



TOYAM INDUSTRIES LIMITED

[Formerly Ojas Asset Reconstruction Company Limited]

CIN: L74110MH1985PLC285384

www.toyamindustries.com

Date: 25/09/2020

To,

The BSE Limited, Floor 25, P.J.Tower, Dalal Street, Mumbai-400001.	The Metropolitan Stock Exchange of India Limited, Viobgyor Towers, 4th Floor, Plot No. C-62, G-Block, Opp. Trident Hotel, Bandra Kurla Complex, Bandra (E), Mumbai-400098.
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REF : ISIN:INE457P01020, SECURITY CODE:538607, SECURITY ID:TOYAMIND

SUB : : Intimation Of Postal Ballot Notice(1/2020-21)

Dear Sir/Madam,

With reference to the above-mentioned Subject, **Toyam Industries Limited** ("Company") hereby informs that The Board of Directors at their meeting held on Friday, September 18, 2020 had inter alia approved the Postal Ballot Notice ("Notice") for seeking approval of the members of the Company on resolutions set out in the Notice.

In compliance with the provisions of Section 108 and Section 110 of the Companies Act, 2013; Rule 20 and Rule 22 of the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), The Company has engaged the services of National Securities Depository Limited (NSDL) for the purpose of providing e-voting facility to its Members. The cut-off date to determine the entitlement of voting rights of members opting for e-voting is September 18, 2020. The voting commences on Saturday, September 26, 2020 (9.00 a.m.) and ends on Sunday, October 25, 2020 (5.00 p.m.). The result of the Postal Ballot will be announced on or before Tuesday, October 27, 2020.

We enclose herewith copy of the Postal Ballot Notice together with the Explanatory Statement, which has been sent to the shareholders of the Company through permitted mode. On account of threat posed by COVID-19 and in terms of the MCA Circulars, the Company has sent this Notice in electronic form only and hard copy of this Notice along with postal ballot forms and pre-paid business envelope were not be sent to the shareholders for this postal ballot.

Please take this on your record and acknowledge the receipt of the same.

Thanking You,

For Toyam Industries Limited

POOJA CHAUHAN Digitally signed by POOJA
CHAUHAN
Date: 2020.09.25 17:52:31 +05'30'

**Pooja Chauhan
Company Secretary
ACS-48019**

Encl : as above stated



TOYAM INDUSTRIES LIMITED

[Formerly Ojas Asset Reconstruction Company Limited]

Regd. Office: 503, Shri Krishna Building, Opp. Laxmi Industrial Estate, Link Road, Andheri West,

Mumbai (MH)-400053; | CIN: L74110MH1985PLC285384 | Website:

www.toyamindustries.com;

Email: info@toyamindustries.com | Contact No.: 022-67425111

POSTAL BALLOT NOTICE

[Pursuant to section 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014 and the MCA circulars (as defined below)]

Dear Member(s),

Notice is hereby given pursuant to the provisions of Section 110 and other applicable provisions of the Companies Act, 2013 (the “Act”, which shall include any statutory modifications, amendments or re-enactments thereto) read with the Companies (Management and Administration) Rules, 2014 (the “Rules”, which shall include any statutory modifications, amendments or re-enactments thereto) and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the “Listing Regulations”), for seeking approval of the shareholders for the matters as considered in the Resolutions appended below through postal ballot by way of remote e-voting (“Postal Ballot”).

Section 110 of the Act and the Rules provide for passing of resolutions by postal ballot. In terms of said Section of the Act and the Rules, a company may, and in case of resolutions relating to such business as the Central Government may, by notification, declare to be conducted only by postal ballot, shall, get any resolution (other than ordinary business and any business in respect of which directors or auditors have right to be heard at any meeting) passed by means of postal ballot, instead of transacting the business in general meeting of the Company.

Further, the Ministry of Corporate Affairs, Government of India (the “MCA”) vide its General Circular No. 14/2020 dated April 8, 2020, General Circular No.17/2020 dated April 13, 2020 and General Circular No. 22/2020 dated June 15, 2020 (the “MCA Circulars”), in view of the current extraordinary circumstances due to COVID-19 pandemic requiring social distancing, had advised companies to take all decisions requiring members’ approval, other than items of ordinary business or business where any person has a right to be heard, through the mechanism of postal ballot / e-voting in accordance with the provisions of the Act and rules made thereunder, without holding a general meeting that requires physical presence of members at a common venue. The MCA has clarified that for companies that are required to provide e-voting facility under the Act, while they are transacting any business(es) only by postal ballot up to September 30, 2020, the requirements provided in Rule 20 of the Rules as well as the framework provided in the MCA Circulars will be applicable mutatis mutandis. Further, the Company will send Postal Ballot Notice by email to all its shareholders who have registered their email addresses with the Company or depository / depository participants and the communication of assent / dissent of the members will take place through the remote e-voting system. This Postal Ballot is accordingly being initiated in compliance with the MCA Circulars.

In compliance with the requirements of the MCA Circulars, the hard copy of Postal Ballot Notice along with Postal Ballot Forms and pre-paid business envelope will not be sent to the shareholders for this Postal Ballot.

The draft resolution proposed to be passed by way of Postal Ballot and the Explanatory Statement setting out the material facts concerning the said resolution and the reasons thereof, are annexed hereto for your consideration.

The Board of Directors of the Company (“Board”), at its meeting held on Friday, 18th September, 2020, has appointed Mr. Nitesh Chaudhary & Associates, Practicing Company Secretaries, (Membership No. 10010) and C.P. No.[16275], as the Scrutinizer for conducting the E-voting process in a fair and transparent manner.

