



VISAKA INDUSTRIES LIMITED[®]

CIN: L52520TG1981PLC003072

CORP. OFF.: "VISAKA TOWERS" 1-8-303/69/3, S.P. ROAD, SECUNDERABAD - 500 003.
TEL : +91-40-27813833, 27813835 FAX : +91-40-27813837 27891833 www.visaka.in e-mail : vil@visaka.in

Ref: VIL/SEC/ST.EX/EGM-Notice/2020-21/19

Date: 03.07.2020

To,

National Stock Exchange of India Limited, Exchange Plaza, 5 th Floor, Plot No. C/1G Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051	BSE Limited, The Senior General Manager, Listing Compliances, Floor 25, P. J. Towers, Dalal Street, Mumbai – 400 001
Scrip Code – VISAKAIND	Scrip Code – 509055

Dear Sir/s,

Sub: Notice of Extraordinary General Meeting of the Company – reg.

Further to our letter reference VIL/SEC/ST. EX/BM-Outcome/2020-21/15 dated June 26, 2020, Please find enclosed herewith Notice of Extraordinary General Meeting of the Company scheduled on July 25, 2020 at 11.30 A.M.(IST)..

This is for your information and records please.

Thanking you,

Yours faithfully,

for VISAKA INDUSTRIES LIMITED

Sd/-

I SRINIVAS

Vice President (Corporate Affairs) &
Company Secretary

Encl. a/a

Regd. Office & Factory: (A.C. Division I), Survey No. 315, Yelumala Village, R.C. Puram Mandal, Medak District - 502 300 (T.S.)
Factory: (A.C. Division II) : Behind Supa Gas Manikantham Village, Paramathi-Velur Taluq, Namakkala District - 637 207 Tamil Nadu.
Factory: (A.C. Division III) : 70/3A, 70/3, Sahajpur Industrial Area, Nandur (Village), Daund (Taluka), Pune District-412 020. Maharashtra.
Factory: (A.C. Division IV) : Changsol Mouza, Bankibundh, G.P.No. 4, Saliboniblock, Midnapore West (W.B.) 721147
Factory: (A.C. Division V) : No. 27/1, G. Nagenahalli Village, Kora Hobli, Tumkur - 572138, (Karnataka State)
Factory: (A.C. Division VI) : Vill. Kannawan, PS Bachrawan, Tehsil Maharajgunj, Dist Raibareli - UP-229 301
Factory: (A.C. Division VII) : Survey No. 385, 386, Jujjur Village, Veerullapadu Mandal, Near Kanchika Cherla, Krishna District-521 181 (A.P)
Factory: (A.C. Division VIII) : Plot No.2006, 1994, Khata No.450, At-Paramanapur Manejwan, Navamunda Village Sambalpur Dist.-768200
Factory: (Textile Division) : Survey No. 179 & 180, Chiruva Village, Mouda Taluk, Nagpur District, Maharashtra.
Factory: (V-Boards Division I) : Gajalapuram Village, Peddadevalapally Post, Tripuramam Mandal, Near Miryalaguda, Nalgonda Dist.-508 207. (T.S)
Factory: (V-Boards Division II) : Gate No: 262 to 269, Delwadi Village, Daund Taluq, Pune-Dist, Maharashtra-412 214.



VISAKA INDUSTRIES LIMITED®

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Regd. Office: Survey No. 315, Yelumala Village, R. C. Puram Mandal,
Sangareddy District, Telangana – 502 300, India

Tel: +91-40-27813833; Fax: +91-40-27813837

Email: vil@visaka.in; Website: www.visaka.co

NOTICE OF EXTRAORDINARY GENERAL MEETING (PURSUANT TO SECTION 101 OF THE COMPANIES ACT, 2013)

NOTICE is hereby given that an Extraordinary General Meeting (“EGM” or “Meeting”) of the Members of Visaka Industries Limited (hereinafter referred to as the “Company”) will be held on Saturday, July 25, 2020 at 11.30 a.m. through Video Conferencing (“VC”) / Other Audio Visual Means (“OAVM”) mode to transact the following special business:

Issuance of Equity Shares and Convertible Warrants to the Promoters and Promoter group of Visaka Industries Limited, on a preferential basis.

