



Regd. Office : Texcellence Complex, Near Anupam Cinema, Khokhra, Ahmedabad - 380 021, India.

Phone : 91-79-67777000 • Fax : 91-79-22773061 • E-mail : texcellence@ashima.in

CIN No : L99999GJ1982PLC005253

3rd September, 2020

To,
BSE Limited
Corporate Relationship Department,
25th Floor, P J Towers, Dalal Street,
Fort, Mumbai - 400001
SECURITY CODE NO. 514286

To,
National Stock Exchange of India Ltd
Exchange Plaza 5th Floor, Plot no. C/1,
G Block, Bandra Kurla Complex,
Bandra (East), Mumbai - 400051
SECURITY CODE NO. ASHIMASYN

Dear Sir/ Madam,

Sub: Submission of Notice of 37th Annual General Meeting under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.

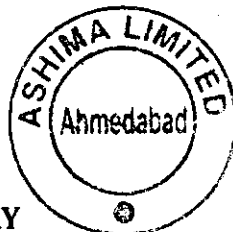
Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, we enclose herewith the Notice along with the e-voting instructions of the 37th Annual General Meeting of the Company to be held on **Tuesday, 29th September, 2020**. The aforesaid Notice is being sent to all eligible shareholders along with Annual Report for financial year 2019-20 and the same is also available on the website of the Company at www.ashima.in.

This is for your information and records.

Thanking You,
Yours Faithfully,

For **ASHIMA LIMITED**


DIPAK THAKER
COMPANY SECRETARY



Encl: As above

T E X C E L L E N C E

Visit us at <http://www.ashima.in>

NOTICE

Notice is hereby given that the **37th ANNUAL GENERAL MEETING (AGM)** of **ASHIMA LIMITED** will be held on **Tuesday, the September 29, 2020 at 11.30 a.m.** through Video Conferencing / Other Audio Visual Means (OVAM), to transact the following businesses. The venue of the meeting shall be deemed to be the Registered Office of the Company at Texcellence Complex, Khokhara-Mehmedabad, Ahmedabad – 380021.

ORDINARY BUSINESS:-

1. To receive, consider and adopt the Audited Financial Statements (including Audited Consolidated Financial Statements) of the Company for the financial year ended March 31, 2020 and the Reports of the Board of Directors and the Auditors thereon.
2. To appoint Mr. Chintan N. Parikh, Managing Director (DIN: 00155225), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:-

3. Re-Appointment of Mr. Chintan N. Parikh as Managing Director of the Company.

To consider and if thought fit, to pass, with or without modification(s), the following Resolution as an Ordinary Resolution:

“**RESOLVED THAT** pursuant to provisions of Section 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) (including any statutory modification or re-enactment thereof for the time being in force) read with Schedule V of the Act and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Articles of Association of the Company and subject to such approvals and permissions, as may be required, consent of the company be and is hereby accorded for re-appointment of Mr. Chintan N. Parikh (DIN : 00155225) as Managing Director of the Company for a further period of three (3) years with effect from February 7, 2020 on terms and conditions of re-appointment and remuneration as set out hereunder:

I. Salary:

The Managing Director shall be entitled to a salary of ₹ 7,00,000/- (Rupees Seven Lacs only) per month.

II. House Rent Allowance:

House rent allowance of ₹ 3,00,000/- (Rupees Three Lacs only) per month.

III. Perquisites:

- a. Provision of car with chauffeur for use on Company’s business and telephone at residence. However, personal long distance calls on telephone and use of car for private purpose shall be billed by the Company to the Managing Director.
- b. Contribution of Provident Fund – ₹ 84,000/- (Rupees Eighty Four Thousand) per month.
- c. Encashment of leave at the end of tenure not to exceed salary and house rent allowance for a period of 28 days in a year. The amount shall not exceed ₹ 9,33,333/- per annum (Rupees Nine Lacs Thirty Three Thousand Three Hundred and Thirty Three only) per annum.
- d. Gratuity payable at a rate not exceeding half a month’s salary for each completed year of service.

Note: The aforesaid items (b) to (d) are not considered as part of remuneration as per provisions of Schedule V to The Companies Act, 2013.