In compliance with the requirements of the MCA Circulars, Members are required to communicate their assent or dissent through the remote e-voting system only. You are requested to carefully read all the instructions given in the Notes. E-voting shall commence on Saturday, 26th September, 2020 at 9:00 A.M. and will end on Sunday, 25th October, 2020 at 5:00 P.M. .The Scrutinizer shall submit his report to the Chairman of the Company after completion of scrutiny of the e-voting on 26th October, 2020 and, the results of the voting shall be declared by

the Chairman of the Company on or before Tuesday, 27th October, 2020, at Company's Registered Office situated at 503, Shri Krishna Complex, Opp. Laxmi Industrial Estate, New Link Road, Andheri (W), Mumbai-400053, Maharashtra. The results along with the Scrutinizer's Report will be placed on the Company's website i.e. www.toyamindustries.com and on the e-voting system link of National Securities Depository Limited (NSDL) i.e. at www.evoting.nsdl.com. The same shall simultaneously be communicated to the BSE Limited and Metropolitan Stock Exchange of India Limited, on which the shares of the Company are listed.

SPECIAL BUSINESS:-

1. INCREASE IN AUTHORISED SHARE CAPITAL

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

“RESOLVED THAT pursuant to the provisions of Section 61 read with Section 64 and other applicable provisions, if any, of the Companies Act, 2013 (including any amendment thereto or re-enactment thereof) and the rules framed there under, the consent of the members of the Company be and is hereby accorded to increase the Authorized Share Capital of the Company from existing Rs. 21,25,00,000/- (Rupees Twenty One Crores Twenty Five Lakhs Only) divided into 21,25,00,000 (Twenty One Crores Twenty Five Lakhs) Equity Shares of Rs. 1/- each to Rs. 30,75,00,000/- (Rupees Thirty Crores Seventy Five Lakhs Only) divided into 30,75,00,000 (Thirty Crores Seventy Five Lakhs) Equity Shares of Rs. 1/- each by creation of additional 9,50,00,000 (Nine Crores Fifty Lakhs) Equity Shares of Rs. 1/- each ranking paripassu in all respect with the existing Equity Shares of the Company.

RESOLVED FURTHER THAT the Memorandum of Association of the Company be altered in the following manner i.e. existing Clause V of the Memorandum of Association be deleted and the same be substituted with the following new clause as Clause V:

V. The Authorized Share Capital of the Company is Rs. 30,75,00,000/- (Rupees Thirty Crore Seventy Five Lakhs only) divided into 30,75,00,000 (Thirty Crores Seventy Five Lakhs) Equity Shares of Rs. 1/- (Rupees One only) each

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors of the Company (hereinafter referred to as “Board” which term shall include a Committee thereof authorized for the purpose) be and is hereby authorized to take all such steps and actions and give such directions as may be in its absolute discretion deemed necessary and to settle any question that may arise in this regard, without being required to seek any further consent or approval of the shareholders or otherwise and that the shareholders shall be deemed to have given their approval thereto expressly by the authority of this resolution.”

2. ISSUE OF WARRANTS CONVERTIBLE INTO EQUITY SHARES ON PREFERENTIAL BASIS

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

“RESOLVED THAT pursuant to the provisions of Section 62(1)(c) read with Section 42 and all other applicable provisions, if any, of the Companies Act, 2013 read with Rule 13 of the Companies (Share Capital and Debentures) Rules, 2014 made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) (hereinafter referred to as “the Act”) and in accordance with the relevant provisions of the Memorandum and Articles of Association of the Company, and in accordance with the provisions on preferential issue as contained in the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, [hereinafter referred to as “SEBI (ICDR) Regulations”], SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof from time to time), and in accordance with all other applicable rules, regulations, guidelines and clarifications issued thereon from time to time by The Securities and Exchange Board of India (“SEBI”), Government of India (“GOI”) or any other statutory/regulatory authorities and subject to all such approvals, permissions, consents and sanctions of Bombay Stock Exchange & Metropolitan Stock Exchange of India Ltd or any authorities, as may be necessary and subject to such conditions and modifications as may be prescribed or imposed by any of them while granting such approvals, permissions, consents or sanctions, the consent of the Company be and is hereby accorded to the Board (which term shall deem to include any committee which the Board may have constituted or hereinafter constitute to exercise one or more its power,

including the powers conferred hereunder) to offer, issue and allot, upto 5,12,00,000 (Five Crores Twelve Lakhs) convertible Warrants on preferential basis, in one or more tranches, entitling the Warrant holder to apply for and get allotted one equity share of the face value Rs. 1/- (Rupees One Only) each fully paid-up against every warrant held (hereinafter referred to as the “Warrants”), within a period of 18 (eighteen) months from the date of allotment of Warrants in such manner, at such a price as may be arrived at in accordance with the SEBI (ICDR) Regulations and upon such terms and conditions as may be deemed appropriate by the Board in accordance with the provisions of the SEBI (ICDR) Regulations or other applicable laws in this respect, to Individuals and Entities/Companies other than Promoters and Promoter Group of the Company (hereinafter referred to as the “Proposed Warrant Allottees/Warrant holder”), in the manner as follows:

Sr. No.	Name of the Proposed Allottees	Category	No. Of warrants
1.	Narain Kumar Gupta	Non-promoter (Individual)	11,00,000
2.	Rupal Prateek Kumar	Non-promoter (Individual)	25,00,000
3.	Ansh Prateek Kumar	Non-promoter (Individual)	25,00,000
4.	Birender Kumar Swain	Non-promoter (Individual)	25,00,000
5.	Prateek Kumar	Non-promoter (Individual)	26,00,000
6.	Bridgeview Developers Private Limited	Non-promoter (Body Corporate)	1,00,00,000
7.	Adishesh Infraestates Private Limited	Non-promoter (Body Corporate)	1,00,00,000
8.	Raavi Infracity Private Limited	Non-promoter (Body Corporate)	1,00,00,000
9.	Goldenpalm Infracity Private Limited	Non-promoter (Body Corporate)	1,00,00,000

