to do so.<br><br>The Company also undertakes that if the amount payable on account of the re-computation of price if not paid within the time stipulated in these regulations, the specified equity shares shall continue to be lock-in till the time such amount is paid by the allottees. |
| XV. Auditors certificate   | A copy of certificate from Statutory Auditors of the Company certifying that the present proposed preferential allotment is being made in accordance with the requirements contained in SEBI (ICDR) Regulations, 2018 as amended from time to time will be made available to the shareholders of the Company at General Meeting.  |
| XVI. Disclosure as specified under Regulation 163 of SEBI (ICDR) Regulations, 2018 | Neither the Company nor any of the Promoters / Directors of the Company are willful defaulters.   |

The Board of Directors of the Company believe that the proposed issue is in the best interest of the Company and its Members and therefore recommends the Special Resolution as set out in Item No. 2 in the accompanying notice for your approval.

Except Shweta Samir Shah, Managing Director and Viraj Shah, Chief Financial Officer along with their relatives, none of the other Directors, Key Managerial Personnel and their relatives are in any way concerned financially or otherwise in the proposed resolution.

**BY ORDER OF THE BOARD  
FOR KAPASHI COMMERCIAL LIMITED**

**Date: 28.11.2020**

**Place: Ahmedabad**

**REGISTERED OFFICE:**

206, S.F. Ashirwad Paras 1,  
Near KantiBharwad PMT,  
Opposite Andaz Party Plot,  
Makarba ,Ahmedabad-380051s

\_\_\_\_\_  
**(SHWETA SAMIR SHAH)**  
**MANAGING DIRECTOR**  
**DIN: 03082967**