IV. Sitting Fees: The Managing Director shall not be paid any sitting fees for attending the meetings of the Board of Directors or committee thereof during the tenure of his appointment.

V. The headquarter of the Managing Director shall be Ahmedabad in the State of Gujarat.

VI. Subject to the provisions of the Act, the Managing Director shall be liable to retire by rotation.



VII. The Managing Director shall not during the continuance of his employment or at any time thereafter divulge or disclose to any person whomsoever or make any use whatever for his own or for whatever purpose, of any confidential information or knowledge obtained by him during his employment as to the business or affairs of the Company or as to any trade secrets or secret processes of the Company and the Managing Director shall during the continuance of his employment hereunder also use his best endeavors to prevent any other person from doing so.

VIII. Subject to the superintendence, control and direction of the Board as it may from time to time determine, the Managing Director shall have substantial powers of the management of the Company and perform all other acts and things which in the ordinary course of business he may consider necessary or proper or in the interest of the Company.

RESOLVED FURTHER THAT the Board of Directors and any duly constituted committee thereof be and is hereby authorized to do all such acts, deeds, matters and things and also take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

4. Appointment of Mr. Shrikant S. Pareek (DIN: 02139143) as Director and also as a Whole-Time Director, designated as “Director (Operations)”.

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

“**RESOLVED THAT** pursuant to the provisions of Sections 152 and other applicable provisions, if any, of the Act, the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or amendment(s) or re-enactment(s) thereof, for time being in force) and the relevant provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (“SEBI Listing Regulations”), Mr. Shrikant S. Pareek (DIN:02139143), who was appointed by the Board of Directors as an Additional Director and also as a Whole Time Director, designated as “Director (Operations)” w.e.f. August 1, 2020 for a period of 3 years on remuneration as per Schedule V of the Companies Act, 2013 based on the recommendation of the Nomination and Remuneration Committee of the Board and who holds office as such up to the date of ensuing Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act from a Member proposing his candidature for the office of Director and Article 37 of the Company’s Articles of Association, who is eligible for appointment as Director of the Company and who has declared that he has not been debarred from holding the office of director or continuing as a Director of Company by SEBI/ MCA or any other authority, whose appointment has been recommended by the Nomination and Remuneration Committee and approved by the Board of Directors, be and is hereby appointed as a Director of the Company, liable to retire by rotation.

RESOLVED FURTHER THAT in accordance with the recommendations of the Nomination and Remuneration Committee of the Board of Directors and pursuant to the provisions of Sections 196, 197 and 203 of the Act, read with Schedule V to the Act, and other applicable provisions, if any, of the Act and the rules made thereunder, (including any statutory modification(s) or re-enactment thereof, for the time being in force), the Articles of Association of the Company, consent of the Members be and is hereby accorded to the appointment of Mr. Shrikant S. Pareek as a Whole-Time Director of the Company designated as Director (Operations) for a period 3 (three) years effective from August 1, 2020 on the terms and conditions and remuneration as set out hereunder:

I. Salary:

The Director (Operations) shall be entitled to a salary of ₹ 4,01,330/- (Rupees Four Lacs One Thousand Three Hundred Thirty Only) per month.

II. House Rent Allowance:

House rent allowance of ₹ 2,50,828/- (Rupees Two Lacs Fifty Thousand Eight Hundred Twenty Eight Only) per month.

III. Special Allowance:

Special Allowance of ₹ 2,54,154/- (Rupees Two Lacs Fifty Four Thousand One Hundred Fifty Four Only) per month.

IV. Other Allowances and perquisites:

- a. City Compensatory Allowance: ₹ 25083/- (Rupees Twenty Thousand Eighty Three Only) per month.
- b. Other Allowances and Reimbursements: Education, Transport and Medical Allowance, and other reimbursements and LTA all together put not exceeding ₹ 27,517/- (Rupees Twenty Seven Thousand Five Hundred Seventeen Only) per month.
- c. Encashment of leave as per rules of the company.
- d. Company's contribution to Provident Fund and National Pension Scheme aggregating to ₹ 62460/- (Rupees Sixty Two Thousand Four Hundred Sixty Only) per month
- e. Gratuity payable at a rate not exceeding half a month's salary for each completed year of service.