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

- a) The “Relevant Date” in terms of the SEBI (ICDR) Regulations in relation to the above mentioned Preferential Issue of Warrants, is Friday, 25th September, 2020, which is a date 30 days prior to the last date specified by the Company for e-voting.
- b) Each warrant held by the Proposed Warrant Allottee (“Warrant Holder”) shall entitle them to apply for and obtain allotment of one Equity Share at any time after the date of allotment but on or before the expiry of 18 (eighteen) months from the date of allotment (the “Warrant Exercise Period”).
- c) The Proposed Warrant Allottee shall, on the date of allotment of Warrants, pay an amount equivalent to at least 25% of the Warrant Issue Price fixed per Warrant in terms of the SEBI (ICDR) Regulations which will be kept by the Company to be adjusted and appropriated against the Warrant Issue Price of the Equity Shares. The balance 75% of the Warrant Issue Price shall be payable by the Warrant Holder at the time of exercising the right to convert the Warrants into Equity Shares.
- d) Warrants, being allotted to the Proposed Warrant Allottee and the Equity Shares proposed to be allotted pursuant to the conversion of these Warrants shall be under lock-in for such period as may be prescribed under SEBI(ICDR) Regulations.
- e) Warrants so allotted under this resolution shall not be sold, transferred, hypothecated or encumbered in any manner during the period of lock-in provided under SEBI (ICDR) Regulations except to the extent and in the manner permitted there under.
- f) Warrants shall be issued and allotted by the Company only in dematerialized form.

- g) The Warrant holder has not sold any equity shares during six months preceding the relevant date. The Warrant holder has not subscribed to any warrants of the Company during last one year.
- h) The consideration for allotment of Warrants and/or Equity Shares arising out of exercise of such Warrants shall be paid to the Company from the bank account of the respective Proposed Warrant Allottee.
- i) In the event the Warrant holder does not exercise the Warrants within the Warrant Exercise Period, the Warrants shall lapse and the amount paid shall stand forfeited by the Company.
- j) The said Warrants by itself until converted into Equity Shares, does not give to the Warrant holder any rights with respect to that of the Shareholders of the Company.

RESOLVED FURTHER THAT the resultant equity shares to be allotted on conversion of warrants in terms of this resolution shall rank pari-pasu in all respect with the then Equity Shares of the Company.

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

RESOLVED FURTHER THAT the Board be and is hereby authorised to accept the terms, conditions, modifications and stipulations as the SEBI or Stock Exchanges or any other regulatory authority may stipulate while granting approval to the Company for issue of the Warrants and/or equity shares as aforesaid

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution and for the purpose of issue and allotment of the equity shares and listing thereof with the Stock Exchanges, the Board be and is hereby authorised to issue proposed Preferential offer letter to the proposed allottees and take such steps and to do all such acts, deeds, matters and things as the Board may, in its absolute discretion, deem necessary, expedient, usual, proper, incidental or desirable including application to Stock Exchanges for obtaining in-principal approval, listing of shares, filing of necessary documents, intimations including E-Forms with Regulatory Authorities in accordance with applicable laws and to settle any question, difficulties or doubts that may arise in this regard and in regard to the issue, allotment of the Warrants and/or equity shares and utilisation of the issue proceeds, to prescribe the forms of applications, enter and execute all such deeds, documents, agreements or other instruments, and to take such actions/directions as they may consider as being necessary or desirable and to obtain any approval, permissions, sanctions which may be necessary or desirable as they may deem fit, without being required to seek any further consent or approval of the shareholders.

RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of the powers herein conferred by this resolution to any Director(s) or to any Committee of Directors or employee or officer of the Company, as it may consider appropriate, to give effect to the aforesaid resolution.”

3. APPROVAL OF EMPLOYEE STOCK OPTION PLAN

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

“RESOLVED THAT in accordance with the provisions of Section 62(1)(b) and other applicable provisions of the Companies Act, 2013 read with Rule 12 Companies (Share Capital and Debentures) Rules, 2014 made thereunder (including any statutory amendment, modification or re-enactment to the Act or the Guidelines, for the time being in force), the provisions of the articles of association of the Company and subject to provisions of other approvals, permissions, sanctions, conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, the consent of the members of the Company be and is hereby accorded to the board of directors of the Company (“hereinafter referred to as the **“Board”** which term shall be deemed to include any Committee thereof, including Nomination and Remuneration Committee (**“NRC”**) constituted by the Board, for the time being exercising the powers conferred on the Board by this Resolution), to approve the Toyam Employee Stock Option Scheme, 2020 (hereinafter referred to as **“Toyam ESOP 2020”**) and to create, offer, issue and allot in one or more tranches under the said issue, at any time to or for the benefit of employees and directors (excluding Independent Director) of the Company, such number of stock options which could give rise to the issue of equity shares (hereinafter collectively referred to as

“Securities”) of the Company 4,36,00,000 Equity Shares at the face value of Rs. 1/- each amounting of Rs. 4,36,00,000/- (Rupees Four Crores Thirty Six Lakhs Only) to the eligible employees of the Company pursuant to SEBI (Share Based Employee Benefits) Regulations, 2014, at such price and on such terms and conditions as may be fixed or determined by the Board of Directors and other applicable provisions of any law as may be prevailing at that time.

RESOLVED FURTHER THAT the new Equity Shares to be issued and allotted by the Company in lieu of the vested options in the manner provided in Toyam ESOP 2020 shall rank pari passu in all respects with the then existing equity shares of the Company.

