



Avanti Feeds Limited

CIN: L16001AP1993PLC095778

Registered Office: H.No.3, Plot No.3, Baymount, Rushikonda, Visakhapatnam-530 045, Andhra Pradesh.

Corporate Office: G-2, Concorde Apartments, 6-3-658, Somajiguda, Hyderabad – 500 082, Telangana State.

Tel : (040) 23310260 / 261, Fax : (040) 23311604 Email: avantih@avantifeeds.com, website: www.avantifeeds.com

NOTICE

(Pursuant to Sec.110 of the Companies Act, 2013 read with Companies (Management & Administration) Rules, 2014)

Dear Member(s),

Notice is hereby given pursuant to section 110 of the Companies Act, 2013 (the "Companies Act") read with Companies (Management and Administration) Rules, 2014 (the "Rules") including any statutory modification or re-enactment thereof for the time being in force and pursuant to other applicable Laws and Regulations, that Avanti Feeds Limited (the "Company") is seeking consent of its members for the Special Business to be transacted through Postal Ballot for the following purposes:

- 1) Transfer of Shrimp Processing Business of the Company to Avanti Frozen Foods Private Limited, a wholly owned subsidiary of the Company.**
- 2) Sub-division of equity shares of the Company from Rs.10/- (Rupees ten only) each to Rs.2/- (Rupees two only) each.**
- 3) Alteration of Capital Clause of Memorandum of Association.**
- 4) Alteration of Capital Clause of Articles of Association.**

In terms of Sec.110 of the Companies Act read with the Rules, the items of business set out in this Notice can be passed by Postal Ballot. Accordingly, the Company is seeking approval of its members in respect of the above matter(s) through Postal Ballot. The Resolution(s) and the relevant Explanatory Statement(s) setting out the material facts and the reasons for the Resolution(s) are appended along with a Postal Ballot Form for your consideration.

Members may note that the Company is providing voting through Postal Ballot. Only shareholders entitled to vote are entitled to fill in the Postal Ballot form and send it to the Scrutinizer or vote through the e-voting facility offered by the Company. Any other recipient of this Notice who has no voting rights should treat this Notice as intimation only.

Sri V.Bhaskara Rao, Company Secretary in Practice, Hyderabad has been appointed by the Company as Scrutinizer for conducting the Postal Ballot process in a fair and transparent manner.

If you are voting through Postal Ballot Form, you are requested to carefully read the instructions in the accompanied Postal Ballot form and return the same along with Assent (FOR) OR Dissent (AGAINST) in the attached self addressed postage prepaid envelope so as to reach the Scrutinizer before 05.00 P.M. on 24-10-2015. Please note that any Postal Ballot form(s) received after the said date will be treated as not having been received.

E-Voting:

The Company is pleased to offer e-voting facility, in terms of Sec.108 of the Companies Act and the relevant Rules as well as in compliance with provisions of Clause 35B of the Equity Listing Agreement, as an alternate for its members, which would enable them to cast votes electronically, instead of dispatching Postal Ballots. E-voting is optional. The Company has engaged the services of Karvy Computershare Pvt. Ltd., Hyderabad for providing e-voting facility to the members. Members desiring to opt for e-Voting are requested to read and follow the instructions on e-voting enumerated in the notes to the Notice.

The voting through Postal Ballot/e-voting will commence **on Friday, the 25th September, 2015 at 09.00 A.M. and ends on Saturday, the 24th October, 2015 at 05.00 P.M.**

The Scrutinizer will submit his report to the Chairman & Managing Director of the Company after completion of the Scrutiny. The results of Postal Ballot will be announced on **Monday, the 26th October, 2015 at 05.00 P.M.** at the Registered Office of the Company. The resolution(s) will become effective on and from the date of announcement of result of the Postal Ballot. In addition to the results being communicated to Stock Exchanges, the results of the Postal Ballot along with the scrutinizers report will also be placed on the Company's website viz., www.avantifeeds.com and the website of the service provider, i.e., Karvy Computershare Pvt Ltd. The Board of Directors has appointed Sri A. Indra Kumar, Chairman & Managing Director and Sri C. Ramachandra Rao, Joint Managing Director, Company Secretary and CFO as persons responsible for the entire Postal Ballot Process.