Note: The company's contribution to provident fund as stated in (d) and gratuity as per (e) are not considered as part of remuneration as per provisions of Schedule V to The Companies Act, 2013.

V. Other Terms:

- a. Sitting Fees – He shall not be paid any sitting fees for attending the meetings of the Board of Directors or committee thereof during the tenure of his appointment.
- b. Subject to the provisions of the Act, he shall be liable to retire by rotation.
- c. He shall not during the continuance of his employment or at any time thereafter divulge or disclose to any person whomsoever or make any use whatever for his own or for whatever purpose, of any confidential information or knowledge obtained by him during his employment as to the business or affairs of the Company or as to any trade secrets or secret processes of the Company and he shall during the continuance of his employment hereunder also use his best endeavours to prevent any other person from doing so.
- d. The Director (Operations) shall report to the Managing Director and shall subject to the superintendence, control and direction of the Board of Directors (Board) as it may from time to time determine, shall have powers that may be specifically delegated to him by the Board and those under the Companies Act and/or the Articles of Associations of the Company and perform all other acts and things which in the ordinary course of business he may consider necessary or proper or in the interest of the Company.

RESOLVED FURTHER THAT the Board of Directors and duly constituted committee thereof be and is hereby authorized to do all such acts, deeds, matters and things and also take all such steps as may be necessary, proper or expedient to give effect to this resolution."

5. Ratification of Remuneration of Cost Auditor.

To consider and if though fit, to pass, with or without modification(s), the following Resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), M/s. Ankit Sheth & Co., Cost Accountants, (Firm Registration No. 102785), appointed by the Board of Directors of the Company as Cost Auditor, on recommendation of Audit Committee to conduct the audit of cost records of the Company pertaining to Company's Product "Textile", be paid remuneration, for the financial year ending March 31, 2021, amounting to ₹ 85,000/- (Rupees Eighty Five Thousand only) exclusive of applicable tax and other applicable levies and reimbursement of out of pocket expenses incurred by them in connection with the aforesaid audit;



RESOLVED FURTHER THAT the Board of Directors /Company Secretary of the Company be and is hereby authorized to do all acts and take all such steps as may be considered necessary, proper or expedient to give effect to this resolution.”

Date : July 30, 2020
Place: Ahmedabad
Regd. Office:
Texcellence Complex,
Khokhara-Mehmedabad
Ahmedabad – 380 021

By order of the Board of Directors
For Ashima Limited

Dipak Thaker
Company Secretary

Notes:

1. The Explanatory Statement, pursuant to Section 102 of the Companies Act, 2013, in respect of the businesses under Item No. 3 to 5 of the accompanying notice is annexed hereto. The relevant details of the persons seeking appointment / re-appointment as Director, are also annexed to this Notice.
2. The Register of Members and Share Transfer Books of the Company will remain closed from Monday, September 21, 2020 to Tuesday, September 29, 2020 (both days inclusive).
3. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed, the Government of India, Ministry of Corporate Affairs allowed conducting Annual General Meeting through Video Conferencing (VC) or Other Audio Visual Means (OAVM) and dispensed the personal presence of the members at the meeting. Accordingly, the Ministry of Corporate Affairs issued Circular No. 14/2020 dated April 08, 2020, Circular No. 17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020 prescribing the procedures and manner of conducting the Annual General Meeting through VC/ OAVM. In terms of the said circulars, the 37th Annual General Meeting (AGM) of the members will be held through VC/OAVM. Hence, members can attend and participate in the AGM through VC/OAVM only. The detailed procedure for participation in the meeting through VC/OAVM is as per note no. 16 and available at the Company's website www.ashima.in
4. In line with the aforesaid MCA circulars and SEBI Circular dated May 12, 2020, the Notice of AGM alongwith Annual Report for the year 2019-2020 is being sent only through electronic mode to those members whose email IDs are registered with the company/depository participant(s). Member may note that Notice and Annual Report 2019-2020 has been uploaded on the website of the Company at www.ashima.in. Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and the AGM Notice is also available on the website of CDSL (agency for providing the Remote e-Voting facility) i.e. www.evotingindia.com
5. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
6. Corporate Members are encouraged to attend the AGM through their Authorized Representatives. They are requested to send by email, a certified copy of the Board Resolution/ Power of Attorney authorizing their representatives to attend and vote on their behalf in the Meeting.
7. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy, to attend and cast vote for the members is not available for this AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting.
8. Members holding shares in physical form are requested to intimate any change of address and / or bank mandate to Link Intime India Pvt. Ltd or Secretarial Department of the Company immediately. In case shares held in dematerialized form, the information regarding change of address and bank particulars should be given to their respective Depository Participant.

9. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of contracts or arrangements in which the Directors are interested under Section 189 of the Companies Act, 2013 and all other documents referred to in the Notice will be available for inspection in electronic mode.
10. The Members can join the AGM through 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 AGM through VC / OAVM will be made available for 1,000 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 AGM without restriction on account of first come first served basis.

11. PROCESS AND MANNER FOR VOTING THROUGH ELECTRONIC MEANS –

- i. 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 the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020, May 05, 2020 and SEBI Circular dated May 12, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL), as the Authorised e-voting agency for facilitating voting through electronic means. The facility of casting votes by a Member using remote e-voting as well as e-voting system on the date of the AGM will be provided by CDSL.
- ii. Members whose names are recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the Cut-off date i.e. September 22, 2020, shall be entitled to avail the facility of remote e-voting as well as e-voting system on the date of the AGM. Any recipient of the Notice, who has no voting rights as on the Cut-off date, shall treat this Notice as intimation only.
- iii. A person who has acquired the shares and has become a member of the Company after the mailing of the Notice of the AGM and prior to the Cut-off date i.e. September 22, 2020, shall be entitled to exercise his/her vote either electronically i.e. remote e-voting or e-voting system on the date of the AGM by following the procedure mentioned in this part.
- iv. The remote e-voting will commence on Saturday, September 26, 2020 at 9.00 a.m. and will end on Monday, September 28, 2020 at 5.00 p.m. During this period, the Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) i.e. September 22, 2020, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on the resolution is cast by the Member, he/she shall not be allowed to change it subsequently or cast vote again.
- v. The voting rights of the members shall be in proportion to their share in the paid up equity share capital of the Company as on the Cut-off date i.e. September 22, 2020.
- vi. The Company has appointed Mr. Tapan Shah, Practising Company Secretary (Membership No. FCS: 4476; CP No: 2839), to act as the Scrutinizer for conducting the remote e-voting process as well as the e-voting system on the date of the AGM, in a fair and transparent manner.

12. PROCESS FOR THOSE MEMBERS WHOSE EMAIL IDs ARE NOT REGISTERED (Refer Note 4 above):

- a) For members holding shares in Physical mode - please provide necessary details like Folio No., Name of shareholder by email to investor_redressel@ashima.in. Please also refer to Company's web site under shareholder information and disclosure tab and also at https://www.linkintime.co.in/emailreg/email_register.html portal of Link Intime India Pvt. Ltd., Registrar and Transfer Agent of the Company, which has been given to enable shareholders to update their necessary details.
- b) Members holding shares in Demat mode can get their E-mail ID registered by contacting their respective Depository Participant.



13. THE INSTRUCTIONS FOR SHAREHOLDERS FOR REMOTE E-VOTING ARE AS UNDER:

- a. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting.
- b. The shareholders should log on to the e-voting website www.evotingindia.com.
- c. Click on “Shareholders” module.
- d. Now enter your User ID
 - i. For CDSL: 16 digits beneficiary ID,
 - ii. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - iii. Members 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.