RESOLVED FURTHER THAT for the purpose of giving effect to the aforementioned resolutions, any of the Directors of the Company or the Company Secretary be and are hereby authorized jointly and/or severally to do all such acts, deeds, matters and things and to take all such steps and do all such things and give all such directions as may be necessary or expedient including application to Stock Exchanges for obtaining in-principal approval, filing of necessary documents, intimations including e-forms with regulatory authorities in accordance with applicable laws and to take all steps which are incidental and ancillary including inter-alia to address queries which may arise in connection with Toyam ESOP 2020 and/or settle any questions, difficulties or doubts that may arise in this regard at any stage in connection with Toyam ESOP 2020.”

4. GRANT OF STOCK OPTIONS 1% OR MORE OF THE ISSUED SHARE CAPITAL OF THE COMPANY

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

“RESOLVED THAT as per the provisions of Section 62 of Companies Act 2013 read with the Rule 12 of The Companies (Share Capital and Debenture) Rules, 2014 made thereunder (including any statutory amendment, modification or re-enactment to the Act or the Guidelines, for the time being in force) the provisions of the articles of association of the Company and subject to provisions of approvals, permissions, consents and sanctions of Bombay Stock Exchange & Metropolitan Stock Exchange of India Ltd or any authorities, as may be necessary, the consent of the members of the Company be and is hereby accorded to the board of directors of the Company (“hereinafter referred to as the “Board” which term shall be deemed to include any Committee thereof, including Nomination and Remuneration Committee (“NRC”) constituted by the Board, for the time being exercising the powers conferred on the Board by this Resolution), to grant stock options under the Toyam ESOP 2020 1% (one percent) or more of the issued share capital of the Company to the following employee:

Name and Designation of Eligible Employee	Number of Options to be granted
Mr. Mohamed Ali Budhwani Managing Director	2,00,00,000 (9.4% of the current issued share capital of the Company)
Mr. Kailash Yadav Executive Director	75,00,000 (3.5% of the current issued share capital of the Company)
Mr. Shuja Ali Chief Operational Officer	1,10,00,000 (5.2% of the current issued share capital of the Company)

RESOLVED FURTHER THAT the new Equity Shares to be issued and allotted by the Company in lieu of the vested options in the manner provided in Toyam ESOP 2020 shall rank pari passu in all respects with the then existing equity shares of the Company

RESOLVED FURTHER THAT for the purpose of giving effect to the aforementioned resolutions, any of the Directors of the Company or the Company Secretary be and are hereby authorized jointly and/or severally to do all such acts, deeds, matters and things and to take all such steps and do all such things and give all such directions as may be necessary or expedient including application to Stock Exchanges for obtaining in-principal approval, filing of necessary documents, intimations including e-forms with regulatory authorities in accordance with applicable laws and to take all steps which are incidental and ancillary including inter-alia to address queries which may arise in connection with Toyam ESOP 2020 and/or settle any questions, difficulties or doubts that may arise in this regard at any stage in connection with Toyam ESOP 2020.”

**By order of the Board of Directors,
Toyam Industries Limited**

**Sd/-
Pooja Chauhan
Company Secretary and Compliance Officer
Membership No: A48019**

Date: 18/09/2020

Place: Mumbai

Registered Office:

503, Shri Krishna Complex,
Opp. Laxmi Industrial Estate, New Link Road,
Andheri (W), Mumbai- 400053, Maharashtra
CIN: L74110MH1985PLC285384
Website: www.toyamindustries.com;
Email: info@toyamindustries.com | Contact No.: 022-67425111

Notes:

1. The explanatory statement and reasons for the proposed resolution pursuant to Section 102 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014 (“The Rules”) setting out material facts is annexed herewith and forms part of this notice.
2. The Notice is being electronically sent to all the Members of the Company, whose name appear on the Register of Members/List of Beneficial Owners, as received from National Security Depository Limited (NSDL) / Central Depository Services (India) Limited (CDSL) as on cut-off date i.e. Friday, 18th September, 2020 and who have registered their email addresses with the Company and/or with the Depositories. It is however, clarified that all the persons who are members of the Company as on 18th September, 2020 (including those members who may not have received this Notice due to non-registration of their email IDs with the Company or the Depositories) shall be entitled to vote in relation to the resolution specified in this Notice.
3. Members holding shares of the Company in demat mode and who have not registered their e-mail addresses are requested to register the same with the Depository Participant, where they maintain their demat accounts.
4. Voting rights will be reckoned on the paid-up value of shares registered in the names of the members on 18th September, 2020. Only those members whose names are recorded in the Register of Members of the Company or in the list of Beneficial Owners maintained by the Depositories as on 18th September, 2020 will be entitled to cast their votes. A person who is not a member as on 18th September, 2020 should treat this Notice for information purpose only.
5. In light of the COVID-19 crisis and in accordance with Section 110 of the Act and Rules 20 and 22 of the Companies (Management and Administration) Rules, 2014 read with the MCA Circulars, physical copies of the Notice will not be circulated and the members can vote through e-voting only.
6. In accordance with the provisions of Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 108 and 110 of the Act read with Rule 20 & 22 of the Companies (Management and Administration) Rules, 2014 and the Circulars issued by the Ministry of Corporate Affairs, the Company has extended e-voting facility for its Members to enable them to cast their votes electronically on the resolutions set forth in this Notice. Members are informed that the communication of their assent or dissent can take place through the e-voting facility. The Company has

engaged the services of National Securities Depository (India) Limited (NSDL) as the agency to provide the remote e-voting facility.

