

“श्री जी”



## National General Industries Ltd.

An ISO 9001 : 2015 Certified Company

CIN No. : L74899DL1987PLC026617

25<sup>th</sup> November, 2020

The Manager  
Department of Corporate Services  
Bombay Stock Exchange Ltd.  
25<sup>th</sup> Floor, P. J. Towers,  
Dalal Street,  
Mumbai – 400 001

Sub.: Notice of Postal Ballot through Electronic Voting  
Ref. : Scrip Code 531651

Dear Sir,

Further to our letter dated 24th November, 2020, we enclose, in terms of Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, a copy of the Postal Ballot Notice dated 23<sup>rd</sup> November, 2020 together with the Explanatory Statement thereto, seeking approval of the Members to sell or otherwise dispose of the whole or substantially the whole of one of the undertakings of the company.

You are requested to take note of the above.

Thanking you,  
Yours faithfully,  
For **NATIONAL GENERAL INDUSTRIES LTD.**

**VANDANA GUPTA**  
**COMPANY SECRETARY**  
Memb. No. : ACS 24012



• Engineering Steel • Rounds • Squares • Flats  
Regd Off 3<sup>rd</sup> Floor, Surya Plaza, K-185/1, Sarai Julena, New Friends Colony, New Delhi 110025  
Phone : + 91-11-49872442, 48 • E-mail : cs@modisteel.net  
Re-Rolling Unit : 9<sup>th</sup> Mile Stone, G.T. Road, Mohan Nagar, Ghaziabad – 201007  
Phone : + 91-120-4552920, +91-120-4552900  
**VISIT US AT : [www.modisteel.com](http://www.modisteel.com)**



**EXPANDING HORIZONS WITH QUALITY STEEL**

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**Tel. No.: 011-49872442, 48 E-mail : [cs@modisteel.net](mailto:cs@modisteel.net) Website : [www.modisteel.com](http://www.modisteel.com)**

### **POSTAL BALLOT NOTICE**

**(Pursuant to Section 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014)**

**NOTICE** is hereby given pursuant to Sections 108 and 110 of the Companies Act, 2013 (“the Act”) read with Rules 20 and 22 of the Companies (Management and Administration) Rules, 2014 (“the Rules”) as amended from time to time including any statutory modification(s) or re-enactment(s) thereof for the time being in force and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“the Listing Regulations”) and other applicable laws and regulations, if any, that the Company is seeking consent/approval of the members for the following proposal to be passed through Postal Ballot process as special resolution:

1. To sell, lease or otherwise dispose of the whole or substantially the whole of one of the undertakings of the company.

The Explanatory Statement setting out material facts concerning the resolution set out at Item No. 1, pursuant to Section 102 of the Act relating to the resolution is annexed. Postal Ballot Notice is placed on the website of, the Company [www.modisteel.com](http://www.modisteel.com), the BSE Ltd. [www.bseindia.com](http://www.bseindia.com) and the Central Depository Services India Limited (CDSL) [www.evotingindia.com](http://www.evotingindia.com), the e-voting agency.

The Company has engaged the services of Central Depository Services India Limited, (CDSL), to provide e-voting facility to the members. The Board of Directors has appointed Mr. Deepak Bansal of M/s. Deepak Bansal & Associates, Practicing Company Secretaries as the Scrutinizer for conducting the Postal Ballot / Electronic Voting process in a fair and transparent manner.

The Board of Directors of your Company has appointed Ms. Vandana Gupta, Company Secretary (ICSI Membership No.: A 24012), of the Company as the person responsible for the entire Postal Ballot process.

In view of the continuing restrictions in the country caused by outbreak of COVID – 19 and as per the guidelines issued by the Ministry of Corporate Affairs vide 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), the Notice would be sent in electronic mode only to all those shareholders who have registered their e-mail addresses with the Company or Depository Participant / Depository / Skyline Financial Services Private Limited, the Company’s Registrar & Transfer Agent (RTA). Further, the shareholders would have the option to vote only through remote e-voting and voting through physical ballot papers will not be provided.