- e. Next enter the Image Verification as displayed and Click on Login.
- f. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
- g. If you are a first time user follow the steps given below:

PAN	:	<ul style="list-style-type: none"> • Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders). • Members who have not updated their PAN with the company/ depository participant are requested to use the sequence number indicated, in the PAN field.
Date of Birth (DOB) or Dividend Bank Details	:	<p>DOB- Enter the Date of Birth as recorded in your demat account or in the Company records for the said demat account or folio in dd/mm/yyyy format.</p> <p>Dividend Bank Details- Enter the dividend bank details as recorded in your demat account or the Company records for the said demat account or folio. Please enter the DOB or Dividend bank details in order to login. If DOB or Bank details are not recorded with the depository or Company please enter the Member ID / Folio No. in the Dividend bank details field as mentioned in instruction (d).</p>

- h. After entering these details appropriately, click on “SUBMIT” tab.
- i. Members holding shares in physical form will then directly reach 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.
- j. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- k. Click on the EVSN for the relevant <Company Name> on which you choose to vote.

- l. 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.
- m. Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- n. 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.
- o. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- p. You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- q. If demat account holder has forgotten the login 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.
- r. Shareholders can also cast their vote using CDSL’s mobile app m-Voting. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- s. 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.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to 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) 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.
 - 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, if voted from individual tab and not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

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 or call 1800225533.

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 or call 1800225533.

14. THE INSTRUCTIONS FOR SHAREHOLDERS VOTING ON THE DAY OF THE AGM ON E-VOTING SYSTEM ARE AS UNDER:

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM 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 in the AGM.



3. If any Votes are cast by the members through the e-voting available during the AGM and if the same members have not participated in the meeting through VC/OAVM facility, then the votes cast by such members shall be considered invalid as the facility of e-voting during the meeting is available only to the members participating in the meeting.
 4. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
15. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.ashima.in and on the website of CDSL i.e. www.cdslindia.com within 48 hours of the passing of the Resolutions at the 37th Annual General Meeting of the Company and shall also be communicated to the Stock Exchanges where the shares of the Company are listed.
- 16. INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:**
1. Member will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Members 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. Members are encouraged to join the Meeting through Laptops for better experience.
 3. Further Members 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. For ease of conduct, members who would like to ask questions may send their questions in advance at least (7) seven days before AGM mentioning their name, demat account number / folio number, email id, mobile number at investor_redressal@ashima.in and register themselves as a speaker. Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of questions and number of speakers, as appropriate, to ensure the smooth conduct of the AGM.
 6. Since the AGM will be held through VC/OAVM, the route map is not annexed in this Notice.

Contact Details:

Company	:	Ashima Limited Regd. Office:Texcellence Complex, Khokhara-Mehmedabad, Ahmedabad-380 021, Gujarat
Registrar & Share Transfer Agent		Link Intime India Pvt. Ltd 5th floor, 506 to 508, Amarnath Business Centre – (ABC-1) Beside Gala Business Centre, Near St. Xavier's College Corner, Off C G Road, Navarangpura Ahmedabad – 380009 Tel No. +91 79 26465179 /86 / 87 Email Id: ahmedabad@linkintime.co.in ; Website : www.linkintime.co.in
E-Voting Agency		Central Depository Services (India) Ltd.
E-mail		helpdesk.evoting@cdslindia.com
Scrutinizer		Mr. Tapan Shah, Practising Company Secretary
Email		scrutinizer@tapanshah.in

Explanatory Statement under Section 102(1) of the Companies Act, 2013.

Item no. 3:

On recommendation of Nomination & Remuneration Committee, the Board of Directors of the Company had at its meeting held on November 9, 2019 approved re-appointment of Mr. Chintan N. Parikh as Managing Director of the Company with payment of remuneration of ₹ 120 lacs (Rupees One Crore Twenty Lacs only) and perquisites as per Schedule V of the Companies Act, 2013 for the period for 3 years w.e.f. February 7, 2020 to February 6, 2023.

The remuneration as set out in the resolution is appropriate in terms of the size of the Company and as compared to persons of his qualifications, cadre, knowledge and experience in the industry.

The information pursuant to Schedule V is given hereunder:

I. General Information:

The Company operates in the textile industry and is one of India's leading 100% cotton fabric manufacturers. It offers a range of cotton textile products encompassing Denims, Yarn-dyed Shirting fabrics, garments and ready-to-stitch fabrics and is also engaged in garment processing. The Company was incorporated in the year 1982 and is already in commercial production since quite a long time. Based on audited financial results of the year ended on 31.03.2020, the turnover and other income were ₹ 29320 lacs. The Company has reported a loss (before exceptional items and tax) of ₹ 339 lacs for the year at PBT level compared to a profit of ₹ 42 lacs in the year 2019. The Company has not made any foreign investments. The foreign holding including Non Resident Indians (NRIs) holding is 0.44% of the equity capital of the Company.