SPECIAL BUSINESS:

- 1. Transfer of Shrimp Processing Business of the Company to Avanti Frozen Foods Private Limited, a wholly owned subsidiary 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 provisions of Sections 180(1)(a) and any other applicable provisions and relevant Rules applicable, if any, of the Companies Act, 2013, and any amendment thereto and applicable provisions of the Listing Agreement and subject to such consents, sanctions, permissions and approvals if any, as may be required, the consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as "the Board", which expression shall include a Committee thereof) to sell, dispose, hive-off and transfer the Shrimp Processing Business of the Company, together with all its assets and properties, whether tangible or intangible, employees, rights, liabilities / obligations of all nature related to the Shrimp Processing Business to its wholly owned subsidiary, Avanti Frozen Foods Private Limited [CIN: U05000AP2015PTC096509] (hereinafter referred to as the Transferee Company) on a going concern basis, by way of slump sale, at a value which shall not be lower than the net book value of the assets and liabilities of the Shrimp Processing Business to be transferred to Transferee Company on such terms and conditions as may be mutually acceptable and as may be deemed appropriate by the Board of Directors".

"RESOLVED FURTHER that for the purpose of giving effect to the above Resolution, the Board is hereby authorised to finalise and execute agreements and/or documents/papers as may be necessary and do all acts, deeds and things as are or may be expedient under the circumstances".

2. Sub-Division of equity shares of the Company from Rs.10/- (Rupees ten only) each to Rs. 2/- (Rupees Two) each:

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 Sec.13, 61 and other applicable provisions, if any, of the Companies Act, 2013 and the relevant rules made thereunder including the statutory modification(s) or re-enactment(s) thereof for the time being in force and Article 57 and other enabling provisions of the Articles of Association of the company and subject to such approvals, consents, permissions and sanctions as may be necessary from the authorities concerned, each equity share of nominal value of Rs. 10/- (Rupees Ten only) each of the company be sub-divided into 5 (Five) equity shares of nominal value of Rs. 2/- (Rupees Two only) each and consequently, the authorised share capital of the company of Rs.15,85,00,000 (Rupees Fifteen Crores Eighty Five Lakhs only) shall comprise of 7,92,50,000 (Seven Crores Ninety Two Lakhs Fifty Thousand only) equity shares of Rs.2/- (Rupees Two only) each”.

“RESOLVED FURTHER THAT pursuant to the sub-division of the equity shares of the Company, all the issued, subscribed and paid up equity shares of nominal value of Rs. 10/- (Rupees Ten only) each of the company existing on the record date to be fixed by the Company shall stand sub-divided into equity shares of nominal value of Rs.2/- (Rupees Two only) each fully paid up”.

“RESOLVED FURTHER THAT upon sub-division of equity shares as aforesaid, the existing share certificate(s) in relation to the existing equity shares of the nominal value of Rs.10/- (Rupees Ten only) each held in physical form shall be deemed to have been automatically cancelled and be of no effect on and from the “Record Date” to be fixed by the Company and Company may without requiring the surrender of existing share certificate(s) directly issue and dispatch the new share certificate(s) of the company, in lieu thereof, subject to the provisions of the Companies (Share Capital and Debentures) Rules, 2014 and in the case of members who hold the equity shares / opt to receive the sub-divided equity shares in dematerialised form, the sub-divided equity shares of nominal value of Rs.2/- (Rupees Two only) each shall be credited to the respective beneficiary account of the members with their respective depository participants and the Company shall undertake such corporate actions as may be necessary in relation to the existing equity shares of the Company”.

“RESOLVED FURTHER THAT the Board of Directors of the Company (“the Board”) (which expression shall also include a duly authorised Committee thereof) be and is hereby authorised to take such steps as may be necessary for obtaining approvals, statutory, contractual or otherwise in relation to the above and to settle all matters arising out of and incidental thereto and to execute all deeds, applications, documents and writings that may be required, on behalf of the Company and generally to do all such acts, deeds, matters and things and to give from time to time such directions as may be necessary, proper, expedient or incidental for the purpose of giving effect to this Resolution and to delegate all or any of the powers herein vested in the Board to any Director(s), Officer(s) of the Company as may be required to give effect to this above resolution”.