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

“**RESOLVED THAT** pursuant to the provisions of Sections 23, 42, 62(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 (the “Act”), Companies (Prospectus and Allotment of Securities) Rules, 2014, Companies (Share Capital and Debentures) Rules, 2014, (including any amendment(s), modification(s) or re-enactment thereof), for the time being in force and in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the “**ICDR Regulations**”) and the Securities and Exchange Board of India (Substantial Acquisitions and Takeovers) Regulations, 2011, as amended (the “**Takeover Regulations**”) and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the “**LODR Regulations**”) and any other rules, regulations, guidelines, notifications, circulars and clarifications issued thereunder from time to time by the Government of India, the Reserve Bank of India, the Securities and Exchange Board of India and BSE Limited, National Stock Exchange of India Limited, the stock exchanges where the shares of the company are listed (Stock Exchanges) and any other guidelines and clarifications issued by any other appropriate authority, from time to time, to the extent applicable including the enabling provisions of the Memorandum and Articles of Association of the Company, and subject to such approvals, consents, permissions and sanctions as may be necessary or required and subject to such conditions as may be imposed or prescribed while granting such approvals, consents, permissions and sanctions, the consent and approval of the Members of the Company be and is hereby accorded to the Board to create, issue, offer and allot from time to time in one or more tranches:-

- i. Upto 2,00,000 (Two Lac) fully paid-up equity shares of Rs. 10/- each of the Company (**‘Equity Shares’**), at a price of Rs. 241/- (Rupees Two Hundred and Forty-One only) per Equity Share inclusive of a premium of Rs. 231/- (Rupees Two Hundred and Thirty-One only) per Equity Share, aggregating to Rs. 4,82,00,000/- (Rupees Four Crores Eighty-Two Lakhs only) to the Promoters of the Company (hereinafter “**issue of Equity Shares**”) as follows:

Sl. No.	Name	Category	No. of Equity Shares
1	Dr. G. Vivekanand	Promoter	1,00,000
2	Smt. G. Saroja Vivekanand	Promoter	1,00,000
Total			2,00,000

- ii. Upto 12,00,000 (Twelve Lakhs) convertible warrants (**‘Warrants’**), each carrying a right exercisable by the Warrant Holder to subscribe to one Equity Share per Warrant, at a price of Rs. 241/- (Rupees Two Hundred and Forty-One only) (**Warrant Issue Price**) per Warrant aggregating to

Rs.28,92,00,000/- (Rupees Twenty-Eight Crores Ninety-Two Lakhs only) to the Promoters and Promoter Group of the Company (hereinafter “**issue of Warrants**”) as follows:

Sl. No.	Name	Category	No. of Warrants
1	Dr. G. Vivekanand	Promoter	6,50,000
2	Smt. G. Saroja Vivekanand	Promoter	3,50,000
3	Shri G. Vamsi Krishna	Promoter Group	1,00,000
4	Smt. G. Vritika	Promoter Group	50,000
5	Smt. G. Vaishnavi	Promoter Group	50,000
Total			12,00,000

on such other terms and conditions as set out in the Statement annexed to the Notice convening this meeting and on such other terms and conditions, as the Board may in its absolute discretion decide, subject to applicable laws and regulations, including the provisions of Chapter V of the ICDR Regulations and the Act.

RESOLVED FURTHER THAT in terms of the provisions of Chapter V of the ICDR Regulations, the relevant date for determining the minimum issue price for the Preferential Allotment of the Equity Shares and Warrants is the Thursday, June 25, 2020, being the date 30 days prior to the date of this Extraordinary General Meeting and the minimum issue price has been determined accordingly in terms of the applicable provisions of the ICDR Regulations.

RESOLVED FURTHER THAT, without prejudice to the generality of the above, the issue of Equity Shares shall be subject to the following terms and conditions apart from others as prescribed under applicable laws and regulations:

- i. The Equity Shares to be issued and allotted in the manner aforesaid shall rank *pari passu* with the existing Equity Shares of the Company bearing ISIN INE392A01013 in all respects (including voting powers and the right to receive dividend) from the date of allotment and shall be subject to the provisions of the Memorandum and Articles of Association of the Company.
- ii. the Equity Shares shall be allotted in dematerialized form within a period of 15 (fifteen) days from the date of passing of the special resolution by the members, provided that in case the allotment of Equity Shares is subject to receipt of any approval 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.
- iii. the Equity Shares to be offered, issued and allotted shall be subject to lock-in as provided under the provisions of ICDR Regulations and shall be listed on the stock exchanges subject to the receipt of necessary permissions and approvals.

RESOLVED FURTHER THAT, without prejudice to the generality of the above, the issue of Warrants and the resultant equity shares to be allotted on exercise of such warrants shall be subject to the following terms and conditions apart from others as prescribed under applicable laws:

- i. An amount equivalent to 25% of the Warrant issue price shall be payable at the time of subscription and allotment of each Warrant and the balance 75% of the Warrant issue price shall be payable by the warrant holder at the time of allotment of Equity Shares.
- ii. The said Warrants shall be issued and allotted by the Company to Promoters and Promoter group within a period of 15 days from the date of passing of this resolution in dematerialized form provided that in case the allotment of the said Warrants is pending on account of pendency of any approval or permission by any regulatory authority or the Government of India, the allotment shall be completed within a period of 15 days from the date of receipt of last such approval or permissions.
- iii. The Equity Shares allotted on conversion of the Warrants shall rank *pari passu* in all respects (including voting powers and the right to receive dividend), with the existing Equity Shares of the Company bearing ISIN INE392A01013 from the date of allotment thereof and shall be subject to the provisions of the Memorandum and Articles of Association of the Company.