II. Information about the appointee:

Mr. Chintan N. Parikh, Founder and Chairman of Group Ashima, started his career as a first-generation entrepreneur in 1981. He had a dream to make Ashima, a front runner in the world of cotton textiles. He was a doctoral student of Indian Institute of Management (IIM), Ahmedabad in the area of Finance & Accounting. He was also a Member of the Board of Governors of IIM, Ahmedabad during April 2007 to April 2016, for consecutive 3 terms, each term having tenure of 3 years. He was also specially appointed as President of Gujarat Chamber of Commerce and Industry (GCCI) for the year 2010-11, by the Empowered Committee of GCCI, entrusted with the task of transforming functioning and operations of GCCI including its constitution, which task he successfully accomplished. He has about 38 years of experience in the field of textiles. He was also President of Ahmedabad Textiles Mills Association (ATMA). In nineties, his vision to bring world class technology and global customers at the doorstep of India, started a new era for cotton fabrics in India. Under his leadership, the company established itself strongly in the domestic and international markets as a supplier of quality fabrics.

Mr. Chintan N. Parikh, Managing Director of the Company is responsible for day to day management and affairs of the Company, subject to overall superintendence, control and directions of the board of directors of the Company. Taking into qualification, consideration, dedication and his valuable contribution in the fields of textiles since long, Mr. Chintan N. Parikh is best suited for the responsibilities assigned to him as Managing Director of the Company. Mr. Chintan Parikh has been paid a remuneration of ₹ 84 Lacs per annum and other perquisites for his earlier tenure of 3 years which ended on 06.02.2020. The proposed remuneration and other perquisites as recommended by Nomination & Remuneration Committee and approved by the Board of Directors of the Company at the meeting held on November 9, 2019 are fully set out herein above. Considering the size of the Company, the profile of Mr. Chintan N. Parikh, the responsibilities shouldered by him and the industry benchmarks, the remuneration proposed to be paid to him is commensurate with the remuneration packages paid to similar appointees in other companies.

Besides remuneration proposed, Mr. Chintan N. Parikh does not have any pecuniary relationship with the Company directly or indirectly. He holds 147900 equity shares in the share capital of the Company and is part of promoter group.

**III. Other Information:****a. Reasons for loss or inadequate profits:**

The Company has reported improvement in its operational financial performance during the year 2019-20. Economic slowdown has hit the company hard in terms of its business volumes and as a result its divisions have witnessed considerable reduction in production and sales volumes.

b. Steps taken or proposed to be taken for improvement:

After successful financial restructuring of the company in the year 2015, under the guidance and supervision of Managing Director, the Company underwent a modest modernization programme in the form of an operational restructuring by way of making investments into de-bottlenecking, upgrading and modernizing the existing production operations with an objective of creating an efficient and competitive business organization that is financially viable and stable. The Company turned its focus on realigning its operational facilities. Since the year 2017, the focus is on consolidation of businesses, improvement in working capital management and export markets.

The company has continued its efforts on enhancing its product profile and customer segments which have helped it improve upon the margins. Over last few years, the company has invested into its operational capabilities targeted towards value-added products and has taken various initiatives to strengthen its manufacturing facilities and marketing setup. These steps have helped the company off-set the adverse impact of lower volumes to some extent. Moreover, the company's focus continues to remain on better controls over the operational costs as a continuing mission and its results are visible in terms of reduced costs across most expense heads.

c. Expected increase in productivity and profits in measurable terms

Outbreak of the Covid-19 pandemic during the later part of the year 2019-20 is likely to alter the business scenario significantly going forward. The nationwide lockdown of about 10 weeks between March 2020 to May 2020 and substantial restrictions on movements have already disrupted manufacturing operations and adversely affected operational performance of the company, which would be more profoundly reflected in financials of next year.