E-voting facility is available at the link <https://www.evotingindia.com/> from Tuesday, December 1, 2020, 9.00 a.m. (IST) onwards to Wednesday, December 30, 2020, 5.00 p.m. (IST). Shareholders are requested to read carefully the e-voting instructions given in the Notes forming part of the Postal Ballot Notice, before logging into the e-voting link.

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Upon completion of the e-voting process, the Scrutinizer will submit his report to the Chairman / Managing Director / Director. The result of the Postal Ballot would be announced by a Director or the Company Secretary of the Company on or before January 6, 2021. The said results would be displayed at the Registered Office of the Company along with the Scrutinizer's report and will be intimated to the BSE Limited and displayed on the Company's website viz. [www.modisteel.com](http://www.modisteel.com) and also on the website [www.evotingindia.com](http://www.evotingindia.com) of the agency providing e-voting facility i.e. Central Depository Services (India) Limited ("CDSL"). The date of declaration of the result of the postal ballot shall be the date on which the appended resolution would be deemed to have been passed, if approved by requisite majority.

In case of any grievance or query, members may contact the RTA at Skyline Financial Services Private Limited, D-153 A, 1st Floor, Okhla Industrial Area, Phase I, New Delhi – 110020 Tel.: 011-26812682, 83 E-mail : [admin@skylinerta.com](mailto:admin@skylinerta.com).

### **SPECIAL BUSINESS**

#### **1. To sell, lease or otherwise dispose of the whole or substantially the whole of one of the undertakings of the company.**

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

**“RESOLVED THAT**, pursuant to the provisions of Section 180(1)(a) and Section 110 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, and subject to other applicable provisions, if any, of the Companies Act, 2013, (including any statutory modification or re-enactment thereof for the time being in force), the provisions of the Memorandum and Articles of Association of the Company, the provisions of the listing agreement entered into by the Company with the Stock Exchanges where the shares of the Company are listed, and such other approvals, consents and permissions from the appropriate authorities to the extent applicable and necessary, the consent of the Members be and is hereby accorded to the Board of Directors of the Company (hereinafter referred as the “Board” which term shall be deemed to include any Committee which the Board may have constituted or hereinafter constitute from time to time to exercise its powers including the power conferred by this resolution), to sell / transfer / dispose of its steel casting unit situated at SP-242, RIICO Industrial Area, Kaharani (Bhiwadi Extension), District Alwar, Rajasthan (“Undertaking”), together with all tangible assets, in relation to the said undertaking, on an “as is where is” basis or in any other manner as the Board may deem fit in the interest of the Company, to Gayatri Construction Machinery (“GCM”), District Alwar, Bhiwadi for a consideration of Rs. 14.20 Crores (Rupees Fourteen Crores and Twenty Lakhs) on such terms and conditions as may be deemed fit by the Board.

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**RESOLVED FURTHER THAT** the Board be and is hereby authorised and empowered to finalise and execute necessary documents including but not limited to definitive Agreements, deeds of assignment / conveyance and other ancillary documents, with effect from such date and in such manner as is decided by the Board to do all such other acts, deeds, matters and things as they may deem necessary and/or expedient to give effect to the above Resolution including without limitation, to settle any questions, difficulties or doubts that may arise in regard to sale and transfer of the Undertaking as they may in their absolute discretion deem fit.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to delegate all or any of the powers herein conferred, to any Committee of Directors or any one or more Directors of the Company with power to delegate to any Officers of the Company, with authorities as required, affixing the Common Seal of the Company on agreements/documents, arranging delivery and execution of contracts, deeds, agreements and instruments.”

By Order of the Board  
For National General Industries Limited

Sd/-

Vandana Gupta  
Company Secretary  
Membership No. ACS 24012

Place : New Delhi

Date : November 23, 2020

### NOTES:

- (i) The Postal Ballot Notice is being sent to the shareholders whose names appear in the Register of Members of the Company or in the Register of Beneficial Owners maintained by the Depositories as on November 20, 2020. In view of the continuing restrictions on movement of persons at several places in the country caused by outbreak of COVID – 19 and the MCA Circulars, the Postal Ballot Notice is being sent only in electronic mode to those shareholders who have registered their e-mail addresses with the Company or with the Depositories or with the Company’s RTA.
- (ii) Voting rights will be reckoned on the paid-up value of shares registered in the name of the Members on November 27, 2020 (cut-off date). Only those Members whose names are recorded in the Register of Members of the Company or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date will be entitled to cast their votes by e-voting. The voting shall be reckoned in proportion to a Member’s share of voting rights on the paid-up share capital of the Company as on the cut-off date. A person who is not a Member on the cut-off date should accordingly treat this Notice as for information purpose only.
- (iii) All the material documents referred to in the explanatory statement will be available for inspection at the Registered Office of the Company during office hours on all working days from the date of dispatch of the Notice till closing of the e-voting facility.