3. Alteration of Capital Clause of Memorandum of Association:

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

“RESOLVED THAT pursuant to Section 13 read with 61 and all other applicable provisions, if any, of the Companies Act 2013 and the rules made there under (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and subject to such other approval(s) from the concerned authorities, the existing Clause V of the Memorandum of Association of the Company be substituted with the following new Clause:

V. The Authorised Share Capital of the Company is Rs.15,85,00,000/- (Rupees Fifteen Crores Eighty Five Lakhs only) is divided into 7,92,50,000 (Seven Crores Ninety Two Lakhs Fifty Thousand only) equity shares of Rs.2/- (Rupees Two only) each with power for the Company to issue any part of its capital with or without any preferential, limitations, exclusions or any other things, terms and conditions and with power to vary, modify, amalgamate or abrogate all or any of such rights, privileges, preferences, deferments, limitations, exclusions or any other terms or conditions.

“RESOLVED FURTHER THAT the Board of Directors of the Company (“The Board”) which expression shall also include a duly authorised Committee thereof) be and is hereby authorised to take such steps as may be necessary for obtaining approvals, statutory, contractual or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto and execute all deeds, applications, documents and writings that may be required, on behalf of the company and generally to do all such acts, deeds, matters and things and to give, from time to time, such directions as may be necessary, proper, expedient or incidental for the purpose of giving effect to this Resolution and to delegate all or any of the powers herein vested in the Board, to any Director (s) or Officer(s) of the company as may be required to give effect to the above resolution”.

4. Alteration of Capital Clause of Articles of Association:

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

“RESOLVED THAT pursuant to Sec. 14 of the Companies Act, 2013 and all other applicable provisions if any of the Act and the relevant rules made there under, Article 4 of Articles of Association of the Company shall be substituted with the following:

The authorised share capital of the company is Rs.15,85,00,000/- (Rupees Fifteen Crores Eighty Five Lakhs only) divided into 7,92,50,000 (Seven Crores Ninety Two lakhs Fifty Thousand only) equity shares of Rs.2/- (Rupees Two only) each.

“RESOLVED FURTHER THAT the Board of Directors of the Company (“The Board”) which expression shall also include a duly authorised Committee thereof) be and is hereby authorised to take such steps as may be necessary for obtaining approvals, statutory, contractual or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto and execute all deeds, applications, documents and writings that may be required, on behalf of the company and generally to do all such acts, deeds, matters and things and to give, from time to time, such directions as may be necessary, proper, expedient or incidental for the purpose of giving effect to this Resolution and to delegate all or any of the powers herein vested in the Board, to any Director (s) or Officer(s) of the company as may be required to give effect to the above resolution”.

**By Order of the Board
For Avanti Feeds Limited**

**Place: Hyderabad
Date : 12th September 2015**

**A. INDRA KUMAR
CHAIRMAN & MANAGING DIRECTOR**

Notes:

1. Explanatory Statement and reasons for the proposed Special Businesses pursuant to Section 102(1) read with Section 110 of the Companies Act, 2013 are given hereunder.
2. All documents referred to in the Notice are open for inspection at the Registered Office of the Company during office hours on all working days.
3. The Notice is being sent to all the Members whose names would appear in the Register of Members / Record of Depositories as on Friday, the 18th September, 2015. Voting rights shall be reckoned on the paid-up value of the shares registered in the name(s) of members as on 18th September, 2015.
4. The notice is being sent to all the members by post / courier (and electronically by email to those members who have registered their email IDs with the Company), whose names appear in the Register of Members / Record of Depositories as on 18th September, 2015 and these will be considered for voting.
5. The dispatch of the Postal Ballot Notices will be completed by 25th September, 2015. The voting through Postal Ballot/e-voting will commence on 25.09.2015 at 09.00 A.M. and ends on 24.10.2015 at 05.00 P.M.
6. A member who has not received the Postal Ballot Form may request the Company for a duplicate form. The Postal Ballot Form/duplicate Postal Ballot Form duly completed in all respects, should reach the Scrutinizer before 5.00 P.M. on 24.10.2015. The Postal Ballot received after the said date will be treated as not having been received.
7. Resolutions passed by the members through Postal Ballots are deemed to have been passed effectively at a General Meeting of the Members. The Special Resolution shall be declared as passed, if the number of votes cast in favour of the Resolution is not less than three times the number of votes cast against the Resolution.
8. In compliance with the provisions of Section 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014, the Company has also extended e-voting facility as an alternate for its Members to enable them to cast their votes electronically instead of dispatching Postal Ballot Form.
9. The members have option to vote either through e-voting or through the physical Postal Ballot form. If a member opts for e-voting, then he/she should not vote by Postal Ballot also and vice-versa. However, in case members cast their vote, via physical Postal Ballot and e-voting, then voting through physical Postal Ballot shall prevail and voting done by e-voting shall be treated as invalid.
10. The Board of Directors of the Company has appointed Mr. V. Bhaskara Rao, Company Secretary in Practice, Hyderabad as Scrutinizer for conducting the Postal Ballot process in a fair and transparent manner and to receive and scrutinize the completed ballot papers from the Members. After completion of his scrutiny, the Scrutinizer will submit his report to the Chairman & Managing Director of the Company.
11. The Resolutions will be taken as passed effectively on the date of announcement of the result by the Chairman & Managing Director of the Company, if the result of the Postal Ballots indicates that the requisite majority of the Shareholders had assented to the Resolutions. The result of the Postal Ballot will be declared on 26.10.2015 at the Registered Office of the Company. After declaration, the results of the Postal Ballot along with the scrutinizers report will also be placed on the Company's website www.avantifeeds.com and the website of the service provider Karvy Computershare Pvt Ltd. besides communicating the same to Bombay Stock Exchange Limited and National Stock Exchange Limited where the shares of the Company are listed.
12. The Postal Ballot form and the postage prepaid self-addressed Business Reply Envelope are enclosed for use of members. Members are requested to carefully read the instructions printed on the backside of the Postal Ballot Form before exercising their vote.

PROCEDURE AND INSTRUCTIONS FOR E-VOTING

The procedure and instructions for e-voting are as follows:

- i) Open your web browser during the voting period and navigate to '<https://evoting.karvy.com>'
- ii) Enter the login credentials (i.e., user-id & password) mentioned on the Postal Ballot Form. Your folio/DP Client ID will be your User-ID.

User – ID	For Members holding shares in Demat Form:- a) For NSDI :- 8 Character DP ID followed by 8 Digits Client ID b) For CDSL :- 16 digits beneficiary ID For Members holding shares in Physical Form:- <u>Event No.</u> followed by Folio Number registered with the company
Password	Your Unique password is printed on the Postal Ballot Form / via email forwarded through the electronic notice
Captcha	Enter the Verification code i.e., please enter the alphabets and numbers in the exact way as they are displayed for security reasons.

- iii) Please contact our toll free No. **1-800-34-54-001** for any further clarifications.
- iv) The e-Voting period commences on 25.09.2015 at 09.00 A.M. and ends on 24.10.2015 at 05.00 P.M. E-voting module will be disabled after 5.00 P.M., on 24.10.2015 for E-voting by shareholders.
- v) After entering these details appropriately, click on "LOGIN".
- vi) Members holding shares in Demat/Physical form will now reach Password Change menu wherein they are required to mandatorily change their login password in the new password field. The new password has to be minimum eight characters consisting of at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character. Kindly note that this password can be used by the Demat holders for voting for resolution of any other Company on which they are eligible to vote, provided that Company opts for e-voting through Karvy Computershare Private Limited e-Voting platform. System will prompt you to change your password and update any contact details like mobile #, email ID etc., on 1st login. You may also enter the Secret Question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- vii) You need to login again with the new credentials.

- viii) On successful login, system will prompt to select the 'Event' i.e., 'Avanti Feeds Limited'.
- ix) If you are holding shares in Demat form and had logged on to "<https://evoting.karvy.com>" and casted your vote earlier for any company, then your existing login id and password are to be used.
- x) On the voting page, you will see Resolution Description and against the same the option 'FOR/AGAINST/ABSTAIN' for voting. Enter the number of shares (which represents number of votes) under 'FOR/AGAINST/ABSTAIN' or alternatively you may partially enter any number in 'FOR' and partially in 'AGAINST', but the total number in 'FOR/AGAINST' taken together should not exceed your total shareholding. If the shareholder do not want to cast his/her vote, select 'ABSTAIN'.
- xi) 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.
- xii) Once you 'CONFIRM' your vote on the resolution, you will not be allowed to modify your vote.
- xiii) Corporate/Institutional Members (Corporate /FIs/FIIs/Trust/Mutual Funds/Banks etc. are required to send scan (PDF format) of the relevant Board resolution to the Scrutinizer through e-mail to afpostalballot2015@avantifeeds.com with copy to evoting@karvy.com. The file containing scanned image of the Board Resolution should be in the naming format "Avanti Feeds Limited_ Event no."