However, the company is putting emphasis on niche products, innovative finishes and improving service levels to counter the impact of large number of organized and decentralized capacities that have come up over last few years. Moreover, the pandemic effect is likely to lower raw material prices which should help the company in pricing. With the merger of Ashima Dyecot Pvt. Limited with the Company, the Company is looking forward to developing markets for both denim and shirting divisions.

Management has already taken measures to contain the adverse impact by way of optimizing plant operations, cashflow and liquidity management and effective cost management. The business situation is likely to remain very challenging in times to come. The focus will also shift to ensure adequate risk management in light of volatile and uncertain economic scenario.

IV. Disclosures:

The requisite details of remuneration and other information is given in the Corporate Governance part of Board's Report, forming part of the Annual Report of FY 2019-2020 of the Company. The resolution sets out the entire terms and conditions of his re-appointment and remuneration. The Board of Directors recommend this ordinary resolution as set out at Item no. 3 of the Notice, for the approval of the members.

Brief resume of Mr. Chintan Parikh, whose appointment is proposed is provided in the annexure to the notice. Except Mr. Chintan Parikh, none of the Directors, Key Managerial Personnel (KMP) and their relatives are anyway concerned or interested in the said resolution.

Item no. 4

The Board of Directors, on the recommendation of Nomination and Remuneration Committee, had appointed Mr. Shrikant S. Pareek as an Additional Director and also as an Whole Time Director, designated as "Director (Operations)" w.e.f. August 1, 2020 for a period of 3 years on remuneration as per Schedule V of the Companies Act, 2013 with payment of remuneration including perquisites of ₹ 9,58,912/- lacs (Rupees Nine Lacs Fifty Eight Thousand Nine Hundred Twelve only) as per Schedule V of the Companies Act, 2013 for the abovesaid period.

The Board of Directors is of the opinion that his vast knowledge and experience in textile industry will be of great value to the Company and hence recommend the Special Resolution at Item No. 4 of this Notice for your approval.

Brief resume of Mr. Shrikant S. Pareek whose appointment is proposed is provided in the annexure to the Notice. Except Mr. Shrikant Pareek and their relatives, none of other Directors or Key Managerial Personnel or their relatives are in any way, concerned or interested, financial or otherwise, in the said Resolution.

The information pursuant to Schedule V is given hereunder:

I. General Information:

For this information, please refer to Item 3

II. Information about the appointee:

Mr. Shrikant S. Pareek has done his B. Tech. (Textile Technology) from L.D.C.E. and MBA (Marketing) from BK School of Management, Ahmedabad. He has over 28 years of experience in field of textiles. After working in Arvind and ATIRA, he is working with the Group Ashima since past 25 years. While working in various positions from head of the department to Chief Commercial Officer of Group Ashima, he has managed various assignments in all the divisions and functions of the Company. While having responsibilities at corporate level and in strategic management he is responsible as the business head of Yarn Dyed Shirting division. The Company has benefitted lot on account of his leadership, sharp insight and analytical ability during his tenure.

Taking into qualification, consideration, dedication and his valuable contribution in the fields of textiles since long, Mr. Shrikant Pareek is best suited for the responsibilities assigned to him as Whole-time Director of the Company. At present Mr. Shrikant Pareek is working with the Company as Chief Commercial Officer and has been paid remuneration of ₹ 9,58,912 /- excluding Company's contribution of Provident fund and National Pension Scheme, Gratuity, Leave encashment and LTA as per rules of the Company.

The proposed remuneration and other perquisites as recommended by Nomination & Remuneration Committee and approved by the Board of Directors of the Company are fully set out herein above. Considering the size of the Company, the profile of Mr. Shrikant Pareek, the responsibilities shouldered by him and the industry benchmarks, the remuneration proposed to be paid to him is commensurate with the remuneration packages paid to similar appointees in other companies.

Besides remuneration proposed, Mr. Shrikant Pareek does not have any pecuniary relationship with the Company directly or indirectly. He holds 186 equity shares in the share capital of the Company.

III. Other Information:

- a) Reasons for loss or inadequate profits:
- b) Steps taken or proposed to be taken for improvement:
- c) Expected increase in productivity and profits in measurable terms

For this information, please refer to Item 3.

