



ashima
LIMITED

Our Company was incorporated on June 17, 1982 as Ashima Syntex Private Limited under the Companies Act, 1956. Our Company was subsequently converted into a Public Limited Company and a fresh certificate of Incorporation was obtained from Registrar of Companies, Ahmedabad, Gujarat on August 26, 1988. Subsequently, the name was changed to Ashima Limited on January 27, 1999 pursuant to a fresh certificate of Incorporation consequent to change of name. The Corporate Identification Number is L99999GJ1982PLC005253. For details of change of name of our Company, please see the chapter "History and Other Corporate Matters" on page 36 of the Letter of Offer.

CIN: L99999GJ1982PLC005253

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Kind Attn: Investors/Shareholders

Attention of all the Investors/Shareholders/Applicants in the Rights Issue of equity shares by Ashima Limited is drawn to following important events in respect of recently concluded Rights issue of equity shares by the company.

ISSUE OF 8,00,85,089 EQUITY SHARES WITH A FACE VALUE OF ₹ 10 EACH FOR CASH AT PAR ("EQUITY SHARES") FOR AN AMOUNT AGGREGATING ₹ 8008.51 LACS ON A RIGHTS BASIS TO THE ELIGIBLE EQUITY SHAREHOLDERS OF ASHIMA LIMITED ("THE COMPANY" OR "THE ISSUER") IN THE RATIO OF 24 (TWENTY FOUR) EQUITY SHARES FOR EVERY 10 (TEN) FULLY PAID-UP EQUITY SHARES (24:10) HELD BY THE ELIGIBLE EQUITY SHAREHOLDERS ON THE RECORD DATE, THAT IS ON NOVEMBER 02, 2015 (THE "ISSUE"). THE ISSUE PRICE IS 1 TIME THE FACE VALUE. FOR FURTHER DETAILS, PLEASE SEE "TERMS OF THE ISSUE" ON PAGE 116 OF THE LETTER OF OFFER.

The Rights issue of the company opened on 18/11/2015 and closed for subscription on 02/12/2015.

We wish to inform you that the disclosures in respect of an outstanding litigation involving HDFC Bank Ltd. was made in the Letter of Offer dated 28/10/2015. In the same matter HDFC Bank Ltd. filed on 02/12/2015 a miscellaneous application at DRT-II, Mumbai in respect of its alleged claim against the company.

The Hon'ble DRT-II on said application passed following order dated 03/12/2015.

"Status-quo to be maintained till 17.12.15 on the amount deposited with the Respondent Nos. 1 & 2 pertaining to the 'Ashima Limited - Right Issue' mentioned in the letter of offer dated 28.10.2015, which is the amount collected from the Investors against shares. Defendant No.2 shall not withdraw any amount from that account and the Respondent Nos. 1 (ICICI Bank Ltd) & 2 (Yes Bank Ltd) are also restrained from releasing any amount in deposit till further orders." (Here Defendant No.2 is Ashima Limited - The Issuer Company)

• ICICI Bank Ltd. and Yes Bank Ltd., the Bankers to the issue, confirmed having noted the above order and accordingly maintaining the status quo by freezing all the accounts.

• The company made an urgent application before the Presiding Officer DRT-II on 09/12/2015 seeking rectification/modification of the original order dated 03/12/2015 pending the final disposal of original miscellaneous application. The company vide said application sought grant of relief enabling the Company and Bankers to the issue as well as Merchant Banker to complete the formalities/procedures as per SEBI circular no. CIR/CFD/DIL/3/2010 dated 22/04/2010 more particularly the refund of excess amount received from rights share applicants pursuant to the Letter of Offer dated 28/10/2015.

• There was no bar on completing the other process in respect of allotment in the Rights issue. The 'Basis of Allotment' has been finalized and same has been approved by the BSE Limited (BSE) on 11/12/2015.

• Subsequently, the Hon'ble DRT passed following orders on the above urgent application.

"Matter has been taken up on board today on the basis of preceipe (Ex 57) filed on 09.12.15 for urgent hearing. Def. No. 2 has filed I.A No 909/15 (Exh.58) in O.A. No. 110/05 praying therein that pending hearing and final disposal of I.A No. 887/15 (Exh 55), order passed below Exh 55 on 3/12/15 in the present O.A No. 110/05 may be suitably rectified/modified to enable Def. No. 2 & Respn. Nos 1 to 3 to complete all formalities/procedure as per SEBI Circular bearing No. CIR/CFD/DIL/3/2010 dated 22/4/10 more particularly the refund of excess amount received from rights share applicants pursuant to Letter of Offer dated 28/10/2015.

Heard Ld. Advocates appearing in the matter in view of the order dated 3/12/15, passed in Roznama, which is quite specific and explicit, the prayer of the Defendant No. 2 for any rectification/modification in the said order is not fit to be entertained. Hence, the prayer as sought for, is hereby rejected. The next date in the O.A has already been fixed on 17/12/15 for hearing of both the parties."

• In terms of the SEBI regulations on finalization of Basis of Allotment, Company/Registrar to the issue is required to complete following major activities besides other things.

• Passing on instructions to ASBA Banks for release of money to the Rights issue account.

• Credit of shares to all the successful applicants.

• Sending intimation of allotment to all the successful applicants.

• Submitting relevant documents in terms of SEBI regulations for seeking listing/trading permission from the stock exchanges where the shares are listed.

However, in terms of the above orders of the Presiding Officer DRT, the Company/Registrar/Lead Manager to the issue are required to maintain a Status Quo till 17/12/2015 or such other date as may be intimated by them. As per the prescribed timelines, refund in respect of the Rights issue is required to be completed on 15/12/2015 (i.e. T+10) and trading of the equity shares issued in terms of the Rights issue is to be commenced on 17/12/2015 (i.e. T+12). The company & Registrar to the issue would not be in a position to adhere to the aforesaid timelines on account of above order.

The Company has filed an Appeal with the Debt Recovery Appellate Tribunal (DRAT) against the said order. We are awaiting for the further developments in this matter to take appropriate steps. The relevant disclosures on the matter were made to the designated stock exchange time to time by the Company. All the concerned are requested to note the above developments & bear with us. The Company will take all the steps in the best interest of the applicants/shareholders within the orders of statutory authorities and applicable rules/regulations of SEBI & Stock Exchanges as regards refund/allotment & listing/trading.

Place : Mumbai

Date : December 15, 2015

For Ashima Limited

On behalf of the Board of Directors

Sd/-

Hiren S. Mahadevia

Company Secretary and Compliance Officer