Explanatory Statement :

(Pursuant to Sec.102 of the Companies Act, 2013)

Item No.1:

Presently, the Shrimp Processing Business is being carried on along with Shrimp Feed business. However, in order to improve the business efficacy and global recognition of Shrimp Processing Business, the Board considered it appropriate to segregate the Shrimp Processing Business from the existing combined activity and transfer the same to Avanti Frozen Foods Private Limited (a wholly owned subsidiary of Avanti Feeds Limited).

Accordingly, the Board decided to transfer company's shrimp processing business located at Gopalapuram Village and Ethakota Village, Ravulapalem Mandal, East Godavari District, Andhra Pradesh to Avanti Frozen Foods Private Limited (CIN: U05000AP2015PTC096509) (AFFPL), a wholly owned subsidiary of Avanti Feeds Limited at a value not less than the net book value of assets and liabilities of Shrimp Processing Business.

Section 180(1)(a) of the Companies Act, 2013 ("the Act") requires prior approval from the members through Special Resolution to sell, lease or otherwise dispose of the whole or substantially the whole of the company's undertaking and such approval has to be accorded through Postal ballot in terms of Section 110 read with relevant rules of the Companies Act, 2013.

The Board recommends Resolution No.1 of this Notice as Special Resolution for approval of the Members.

None of the Directors, Key Managerial Personnel of the Company and their relatives, except Sri A. Indra Kumar, Chairman and Managing Director and Sri C. Ramachandra Rao the Joint Managing Director of Avanti Feeds Limited both being Directors of Avanti Frozen Foods Private Limited, are concerned or interested, financially or otherwise, in the Resolution.

Item Nos.2, 3 & 4:

The authorized share capital of the Company is Rs.15,85,00,000/- divided into 1,58,50,000 equity shares of Rs.10/- each.

The paid up share capital of the company is Rs. 9,08,30,420/- (Rupees Nine Crores Eight Lakhs Thirty Thousand Four Hundred and Twenty only) divided into 90,83,042 equity shares of Rs. 10/- (Rupees ten) each.

As the members are aware the equity shares of your company are listed on the Bombay Stock Exchange and National Stock Exchange and are also regularly traded on the said Exchanges.

In order to improve the liquidity of the Company's shares, it is proposed to sub-divide the nominal value and paid-up value of (Authorised, Issued, Subscribed and paid-up) of the company from one equity share of Rs.10/- [Rupees ten only] each in to 5 equity shares of Rs. 2/- (Rupees Two only) each.

The aforesaid sub-division of equity shares of Rs 10/- each into equity shares of Rs. 2/- (Rupees Two only) each would require amendment to existing Capital Clause V of the Memorandum of Association and substitution of Clause 4 of Articles of Association of the company.

On approval of the Resolutions set out at Item Nos.2, 3 and 4, the Board of Directors shall fix the record date for the purpose of ascertaining the list of members whose shares shall be sub-divided, as proposed above and the same shall be notified to the members through appropriate medium.

Pursuant to the provisions of Section 13, Section 14 and Section 61 of the Companies Act, 2013 approval of the members is required for sub-division of shares and consequent amendment to Clause V of the Memorandum of Association and Clause 4 of Articles of Association.

The Board recommends the Resolutions at item No. 2, 3 and 4 of this Notice, for approval of the Members.

A copy of the Memorandum of Association and Articles of Association along with proposed amendments will be open for inspection by the Members at the Registered Office of the Company during business hours on all working days upto the declaration of Results of Postal Ballot.

None of the Directors, Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the Resolutions, except to the extent of equity shares held by them in the Company.

**By Order of the Board
For Avanti Feeds Limited**

**A. INDRA KUMAR
CHAIRMAN & MANAGING DIRECTOR**

**Place: Hyderabad
Date : 12th September 2015**