- iv. The Warrants may be exercised by the Warrant Holder, in one or more tranches, at any time on or before the expiry of 18 (Eighteen) months from the date of allotment of the Warrants by issuing a written notice to the Company specifying the number of Warrants proposed to be exercised along with the aggregate amount payable thereon, prior to or at the time of conversion. The Company shall accordingly, without any further approval from the Members of the Company, issue and allot the corresponding number of Equity Shares and perform such actions as required to credit the Equity Shares to the depository account and entering the name of allottee in the records of the Company as the registered owner of such Equity Shares.
- v. The Warrants shall be exercised in a manner that is in compliance with the minimum public shareholding norms prescribed for the Company under the LODR Regulations and the Securities Contracts (Regulation) Rules, 1957.
- vi. The issue of the Warrants as well as Equity Shares arising from the exercise of the Warrants shall be governed by the regulations and guidelines issued by SEBI or any other statutory authority as the case may be including any modifications thereof.
- vii. In the event of Warrant Holder does not exercise the Warrants within 18 months from the date of allotment, the Warrants shall lapse and the amount paid shall stand forfeited by the Company.
- viii. That the Warrants do not give any rights/entitlements to the Warrant holders that of shareholder of the Company.
- ix. The Warrants and the Equity Shares allotted pursuant to exercise of such Warrants shall be subject to a lock-in for such period as specified under applicable provisions of the ICDR Regulations and allotted equity shares shall be listed on the stock exchanges subject to the receipt of necessary permissions and approvals.
- x. The Company shall procure the listing and trading approvals for the Equity Shares to be issued and allotted to the Warrant holders upon exercise of the Warrants from the relevant Stock Exchanges in accordance with the LODR Regulations and all other applicable laws, rules and regulation.

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 for such purpose, 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 of Equity Shares and / or Warrants), 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 of the Company and to settle all questions, difficulties or doubts that may arise in regard to the offer and acceptance of such conditions as may be imposed or prescribed by any regulatory, statutory authority or Government of India, while granting such approvals, consents, permissions and sanctions, issuing and allotment of the Equity Shares, Warrants including the resultant Equity Shares and listing thereof with the Stock Exchanges as appropriate and utilisation of proceeds of the issue, filing of necessary forms with Registrar of Companies, Opening of separate bank account, filing of corporate action forms with depositories i.e., NSDL and CDSL and 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 authorised to delegate all or any of the powers herein conferred, as it may deem fit in its absolute discretion, to any Committee of the Board or any one or more Director(s) / Company Secretary / any Officer(s) of the Company to give effect to the aforesaid resolution.”

By Order of the Board of Directors

sd/-

I. Srinivas

Vice President (Corporate Affairs) & Company Secretary

Secunderabad
June 26, 2020

NOTES:

1. In view of the Covid-19 pandemic, the Ministry of Corporate Affairs (“MCA”) has, vide its circulars No.14/2020 dt. April 8, 2020, No. 17/2020 dt. April 13, 2020 read with No. 22/2020 dt June 15, 2020 (collectively referred to as “**MCA Circulars**”) and Securities Exchange Board of India (“**SEBI**”) vide its circular SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 (“**SEBI Circular**”), permitted the holding of the Extra Ordinary General Meeting (“EGM”) through Video Conference (VC) / Other Audio-Visual Mode (OAVM) and thus physical attendance of Members has been dispensed with. In compliance with the said Circulars, this EGM of the Company is being held through VC / OAVM and accordingly, the facility to appoint proxies by the Members will not be available for the EGM. Therefore, the Proxy Form, Attendance Slip and the route map are not annexed to this Notice.
2. In compliance with the aforesaid circulars, this Notice is being sent only through electronic mode to those members whose email addresses are registered with the company / depositories. Copy of the Notice will also be uploaded on the company’s website at www.visaka.co, websites of stock exchanges i.e., BSE Ltd and National Stock Exchange of India Ltd., at www.bseindia.com and www.nseindia.com respectively.
3. Members attending EGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under the provisions of the Act.
4. The Statement pursuant to Section 102(1) of the Companies Act, 2013 is annexed hereto and forming part of this Notice.
5. Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the EGM through VC / OAVM on its behalf or to participate in e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer through their registered mail-id addressing to vil-evoting.2020EGM@visaka.in with a copy marked to NSDL, emailed e-voting@nsdl.co.in. The file scanned image of the board resolution should be in the naming format “Corporate name event no.”
6. This Notice together with instructions as to creation of login ID and password for e-voting along with process and manner is being sent only through electronic mode to those members who have registered their e-mail IDs. Since, physical attendance of Members has been dispensed with, the requirement relating to put every resolution to vote through a ballot process at the meeting will not be applicable.
7. The business as set out in the Notice will be transacted only through voting by electronic means i.e. e-voting system and as required, the Company is providing the said e-voting facility to all its members. Under the said system, members are allowed to exercise their voting rights through remote e-voting process, wherein they can cast their vote from a place other than venue of the meeting. Apart from aforesaid remote e-voting facility, voting through e-voting system will also be provided during the EGM and those members who did not exercise their vote under remote e-voting, are allowed to cast their vote under this platform.
8. The Company has engaged the services of National Security Depository Limited (NSDL) as the Agency to provide e-voting facility. The detailed instructions as to accessing the NSDL portal, creation of login ID and password etc., relating to remote e-voting are provided at point no.10 (x) in detailed manner. The same user id can be used for participating in the EGM on July 25, 2020. The e-voting facility will be available at the link <https://evoting.nsdl.co.in> during the voting period.
9. Members holding shares in physical form in multiple folios either single names or joint holding in the same order of names, are requested to send the share certificates to Company’s RTA KFin Technologies Private Limited (KFTPL), for consolidation into a single folio. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
10. Information and other instructions relating to e-voting are as under:
 - i. As required under the provisions of the Companies Act and listing regulations, read with MCA circulars, since the meeting is being conducted through VC/OAVM, facility of voting by electronics means (e-voting) to its members is provided to enable them to exercise their right to vote electronically on resolutions proposed to be passed in the ensuing Extra Ordinary General Meeting.

- ii. Under this mode, the members may either cast their votes using an electronic voting system from a place other than the venue during the Meeting ('remote e-voting') or venue of the meeting. The e-voting facility is made available during the Meeting to enable the members attending the Meeting to vote at the Meeting, provided they have not cast their vote by remote e-voting.
- iii. The members who have cast their vote by remote e-voting may also attend the Meeting but shall not be entitled to cast their vote again.
- iv. July 18, 2020 is fixed as cut-off date for e-voting facility purpose. A person whose name is recorded in the register of members (either in physical form or in dematerialisation form) as on the cut-off date, only is entitled to avail the e-voting facility based on the paid up value of shares held by him / her on that date.
- v. Any person who becomes a member of the Company after dispatch of the Notice of the Meeting and holding shares as on the cut-off date i.e. June 26, 2020, is requested to follow the procedure as indicated at point 10 (x) for creating login credentials. Members may call the NSDL's toll free number 1800-222-990 or send a request to e-voting@nsdl.co.in or refer the FAQ, in case of any queries in this regard.
- vi. The Board of Directors of the Company has appointed Mr. B.V.Saravana Kumar, Practicing Company Secretary, Hyderabad as scrutinizer to scrutinize the voting during the EGM and remote e-voting process in a fair and transparent manner and he has given his consent to act as a scrutinizer.
- vii. The Scrutinizer, after scrutinizing the votes cast at the meeting (Insta-Poll) and through remote e-voting, will, not later than forty-eight hours of conclusion of the Meeting, make a consolidated report and submit the same to the Chairman. The results declared along with the consolidated scrutinizer's report will be placed on the website of the Company www.visaka.co and will simultaneously be communicated to the Stock Exchanges.
- viii. Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the Meeting, i.e. July 25, 2020.
- ix. Members are requested to note that the remote e-voting will open at 09.00 A.M. (IST) on July 21, 2020 and shall remain open till 05.00 P.M. (IST) on July 24, 2020 and the remote e-voting module will be disabled by NSDL after 05.00 P.M. on July 24, 2020.
- x. The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

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

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

Details on Step 1 is mentioned below:

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

- a. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
- b. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
- c. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen. Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
- d. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical Your User ID is:

- i. For Members who hold shares in demat account with NSDL:
8 Character DP ID, followed by 8 Digit Client ID

For example if your DP ID is IN300*** and Client ID is 12*****
then your user ID is IN300***12*****.

- ii). For Members who hold shares in demat account with CDSL:
16 Digit Beneficiary ID
For example if your Beneficiary ID is 12*****
then your user ID is 12*****
- iii. For Members holding shares in Physical Form:
EVEN Number followed by Folio Number registered with the company
For example, if folio number is 001*** and EVEN is 101456
then user ID is 101456001***
- e. Your password details are given below:
 - i. If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - ii. If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
 - iii. How to retrieve your 'initial password'?
 - a. If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8-digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - b. If your email ID is not registered, please follow the steps mentioned below.
- f. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
 - i. Click on "Forgot User Details/Password" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - ii. "Physical User Reset Password" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - iii. If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.
 - iv. Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
- g. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
- h. Now, you will have to click on "Login" button.
- i. After you click on the "Login" button, Home page of e-Voting will open.