7. The Notice shall also be uploaded on the Company's website at www.toyamindustries.com , on the website of BSE limited at www.bseindia.com , Metropolitan Stock Exchange of India Limited at www.msei.in and on NSDL E-Voting link at www.evoting.nsdl.com
8. Dispatch of the Notice shall be deemed to be completed on the day on which NSDL sends out the communication for the postal ballot process by e-mail to the members of the Company.
9. All the documents referred to in the explanatory statement will be available for inspection at the Registered Office of the Company during working hours between 10:00 A.M. to 01:00 P.M. on all working days from the date of dispatch of the Notice till 25th October, 2020.
10. E-Voting will commence on 26th September, 2020 at 9:00 A.M. and will end on 25th October, 2020 at 5:00 P.M. E-Voting shall not be allowed beyond the said time and date.
11. Mr. Nitesh Chaudhary & Associates, Practicing Company Secretaries, (Membership No. 10010) and C.P. No. [16275], has been appointed as Scrutinizer for conducting the E-Voting in accordance with the law in a fair and transparent manner.
12. The dispatch of Postal Ballot Notice shall be announced through an advertisement in at least 1 (one) English newspaper and at least 1(one) regional newspaper, each having wide circulation in Maharashtra, where the registered office of the Company is situated.

Instructions for E-Voting:

The e-voting period commences on Saturday, 26th September, 2020, 09:00 A.M. and ends on Sunday, 25th October, 05:00 P.M. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by a member, he or she will not be allowed to change it.

Instructions and other information relating to remote e-voting are as under:

- A. In case a member receives an email from NSDL [for members whose email IDs are registered with the Company/ Depository Participant(s)]:
 - i. Open email and open PDF file viz; "remote e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/ PIN for remote e-voting. Please note that the password is initial password.
 - ii. Open internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
 - iii. Click on Shareholder –Login
 - iv. Type user ID and password as initial password/PIN noted in step (i) above. Click Login.
 - v. On Login, Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. If you are already registered with NSDL for evoting, then you can use your existing user ID and password for casting your vote.
 - vi. Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
 - vii. Select **"EVEN-114638"** of **"TOYAM INDUSTRIES LIMITED"**.
 - viii. Now you are ready for remote e-voting as Cast Vote page opens.
 - ix. Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
 - x. Upon confirmation, the message "Vote cast successfully" will be displayed.
 - xi. Once you have voted on the resolution, you will not be allowed to modify your vote.
 - xii. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to csniteshchaudhary@gmail.com with a

copy marked to evoting@nsdl.co.in

B. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990.

C. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.

You can also update your mobile number and e-mail ID in the user profile details of the folio which may be used for sending future communication(s).

13. The scrutinizer will submit his Report to Chairman after completion of the Scrutiny and the results of the voting will be announced by the Chairman on or before Tuesday, 27th October, 2020 and will also be displayed on the Company website (www.toyamindustries.com) and communicated to the Stock Exchanges (BSE Limited and Metropolitan Stock Exchange of India Limited), Depository, the Registrar and Share Transfer Agent on or before Tuesday, 27th October, 2020.

14. The Scrutinizer's decision on the validity of the Postal Ballot shall be final.

15. The resolution, if passed by the requisite majority, shall be deemed to have been passed on Sunday, 25th October, 2020 i.e. the last date specified by the Company for e-voting.

16. Any query/grievance with respect to voting on above Postal Ballot may please be addressed to Ms. Pooja Chauhan, Company Secretary & Compliance Officer at: Email id: info@toyamindustries.com, phone no.: + 022-67425111 or to the Registrar and Transfer Agent, MAS Services Limited, at T-34, 2nd Floor, Okhla Industrial Area, Phase – II, New Delhi – 110 020, e-mail: info@masserv.com, phone no. +91 11 2638 7281/ 82/ 83

**By order of the Board of Directors,
Toyam Industries Limited**

**Sd/
Pooja Chauhan
Company Secretary and Compliance Officer
Membership No: A48019**

Date: 18/09/2020

Place: Mumbai

Registered Office:

503, Shri Krishna Complex,
Opp. Laxmi Industrial Estate, New Link Road,
Andheri (W), Mumbai- 400053, Maharashtra
CIN: L74110MH1985PLC285384
Website: www.toyamindustries.com;
Email; info@toyamindustries.com | Contact No.: 022-67425111

How do I vote electronically using NSDL e-Voting system?

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?

1. 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.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholders’ section.
3. 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.

4. Your User ID details are given below :

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

5. Your password details are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) 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.

- c) How to retrieve your 'initial password'?
- (i) 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'.
- (ii) If your email ID is not registered, your 'initial password' is communicated to you on your postal address.
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
- a) 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.
- b) **Physical User Reset Password?**" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
- c) 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.
- d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. 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.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to csniteshchaudhary@gmail.com with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 AND RULES RELATED THERETO

ITEM NO. 1. Increase in Authorized Share Capital

The Company is proposing to issue convertible warrants of 5,12,00,000 (Five Crores Twelve Lakhs) and ESOP 4,36,00,000 (Four Crores Thirty Six Lakhs) under the approved scheme of Toyam ESOP 2020. The present Authorised Capital of the Company is Rs. 21,25,00,000 (Rupees Twenty One Crores Twenty Five Lakhs) divided into 21,25,00,000 (Twenty One Crores Twenty Five Lakhs) Equity Shares of Rs.1/- each.

Considering the requirements of issue of Convertible Warrants and ESOP, it is therefore considered necessary to increase the Authorised Share Capital of the Company from present 21,25,00,000 (Twenty One Crores Twenty Five Lakhs) Equity Shares of Rs.1/- each to Rs. 30,75,00,000/- (Rupees Thirty Crores Seventy Five Lakhs Only) divided into 30,75,00,000 (Thirty Crores Seventy Five Lakhs) Equity Shares of Rs. 1/- each by creation of additional 9,50,00,000 (Nine Crores Fifty Lakhs) Equity Shares of Rs. 1/- each.