IV. Disclosures:

The requisite details of remuneration etc. of Directors are included in the Corporate Governance Report, forming part of the Annual Report of FY 2019-2020 of the Company. The resolution sets out the entire terms and conditions of his re-appointment and remuneration.

Item no. 5:

The Company is required to have its cost records audited by a Cost Accountant in practice. Accordingly, the Board of Directors of the Company on the recommendation of the Audit Committee, approved the appointment and remuneration of M/s. Ankit Sheth & Co., Cost Accountant, to conduct the audit of the cost records of the Company for the Financial Year 2020-21 on a remuneration of ₹ 85,000/- exclusive of applicable tax and other applicable levies and re-imbusement of out-of-pocket expenses incurred by the Cost Auditors in connection with the said audit.



In terms of the provisions of Section 148(3) of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the cost auditor is required to be ratified by members of the Company. Accordingly, the members are requested to pass an Ordinary Resolution as set out at Item no. 5 of the Notice for ratification of the payment of remuneration to the Cost Auditor for the Financial Year 2020-21.

The Board of Directors recommends the Ordinary Resolution set out at above Notice for approval of the Members.

None of the Directors or Key Managerial Personnel of the Company or their relatives are concerned or interested, financial or otherwise, in the said Resolution.

Date : July 30, 2020
Place: Ahmedabad
Regd. Office:
Texcellence Complex,
Khokhara-Mehmedabad
Ahmedabad – 380 021

By order of the Board of Directors
For Ashima Limited

Dipak Thaker
Company Secretary

Annexure to the Notice dated 30.07.2020

Details of Directors seeking Appointment /Re-appointment at the 37th Annual General Meeting to be held on September 29, 2020 (Pursuant to Regulation 36 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Clause 1.2.5 of Secretarial Standard - 2 on General Meetings)

Item no. 3

Name of Director	Mr. Chintan N. Parikh (DIN: 00155225)
Date of Birth	May 25, 1957
Date of Appointment on the Board	June 17, 1982
Qualifications	B.A. (Economics), MBA (Finance). He was a Doctoral Student at IIM, Ahmedabad.
Experience / Expertise in Specific Functional Areas	He has about 38 years of experience in the field of textiles. Vast experience in the fields of finance and accounts.
Relationship between Directors inter-se	Not related to any Board Member or KMP of the Company.
No. of Board meeting attended during the year (2019-20)	4 (four)
Terms and conditions of appointment or re-appointment along with details of remuneration sought to be paid and the remuneration last drawn	As per the resolution at Item No. 3 of the Notice convening this Meeting read with explanatory statement.
Directorship held in Other Listed entities	Nil
Chairmanship/Membership of Board Committees in other listed entities (2019-20)	Nomination & Remuneration Committee (NRC) - Member
Shareholding of Director	1,47,900 Equity Shares

Item no. 4

Name of Director	Mr. Shrikant S. Pareek (DIN: 02139143)
Date of Birth	September 13, 1967
Date of Appointment on the Board	August 1, 2020
Qualifications	Mr. Shrikant S. Pareek has done his B. Tech. (Textile Technology) from L.D.C.E. and MBA (Marketing) from BK School of Management, Ahmedabad
Experience / Expertise in Specific Functional Areas	He possesses an overall experience of 28 years. Expertise in export quality fabric specifications, international market requirements and functional expertise of various departments of a Textile Mill such as from Grey fabric to Preparatory, Dyeing, Finishing and Finished fabric inspection & packaging as well as product development and Customer service.
Relationship between Directors inter-se	Not related to any Board Member or KMP
No. of Board meeting attended during the year (2019-20)	Appointed as Director with effect from August 1, 2020, hence not applicable.
Terms and conditions of appointment or re-appointment along with details of remuneration sought to be paid and the remuneration last drawn	As per the resolution at Item No. 4 of the Notice convening this Meeting read with explanatory statement.
Directorship held in Other Listed entities	Nil
Chairmanship/Membership of Board Committees in other listed entities (2019-20)	Nil
Shareholding of Director	186 Equity Shares