Details on Step 2 is given below:

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

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.

3. Select “EVEN” of company for which you wish to cast your vote.
 4. Now you are ready for e-Voting as the Voting page opens.
 5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
 6. Upon confirmation, the message “Vote cast successfully” will be displayed.
 7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
 8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.
11. Members intending to express their views or raise queries during the EGM may register themselves as a speaker by sending their request from their registered email address mentioning their name, DPID & client ID / Folio Number, PAN, mobile number at vil-evoting.2020EGM@visaka.in from July 19, 2020 (09.00 AM IST) to July 22, 2020 (05.00 P.M. IST). Please note that those members who have registered themselves as a speaker will only be allowed to express their views / raise queries during the EGM. The company reserves the right to restrict the number of speakers depending on the availability of time at the EGM.
12. Information and other instructions for members for attending the EGM through VC / OAVM:
- a. Members will be able to attend the EGM through VC / OAVM or view the live webcast of EGM provided by NSDL at <https://www.nsdl.co.in/> by using their remote e-voting login credentials and selecting the EVEN for Company’s EGM. Members who do not have the User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same, by following the remote e-voting instructions mentioned in the Notice. Further, Members can also use the OTP based login for logging into the e-voting system of NSDL.
 - b. Facility of joining the EGM through VC /OAVM shall open 30 minutes before the time scheduled for the EGM and will be available for Members on first come first served basis.
 - c. Members who will be present in the EGM through VC/OAVM facility and have not cast 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 during the EGM.
 - d. Members who need assistance before or during the EGM, can contact NSDL on https://www.nsdl.co.in / 1800-222-990

EXPLANATORY STATEMENT

The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (the ‘Act’), given hereunder sets out all material facts relating to the special business mentioned at the said Item of the accompanying Notice dated June 26, 2020 and necessary information or details in respect of the proposed Preferential Allotment of Equity Shares and Warrants in terms of Section 62 (1)(c) of the Act read with Rule 13 of the Companies (Share Capital and Debenture) Rules, 2014 and Chapter V of the ICDR Regulations as amended are as under:

1. Keeping in view the future outlook, growth targets and prospects, the Company requires additional funding on long term basis, inter-alia, to meet capital expenditure, repay borrowings and invest in subsidiaries of the Company for various purposes. There could be a volatility in the medium term, due to ongoing Covid-19 pandemic on all business segments. The pandemic has also affected the schedule of implementation of expansion in addition to forcing the Company to delay various capex plans. There is a possible pressure on the internal accruals on the long-term basis. In view of the same, it is proposed to raise funds by way of issuing equity shares / warrants of the company under preferential allotment route.
2. Accordingly, the Board at its meeting held on June 26, 2020 reviewed and discussed various options available with the Company to meet the fund requirement and approved issuance of Equity Shares and Warrants aggregating to Rs. 33.74 Crores to its Promoters and Promoter group by way of preferential allotment as contained in the resolution. The preferential allotment to its Promoters and Promoter group at Rs. 241 per Equity Share/ Warrant was chosen in view its speedy and successful execution.

3. The other details/disclosures of the Preferential Issue are as follows:-

a. **Particulars of the offer including date of passing of Board resolution, kind of Securities offered, class of persons, maximum number of Securities to be issued and the Issue Price:** The Board of Directors of the Company at their meeting held on June 26, 2020 have, subject to the approval of the members of the Company ('Members') and such other approvals as may be required, approved the issue of Equity Shares and Warrants to Promoter and promoter group of the Company, on a preferential basis, for cash consideration ('Preferential Allotment') on the following manner:

i. Upto 2,00,000 (Two Lac) fully paid-up equity shares of Rs. 10/- each of the Company ('**Equity Shares**'), at a price of Rs. 241/- (Rupees Two Hundred and Forty-One only) per Equity Share inclusive of a premium of Rs. 231/- (Rupees Two Hundred and Thirty-One only) per Equity Share, aggregating to Rs. 4,82,00,000/- (Rupees Four Crores Eighty-Two Lakhs only) to the Promoters of the Company (hereinafter "**issue of Equity Shares**") as follows;

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1	Dr. G. Vivekanand	Promoter	1,00,000
2	Smt. G. Saroja Vivekanand	Promoter	1,00,000
Total			2,00,000

ii. Upto 12,00,000 (Twelve Lakhs) convertible warrants ('**Warrants**'), each carrying a right exercisable by the Warrant Holder to subscribe to one Equity Share per Warrant, at a price of Rs. 241/- (Rupees Two Hundred and Forty-One only) ('**Warrant Issue Price**') per Warrant aggregating to Rs. 28,92,00,000/- (Rupees Twenty-Eight Crores Ninety-Two Lakhs only) to the Promoters and Promoter Group of the Company (hereinafter "**issue of Warrants**") as follows:

Sl. No.	Name	Category	No. of Warrants
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2	Smt. G. Saroja Vivekanand	Promoter	3,50,000
3	Shri G. Vamsi Krishna	Promoter Group	1,00,000
4	Smt. G. Vritika	Promoter Group	50,000
5	Smt. G. Vaishnavi	Promoter Group	50,000
Total			12,00,000

An amount equivalent to 25% of the Warrant Issue Price shall be payable at the time of subscription and allotment of each Warrant and the balance 75% of the Warrant Issue Price shall be payable by the Warrant holder against each Warrant at the time of allotment of Equity Shares. The terms and conditions of the Preferential Allotment of the Equity Shares and Warrants are as stated in the Resolution.

b. **Objects of the Preferential Allotment:** The proceeds of the issue will be utilized to meet capital expenditure, repay borrowings and invest in subsidiaries of the Company for various purposes in addition to reduce the pressure on the internal accruals of the Company on the long-term basis.

c. **Relevant Date:** In terms of the provisions of Chapter V of the ICDR Regulations, relevant date for determining the minimum issue price for the Preferential Allotment of the Equity Shares and Warrants is June 25, 2020, being the date 30 days prior to the date of this Extraordinary General Meeting.

d. **Basis on which the minimum issue price has been arrived at and justification for the price (including premium, if any):**

In terms of Chapter V of ICDR Regulations, "frequently traded shares" means the shares of the issuer, in which the traded turnover on any recognised stock exchange during the twelve calendar months preceding the relevant date, is at least ten per cent of the total number of shares of such class of shares of the issuer.

The Equity Shares of the Company are listed on Stock Exchanges viz, BSE Limited ('BSE') and National Stock Exchange of India Limited ('NSE'). The annualized trading turnover of the Equity Shares of our Company on BSE and NSE based on trading volume during twelve calendar months preceding the relevant date i.e., June 25,2019 to June 24,2020 is given below:

Name of the Stock Exchange	Total number of equity shares traded during twelve calendar months preceding the Relevant date	Total Number of Equity Shares	Trading Turnover (in terms of % to Total Equity Shares)
BSE	14,80,665	1,58,80,952	9.32
NSE	1,28,05,422	1,58,80,952	80.63

(Source: www.bseindia.com.and www.nseindia.com)

From above, the Equity Shares of the Company are frequently traded and NSE being the Stock Exchange with higher trading volumes for the said period, has been considered in accordance with the ICDR Regulations.

In terms of the applicable provisions of the ICDR Regulations, the minimum issue price at which the Equity Shares and Warrants shall be allotted is Rs. 239.21, being higher of the following:

- i. Average of the weekly high and low of the volume weighted average price of the Equity Shares of the Company quoted on NSE, during the twenty-six (26) weeks preceding the relevant date, i.e. Rs. 203.72 per Share; or
- ii. Average of the weekly high and low of the volume weighted average price of the Equity Shares of the Company quoted on NSE, during the two (2) weeks preceding the relevant date i.e. Rs. 239.21 per Share.

The pricing of the Equity Shares to be allotted on preferential basis is Rs.241/- per Equity Share and the pricing of the Warrants convertible into equivalent number of Equity Shares of face value of Rs.10/- each is Rs.241/- per Warrant which is not lower than the minimum issue price determined in accordance with the applicable provisions of ICDR Regulations.

Adjustments for Warrants: The price determined above and the number of Equity Shares to be allotted on exercise of the Warrant shall be subject to appropriate adjustments, as permitted under applicable rules, regulations and laws as applicable from time to time.

- e. **Amount which the Company intends to raise by way of such shares/warrants:** Up to a maximum of Rs. 33,74,00,000/- (Rupees Thirty-Three Crores Seventy-Four Lakhs Only).
- f. **Intent of the Promoters, directors or key managerial personnel of the Company to subscribe to the Preferential Allotment:** The Equity Shares and Warrants shall be offered to Promoters and Promoter Group of the Company and they all have indicated their intention to subscribe to the Preferential Allotment as detailed at Point No.1 above. None of the Directors or Key Managerial Personnel of the Company except Dr. G. Vivekanand, Vice Chairman, Smt. G. Saroja Vivekanand, Managing Director and Shri. G. Vamsi Krishna, Joint Managing Director intends to subscribe to any of the Equity Shares/Warrants proposed to be issued under the Preferential Allotment.
- g. **Time frame within which the Preferential Allotment shall be completed** : As required under the ICDR Regulations, the Equity Shares and Warrants shall be allotted by the Company within a period of 15 days from the date of passing of this Resolution, provided that in case the allotment of the proposed Equity Shares and Warrants is pending on account 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. The Warrants may be exercised by the Warrant holder, in one or more tranches, at any time on or before the expiry of 18 months from the date of allotment of the Warrants by issuing a written notice to the Company specifying the number of Warrants proposed to be exercised along with the aggregate amount payable thereon. The Company shall accordingly, without any further approval from the shareholders of the Company, allot the corresponding number of Equity Shares in dematerialized form.
- h. **Identity of the natural persons who are the ultimate beneficial owners of the shares proposed to be allotted and/or who ultimately control the proposed allottees, the percentage of post preferential issue capital that may be held by them and change in control, if any :**