The proposed increase in Authorised Share Capital requires the approval of Members in General Meeting. Consequent upon increase in Authorised Share Capital, the Memorandum of Association will require alteration so as to reflect the increased Authorised Share Capital. The proposed Resolution is in the interest of the Company and your Directors recommend the same for your approval.

None of the Directors, Key Managerial Person(s) of the Company including their relatives are, in any way, concerned or deemed to be interested in the proposed Resolution.

ITEM NO. 2. Issue of Warrants on Preferential Basis

With a view to augment short term and long term resources for business, the Board of Directors of the Company, at its meeting held on Friday, September 18, 2020, approved the issuance upto 5,12,00,000 (Five Crores Twelve Lakhs) warrants, convertible into equivalent number of Equity Shares of Rs. 1/- each to Individuals and Entities/Companies other than Promoter and Promoter Group of the Company on Preferential basis as mentioned in point no 9 below, at such a price as may be arrived at in accordance with the SEBI (ICDR) Regulations and upon such terms and conditions as may be deemed appropriate by the Board in accordance with the provisions of the SEBI (ICDR) Regulations or other applicable laws in this respect, subject to the approval of Members of the Company and other necessary approval(s).

The details of the issue and other particulars as required in terms of Regulation 163 of the SEBI (ICDR) Regulations and other applicable statutes in relation to the proposed Special Resolution are given hereunder:

1. Objects of the Preferential Issue:

The proceeds of the preferential issue of Warrants will be used by the Company as long term and short term resources for its business purposes, general corporate purposes and for any other purpose as approved by the Board.

2. The total number of securities to be issued:

The Board intends to offer, issue and allot upto 5,12,00,000 (Five Crores Twelve Lakhs) convertible warrants to Individuals and Entities/Companies other than Promoter and Promoter Group of the Company on Preferential basis.

3. Pricing of preferential issue:

The price of each equity share to be issued in lieu of Warrants will be as determined in terms of Chapter V of the SEBI (ICDR) Regulations on the basis of the Relevant Date. Further, the Company undertakes to re-compute the price of the equity shares, if at all required, in terms of the provisions of these regulations where it is required to do so.

4. The proposal / intention of the Promoters, Directors or Key Managerial Personnel to subscribe to the Offer:

The Promoter/ Directors or Key managerial Personnel do not intend to subscribe to this preferential issue offer. The preferential issue of warrants is being made to Individuals and Entities/Companies other than Promoter and Promoter Group of the Company as more particularly set out at point No. 9 below.

5. Relevant date with reference to which the price has been arrived at:

The “Relevant Date” in terms of the SEBI (ICDR) Regulations for determination of minimum price is Friday, 25th September, 2020, being a date which is 30 (Thirty) days prior to the last date specified by the Company for e-voting.

6. The class or classes of persons to whom the allotment is proposed to be made:

The allotment is proposed to be made to the Proposed Individuals and Entities/Companies other than Promoter and Promoter Group of the Company as mentioned at point no.9 below.

7. Shareholding Pattern before and after the Preferential Issue:

S. No	Category	Pre-Issue Shareholding		Post-Issue Shareholding*	
		No. of Equity Shares	Percentage of Shareholdings	No. of Equity Shares	Percentage of Shareholdings
A.	Shareholding of Promoter & Promoter Group				
1.	Indian:				
	Individual/HUF	1,00,00,000	4.71	1,00,00,000	3.79
	Bodies Corporate	-	-	-	-
	Sub-Total (A1)	1,00,00,000	4.71	1,00,00,000	3.79
2.	Foreign:	-	-	-	-
a.	Individuals (Non-Resident Individuals)	-	-	-	-
b.	Foreign Portfolio Investors	-	-	-	-
c.	Foreign Body	-	-	-	-
	Sub-Total (A2)	-	-	-	-
	Shareholding of Promoter & Promoter Group (A)=(A1+A2)	1,00,00,000	4.71	1,00,00,000	3.79
B.	Public Shareholding				
1.	Institutions:				
	Mutual Funds	-	-	-	-
	Foreign Portfolio Investors	67,20,725	3.16	67,20,725	2.55
	Financial Institutions / Banks	-	-	-	-
	Insurance Companies	-	-	-	-
	Sub-Total (B1)	67,20,725	3.16	67,20,725	2.55
2.	Non-Institutions				
a.	Individuals				
	Individual share capital upto Rs. 2 Lacs	4,80,50,484	22.61	4,80,50,484	18.22
	Individual share capital in excess of Rs. 2 Lacs	10,05,86,849	47.34	11,17,86,849	42.39
b.	NBFC Registered with RBI	31,188	0.01	31,188	0.01
c.	Any Other:				
	Body Corporate	2,37,65,289	11.18	6,37,65,289	24.18
	Clearing Members	15,35,915	0.72	15,35,915	0.58
	Non-Resident Indian Non-repeat	9,27,415	0.44	9,27,415	0.35
	Non-resident Indian repeat	2,08,72,135	9.82	2,08,72,135	7.92
	Sub-Total (B2)	19,57,69,275	92.12	24,69,69,275	93.65
	Total Public Shareholding (B)=(B1+B2)	20,24,90,000	95.29	25,36,90,000	96.21

C.	Shares held by custodians and against which Depository Receipts have been issued	-	-	-	-
	GRAND TOTAL (A)+(B)+(C)	21,24,90,000	100.00	26,36,90,000	100.00

Shareholding pattern as on 18th September, 2020

* The above post-issue shareholding pattern assumes conversion of all warrants into equivalent number of equity shares.

* The above post-issue shareholding pattern does not include conversion of options granted under Toyam ESOP 2020.