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### The instructions for shareholders for remote e-voting are as under:

- (a) The voting period begins on Tuesday, December 1, 2020, 9.00 a.m. (IST) onwards and ends on Wednesday, December 30, 2020, 5.00 p.m. (IST). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of November 27, 2020 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (b) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (c) Click on “Shareholders” module.
- (d) Now enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

OR

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

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

For Shareholders holding shares in DEMAT Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both DEMAT shareholders as well as physical shareholders) Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

- (h) After entering these details appropriately, click on “SUBMIT” tab.
- (i) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in DEMAT form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the DEMAT holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

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- (j) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (k) Click on the EVSN for the relevant National General Industries Limited on which you choose to vote.
- (l) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (m) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (n) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (o) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (p) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (q) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (r) Shareholders can also cast their vote using CDSL’s mobile app “m-Voting”. The m-Voting app can be downloaded from respective Store. Please follow the instructions as prompted by the mobile app while Remote Voting on your mobile.

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

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to **Company/RTA email id at [cs@modisteel.net](mailto:cs@modisteel.net) / [info@skylinerta.com](mailto:info@skylinerta.com).**
2. For Demat shareholders -, please provide DEMAT account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to **Company/RTA email id at [cs@modisteel.net](mailto:cs@modisteel.net) / [info@skylinerta.com](mailto:info@skylinerta.com).**

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

In the year 2009, your Company took strategic steps for business expansion and as part of the exercise the Company set up manufacturing plant for production of steel casting products. Accordingly, the Company established a state of the art manufacturing facility at Kaharani (Bhiwadi Extension), District Alwar, Rajasthan to produce steel casting products and commenced production in April, 2010.

However, in light of the changing economic scenario and due to increasing competitive environment the said Kaharani manufacturing facility became uncompetitive inspite of several initiatives such as launching of new products, substantial improvements in quality and service, cost reduction etc. taken by the company. All such efforts made by the Company could not improve the performance of the unit making it unviable.

As the unit is considered no longer viable, after considering various options, the Board of Directors of the Company, at its meeting held on November 23, 2020 has recommended to sell / dispose of its steel casting unit situated at SP-242, RIICO Industrial Area, Kaharani (Bhiwadi Extension), District Alwar, Rajasthan ("Undertaking") in the overall interest of stakeholders to Gayatri Construction Machinery ("GCM") District Alwar, Bhiwadi together with all specified tangible assets in relation to the said undertaking, on a slump sale basis on an "as is where is" basis for a consideration of Rs. 14.20 Crores (Rupees Fourteen Crores and Twenty Lakhs). The net proceeds from the sale of the said undertaking will be utilized to enhance the working capital of the Company or for general business purpose.

The sale of the said undertaking will not have any impact on the Company's existing business of steel re-rolling unit.

According to Section 180(1)(a) of the Companies Act, 2013, sale, lease or otherwise disposal of the whole or substantially the whole of an undertaking of the Company or where the Company owns more than one undertaking, of the whole or substantially the whole of any such undertaking, requires the approval of the shareholders by way of a special resolution, in the best interest of the Company.

In compliance with the applicable provisions of the Companies Act, 2013, Special Resolution as set out in the accompanying Notice is now being placed before the members for their approval. Your Directors recommend the passing of the resolution as Special Resolution.

None of the Directors and key managerial personnel of the Company or their respective relatives is concerned or interested in the said Special Resolution.

By Order of the Board  
For National General Industries Limited

Sd/-

Vandana Gupta  
Company Secretary  
Membership No. ACS 24012

Place : New Delhi

Date : November 23, 2020