The Equity Shares and Warrants are proposed to be allotted to Dr. G. Vivekanand, Smt. Saroja Vivekanand, Promoters and Shri. G. Vamsi Krishna, Smt. G. Vritika and Smt. G. Vaishnavi forming part of the promoter group of the Company. Details of Shareholding and Voting rights of Promoters and Promoter Group are as under:

Name	Pre-Preferential allotment (as on 25.06.2020)				Post Preferential Allotment							
					Post allotment of Equity Shares				*Post exercise of Warrants into Equity Shares			
	Equity Shares		Voting Rights		Equity Shares		Voting Rights		Equity Shares		Voting Rights	
	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%
Dr. G. Vivekanand	6111980	38.49	6111980	38.49	6211980	38.63	6211980	38.63	6861980	39.71	6861980	39.71
Smt. G. Saroja Vivekanand	194139	1.22	194139	1.22	294139	1.83	294139	1.83	644139	3.73	644139	3.73
Shri G. Vamsi Krishna	21730	0.14	21730	0.14	21730	0.14	21730	0.14	121730	0.70	121730	0.70
Smt. G. Vritika	4000	0.02	4000	0.02	4000	0.02	4000	0.02	54000	0.31	54000	0.31
Smt. G. Vaishnavi	4000	0.02	4000	0.02	4000	0.02	4000	0.02	54000	0.31	54000	0.31
Others	620333	3.91	620333	3.91	620333	3.86	620333	3.86	620333	3.59	620333	3.59
Total	6956182	43.80	6956182	43.80	7156182	44.50	7156182	44.50	8356182	48.35	8356182	48.35

* the shareholding relating to post exercise of Warrants as shown above is calculated assuming full exercise of Warrants and consequential allotment of the Equity Shares of the company as per the aforesaid proposed issue.

In the event of any further issue of shares by the Company between the date of this notice and the date of allotment of Equity Shares on exercise of Warrants, the shareholding pattern shall stand modified accordingly. For detailed holding of Promoter Group, please refer to shareholding pattern provided as an Annexure to this Notice. Since the proposed allottees are individuals forming part Promoters or Promoter Group i.e. natural persons, no further disclosure with respect to ultimate beneficial owners would arise. There shall be no change in management or control of the Company pursuant to the aforesaid issue of Equity Shares and Warrants including those arising from exercise of Warrants. However, the percentage of shareholding and voting rights exercised by the shareholders of the Company will change in accordance with the change in the shareholding pattern pursuant to the Preferential Allotment.

- i. **Lock-in Period:** The Equity Shares (including those arising from exercise of Warrants) and Warrants shall be locked-in for such period as may be specified under Regulations 167 and 168 of the ICDR Regulations.

The entire pre-preferential allotment shareholding of Promoters and Promoter group shall be locked-in from the relevant date up to a period of six months from the date of the trading approval as specified under Regulation 167(6) of the ICDR Regulations.

- j. **Undertakings:**

- None of the Company, its Directors or Promoter have been declared as willful defaulter as defined under the ICDR Regulations. None of its Directors or Promoter is a fugitive economic offender as defined under the ICDR Regulations.
- The Company is eligible to make the Preferential Allotment to its Promoter under Chapter V of the ICDR Regulations.
- As the Equity Shares have been listed for a period of more than twenty-six weeks as on the Relevant Date, the provisions of Regulation 164(3) of SEBI ICDR Regulations governing re-computation of the price of shares shall not be applicable.
- The Company hereby undertakes that it shall re-compute the price of the Equity Shares in terms of the provisions of the ICDR where it is required to do so, until the amount so payable is not paid within the time stipulated under ICDR Regulations, the Equity Shares and Warrants shall continue to be locked -in till the time such amount is paid by the proposed allottees.
- The Equity Shares held by the proposed allottees in the Company are in dematerialized form only.
- No person belonging to the promoters / promoter group has previously subscribed to any warrants of the Company.