8. The time within which the preferential issue shall be completed

As required under the SEBI (ICDR) Regulations, the allotment of the Warrants on preferential basis will be completed within a period of 15 days from the date of passing of the Special Resolution. Provided that where any approval or permission by any regulatory or statutory authority for allotment is pending, the allotment of the Warrants shall be completed within 15 days from the date of receipt of such approval or permission.

9. 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:

S No	Name of Allottee	PAN	Category	Identity of Person/ Beneficial Owner	No. of Warrants to be allotted	Pre-Issue Equity Holding	% of holding	Post Issue Equity Holding (After exercise of Warrants)*	% of holding
1	Narain Kumar Gupta	ABFPG 9303G	Non-promoter (Individual)	Narain Kumar Gupta	11,00,000	-	-	11,00,000	0.42
2	Rupal Prateek Kumar	ARNPK 9369C	Non-promoter (Individual)	Rupal Prateek Kumar	25,00,000	-	-	25,00,000	0.95
3	Ansh Prateek Kumar	FJTPP4 663P	Non-promoter (Individual)	Ansh Prateek Kumar	25,00,000	-	-	25,00,000	0.95
4	Birender Kumar Swain	BFEPS 1107J	Non-promoter (Individual)	Birender Kumar Swain	25,00,000	-	-	25,00,000	0.95
5	Prateek Kumar	APDPK 8666A	Non-promoter (Individual)	Prateek Kumar	26,00,000	-	-	26,00,000	0.99
6	Bridgeview Developers Private Limited	AAFQB 0368Q	Non-promoter (Body Corporate)	Prateek Kumar	1,00,00,000	-	-	1,00,00,000	3.79
7	Adishesh Infraestates Private Limited	AANC A6633 K	Non-promoter (Body Corporate)	Prateek Kumar	1,00,00,000	-	-	1,00,00,000	3.79
8	Raavi Infracity Private Limited	AAHC R3629J	Non-promoter (Body Corporate)	Prateek Kumar	1,00,00,000	-	-	1,00,00,000	3.79
9	Goldenpalm Infracity Private Limited	AAGC G0834R	Non-promoter (Body Corporate)	Prateek Kumar	1,00,00,000	-	-	1,00,00,000	3.79

Total		5,12,00,000			5,12,00,000	
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*Assuming 100% conversion of warrants.

*The above post-issue shareholding does not include conversion of options granted under Toyam ESOP 2020.

10. The change in control, if any, in the company that would occur consequent to the preferential offer:

The existing Promoters of the Company will continue to be in control of the Company and there will not be any change in the management or control of the Company as a result of the proposed preferential allotment.

11. Auditor's Certificate

A certificate from M/s. Bhushan Khot & Co., Chartered Accountants, (FRN: 116888W) being the Statutory Auditor of the Company certifying that the preferential issue is being made in accordance with the SEBI (ICDR) Regulations, 2018 shall be available for inspection on all working days between 10:00 A.M. to 01:00 P.M. at the registered office of the Company upto the last date of receipt of votes by e-voting.

12. Lock-in Period

The Warrants and the Equity Shares allotted pursuant to conversion of such warrants shall be subject to a lock-in for a period of 1 year from the date of allotment and receiving trading approval respectively as specified under the SEBI (ICDR) Regulations relating to preferential issue.

The entire pre-preferential allotment shareholding of the Warrant holder, if any, shall be locked-in from the Relevant Date up to a period of six months from the date of allotment granted by the Stock Exchange(s);

13. Undertaking

The Company shall re-compute the price of the warrants in terms of the provision of SEBI ICDR regulations where it is required to do so and if the amount payable on account of the re-computation of price is not paid within the time stipulated in SEBI ICDR regulations, the warrants shall continue to be locked- in till the time such amount is paid by the allottees.

It is hereby confirmed that neither the Company nor any of its Promoters or Directors are a willful defaulter.

The Board of Directors believes that the proposed preferential issue is in the best interest of the Company and its members. The Board recommends the resolution as set out in the accompanying notice for the approval of members as a Special Resolution.

None of the Directors, Key Managerial Person(s) of the Company including their relatives are, in any way, concerned or deemed to be interested in the proposed Resolution.

ITEM NO. 3. Approval of Employee Stock Option Policy

Members are requested to note that the success of the Company's objectives is largely determined by the quality of its work force and their commitment to achieve Company's objectives. It is recognized that not only good employment opportunities but also additional motivating mechanisms are needed to incentivize employees and aligning their interest with the interest of the Company.

The Board of Directors of the Company (hereinafter referred to as the 'Board', which term shall include the Nomination, Remuneration and Compensation Committee constituted by the Board or any other Committee which the Board may constitute to act as the 'Compensation Committee' under the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (the 'SEBI ESOP Regulations') or their delegated authority) has proposed "**Toyam Industries Limited Employee Stock Option Scheme 2020**" ("**Toyam ESOP 2020**"). As members are aware, employee stock option plans are considered as an effective tool to attract and retain the best talent and also serves to attract, incentivise and motivate professionals and reward exceptional performance.

The Board has approved on recommendation of the Nomination and Remuneration Committee, at their meeting held on 18th September, 2020 the number of equity shares to be issued and allotted under the ESOP Plan 2020 shall not exceed 4,36,00,000 (Four Crores Thirty Six Lakhs).

The salient features of the Toyam ESOP 2020 are set out below as per the SEBI circular:

1. Brief description of the Scheme - Toyam ESOP 2020

The Scheme is intended to reward the Employees performing par excellence of the Company, as an incentive to attract and retain the best available talent, to ensure long term commitment to the Company, to encourage individual ownership of the Company by such Employees recognized, to motivate them to contribute to the growth and development of the Company and thereby to achieve the ultimate objective of enhancing the enterprise value of the Company. In the opinion of the Board of Directors of the Company, the Scheme is a manifestation of the confidence reposed by the Company on such Employees of the Company and it is intended to serve as a testimony of the faith the Company has on the Employees and an opportunity to reward them for their outstanding services.