- k. **Auditors' Certificate:** The certificate from Price Waterhouse & Co Chartered Accountants LLP (Firm Registration No. 30426E/E-300009), being the Statutory Auditors of the Company certifying that the Preferential Allotment is being made in accordance with the requirements contained in the ICDR Regulations will be made available on the Company's website at www.visaka.co for the online inspection by the Members at the meeting.
- l. **Other disclosures:**
- Report of registered valuer is not required under the provisions of second proviso to Rule 13(1) of the Companies (Share Capital and Debentures) Rules, 2014 for the proposed Preferential Allotment.
 - During the year from June 26, 2019 till the date of notice of this EGM, the Company has not made any preferential allotment.
 - The Company is eligible to make the Preferential Allotment to its Promoter under Chapter V of the ICDR Regulations.
 - The proposed allottees or other members forming part of the Promoter group have not sold or transferred any Equity Shares during the six months preceding the relevant date.
- m. **Shareholding pattern of the Company before and after the Preferential Allotment:** Please refer Annexure to this Notice for details.

Shareholding Pattern of Visaka Industries Limited, before and after preferential allotment:

Sr.No	Category of Shareholder	Pre Preferential Allotment Holding / Voting Rights as on 26.06.2020				Post Preferential Allotment Holding / Voting Rights							
						Post Allotment of Equity Shares				* Post exercise of Warrants into Equity Shares			
		Shareholding		Voting Rights		Shareholding		Voting Rights		Shareholding		Voting Rights	
No.	%	No	%	No.	%	No	%	No.	%	No	%		
A	Promoters and Promoter Group holding (Indian)												
	Individuals/Hindu undivided Family	6956182	43.80	6956182	43.80	7156182	44.50	7156182	44.50	8356182	48.35	8356182	48.35
	Total Shareholding of Promoter and Promoter Group (A)	6956182	43.80	6956182	43.80	7156182	44.50	7156182	44.50	8356182	48.35	8356182	48.35
B	Public Shareholding												
(1)	Institutions												
(a)	Mutual Funds	1072	0.01	1072	0.01	1072	0.01	1072	0.01	1072	0.01	1072	0.01
(b)	Foreign Portfolio Investors	206391	1.30	206391	1.30	206391	1.28	206391	1.28	206391	1.19	206391	1.19
(c)	Financial Institutions/Banks	38331	0.24	38331	0.24	38331	0.24	38331	0.24	38331	0.22	38331	0.22
	Sub Total (B)(1)	245794	1.55	245794	1.55	245794	1.53	245794	1.53	245794	1.42	245794	1.42
(2)	Non-Institutions												
(a)	Individuals												
(i)	Individual shareholders holding nominal share capital up to Rs.2 lakhs	4802547	30.24	4802547	30.24	4802547	29.86	4802547	29.86	4802547	27.80	4802547	27.80
(ii)	Individual shareholders holding nominal share capital in excess of Rs. 2 Lakhs	992337	6.25	992337	6.25	992337	6.17	992337	6.17	992337	5.74	992337	5.74
(b)	NBFCs Registered with RBI	24100	0.15	24100	0.15	24100	0.15	24100	0.15	24100	0.14	24100	0.14
(c)	Any Other												
	Trusts	5	0.00	5	-	5	-	5	-	5	-	5	-
	Alternative Investment Funds	97925	0.62	97925	0.62	97925	0.61	97925	0.61	97925	0.57	97925	0.57
	Non Resident Individuals	256840	1.62	256840	1.62	256840	1.60	256840	1.60	256840	1.49	256840	1.49
	Clearing Members	44733	0.28	44733	0.28	44733	0.28	44733	0.28	44733	0.26	44733	0.26
	BODIES CORPORATES	2338604	14.73	2338604	14.73	2338604	14.54	2338604	14.54	2338604	13.53	2338604	13.53
	I E P F	121885	0.77	121885	0.77	121885	0.76	121885	0.76	121885	0.71	121885	0.71
	Sub Total (B)(2)	8678976	54.65	8678976	54.65	8678976	53.97	8678976	53.97	8678976	50.23	8678976	50.23
	Total Public Shareholding (B) = (B)(1)+(B)(2)	8924770	56.20	8924770	56.20	8924770	55.50	8924770	55.50	8924770	51.65	8924770	51.65
	TOTAL A+B	15880952	100.00	15880952	100.00	16080952	100.00	16080952	100.00	17280952	100.00	17280952	100.00
C	Shares held by custodians against which DRs issued (GDR)	-	-	-	-	-	-	-	-	-	-	-	
	TOTAL A+B+C	15880952	100.00	15880952	100.00	16080952	100.00	16080952	100.00	17280952	100.00	17280952	100.00

* The shareholding post exercise of Warrants as shown above is calculated presuming full exercise of Warrants into the Equity Shares of the Company. The Company does not have any convertible Warrants as on 26.06.2020, hence pre-issue shareholding pattern of convertible Warrants is not provided.