2. Total number of Options to be granted

A maximum of 4,36,00,000 (Four Crores Thirty Six Lakhs) stock options, subject to adjustments as may be required due to any corporate action. Each stock option is exercisable into 1 (one) equity share of the Company.

3. Identification of classes of employees entitled to participate in the Toyam ESOP 2020

To be decided by the Nomination & Remuneration Committee from time to time, in accordance with the Toyam ESOP 2020.

Following persons are not entitled to participate in the Toyam ESOP 2020:

- a) an employee / director who is a promoter or a person belonging to the promoter group; and
- b) a director who either by himself or through his relative(s) or through any body corporate, directly or indirectly, holds more than 10% of the outstanding equity shares of the Company.

4. Appraisal process for determining the eligibility under the Toyam ESOP 2020

The appraisal process for determining the eligibility shall be decided by the Board from time to time.

5. Requirements of vesting and vesting period and the maximum period within which the options shall be vested

As determined by the Nomination & Remuneration Committee in accordance with the Toyam ESOP 2020. Provided that there shall be a minimum period of one year between the grant of options and vesting of options.

6. Exercise price or pricing formula

Subject to the SEBI ESOP Regulations, the exercise price shall be decided by the Nomination and Remuneration Committee subject to a minimum of the face value per share per option.

7. Exercise period and the process of Exercise

Exercise Period would commence from the vesting date and would expire not later than 5 (Five) years from the date of grant of Options or such other period as may be decided by the Board.

The vested Options are exercisable by the Eligible Employees by a written application to the Company/ trust expressing his/ her desire to exercise such Options in such manner and on execution of such documents, as may be prescribed by the Board from time to time. The Options shall lapse if not exercised within the Exercise Period.

8. Lock-In Period

There will be no lock-in period in respect of the Shares, which may be issued/allotted on Exercise of the Options Granted pursuant to this Scheme. However, the transactions on the shares arising pursuant to exercise of options under an Employee Stock Option Scheme of the Company would be subject to the provisions of SEBI (Insider Trading) Regulations, 1992 and the Insider Trading code of the Company.

9. Implementation and administration of Toyam ESOP 2020

The Company shall directly implement and administer the Toyam ESOP 2020 through the Nomination & Remuneration Committee.

10. Issue of new shares or secondary acquisition

Company shall issue new shares on exercise of stock options under the Toyam ESOP 2020.

11. Accounting and Disclosure Policies

The Company shall comply with the accounting policies specified in the requirements on the guidance note on accounting for employees share based payments ('Guidance Note') or Accounting Standards as may be prescribed by the Institute of Chartered Accountants of India (ICAI) from time to time, including disclosure requirements prescribed therein.

12. Maximum number of Options to be issued per employee and in aggregate

The number of Options to be granted to an Eligible Employee under Toyam ESOP 2020 can be decided by the Board. However, the maximum number of Options that may be granted to Eligible Employee under the Toyam ESOP Plan 2020 shall not be more than 4,36,00,000.

13. Method of valuation of Options.

The Company shall follow the intrinsic value method for computing the compensation cost for the Options Granted. The difference between the compensation cost so calculated and the compensation cost that would have been recognised if the Company had used fair value method and its impact on the profits and earnings per share shall be disclosed as per Applicable Law, wherever required.

Members are requested to note that it is proposed to seek the approval of the Members of the Company in terms of Section 62(1)(b) of the Companies Act, 2013 read with Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014 for the introduction and implementation of the Toyam ESOP 2020.

The Board of Directors believes that the proposed ESOP is in the best interest of the Company and its members. The Board recommends the resolution as set out in the accompanying notice for the approval of members as a Special Resolution.

None of the Directors or Key Managerial Person(s) of the Company, including their relatives are in any way, concerned or deemed to be interested in the proposed Resolutions except to the extent of the stock options that may be granted to them as per the proposed resolution.

ITEM NO. 4 Grant of Stock options 1% or more of the issued share capital of the Company

Considering the scale of business of the Company and the responsibilities, contribution and on-going efforts of Mr. Mohamed Ali Budhwani, Managing Director of the Company, Mr. Kailash Yadav, Executive Director of the Company and Mr. Shuja Ali, Chief Operational Officer of the Company, the Board based on the recommendation of the Nomination and Remuneration Committee of the Company in their respective meetings held on September 18, 2020 has recommended for approval of the shareholders, the grant of stock options equivalent to or exceeding 1% of the current issued share capital of the Company, the details of which are mentioned in the proposed resolution as set out in Item No. 4 of this notice.

The Board of Directors believes that the proposed proposal is in the best interest of the Company and its members. The Board recommends the resolution as set out in the accompanying notice for the approval of members as a Special Resolution.

Except Mr. Mohamed Ali Budhwani, Managing Director of the Company, Mr. Kailash Yadav, Executive Director of the Company, None of the Key Managerial Person(s), Directors including their relatives are in any way, concerned or deemed to be interested in the proposed Resolution.

**By order of the Board of Directors,
Toyam Industries Limited**

**Sd/-
Pooja Chauhan
Company Secretary and Compliance Officer
Membership No: A48019**

Date: 18/09/2020

Place: Mumbai

Registered Office:

503, Shri Krishna Complex,
Opp. Laxmi Industrial Estate, New Link Road,
Andheri (W), Mumbai- 400053, Maharashtra
CIN: L74110MH1985PLC285384
Website: www.toyamindustries.com;
Email; info@toyamindustries.com | Contact No.: 022-67425111