

NOTICE

NOTICE is hereby given that the Extra Ordinary General Meeting of the members of **M/s. Goyal Associates Limited** will be held as under:

DAY: SATURDAY

VENUE: 215, SAKAR-2, NEAR ELLISBRIDGE

DATE: 7th FEBRUARY, 2015

CORNER, AHMEDABAD-380006

TIME: 4.00 P.M.

To transact the following business:

SPECIAL BUSINESS:

ITEM NO.1:

TO CONSIDER THE REDUCTION OF CAPITAL OF THE COMPANY, WITH OR WITHOUT MODIFICATION, AS A SPECIAL RESOLUTION.

“**RESOLVED THAT** pursuant to Section 100-104 of the Companies Act, 1956 (Section 66 of the Companies Act, 2013), and subject to the confirmation by the High Court of Judicature at Ahmedabad, in the state of Gujarat, the consent of the Company be and is hereby given to the reduction of the paid-up share capital of the Company with effect from appointed date i.e. 31/03/2013 from Rs. 50,750,000/- (Rupees Five Crore Seven Lacs Fifty Thousand Only) divided into 50750000 (Five Crore Seven Lacs Fifty Thousand Only) fully paid up Equity Shares of Rs. 1/- (Rupee one Only) each to Rs. 2,537,500/- (Rupees Twenty five Lacs Thirty Seven Thousand five Hundred Only) divided into 2537500 (Twenty five Lacs Thirty Seven Thousand five Hundred) Equity Shares of Rs.1/- (Rupee One Only) and such reduction be effected by cancelling and extinguishing Rs. 48,212,500/- (Rupees Four Crore Eighty Two Lakhs Twelve Thousand five Hundred only) against the paid up equity share capital of Rs. 50,750,000 (Rupees Five Crore Seven Lacs Fifty Thousand Only) which is unrepresented by available assets and the number of the existing shares be proportionately reduced constituting up to Ninety-Five per cent (95%) of the issued and paid-up share capital of the Company.

RESOLVED FURTHER THAT after reduction of the capital of the company, the paid up capital of the company be re-organised subject to such rights, privileges and conditions attaching thereto as are provided by the Memorandum and Articles of Association of the company and the Board be and hereby authorized to implement, modify, amend and alter the REDUCTION OF CAPITAL of the company in accordance with the Order of the Hon'ble high Court judicature at Ahmedabad in the state of Gujarat and such other authorities, Stock Exchange, Government, Registrar, the Securities and Exchange Board of India .

RESOLVED FURTHER THAT Mr. Vinay Agrawal- Managing Director of the company is be and hereby authorized to sign, verify submit necessary applications under the Listing Agreement, SEBI Act, 1992 and all other applicable regulation, Companies Act, 2013 and any other authority for the purpose of giving effect to the above mentioned reduction of capital and to do all such acts and deeds as he may deem fit and proper to carry out the reduction of capital.

AND RESOLVED FURTHER THAT the Board of Directors of the company be and is hereby authorized to move the petition/application to the High Court judicature at Ahmedabad for an order confirming the aforesaid reduction.

ITEM NO. 2:

TO CONSIDER THE WITH OR WITHOUT MODIFICATION TO DEAL WITH FRACTIONAL SHARES AND IMPLEMENTATION REDUCTION OF CAPITAL OF THE COMPANY - AS A SPECIAL RESOLUTION.

“**RESOLVED THAT** on account of reconstruction/restructuring of capital, no shareholder shall hold any fractional shares in the Company and accordingly fractional shares, if any, caused by the reconstruction/restructuring of capital and shall be rounded off to the nearest whole number.

RESOLVED FURTHER THAT after reduction, the capital of the company will not exceed Rs. Rs. 2,537,500/- (Rupees Twenty Five Lacs Thirty Seven Thousand five Hundred Only) divided into 2537500 (Twenty Five Lacs Thirty Seven Thousand five Hundred) Equity Shares of Rs.1/- (Rupee One Only).

RESOLVED FURTHER THAT every shareholder of the Company, whose name appears on the Register of Members on the Record Date and post reduction of capital, shall receive 1 (one) Equity Share of Rs.1/- (Rupees One each Only) in lieu of every 10 (Ten) Equity Shares of Rs.1/- (Rupees One Only) each, held earlier(Prior to reduction) in the Company.

RESOLVED FURTHER THAT Mr. Vinay Agrawal - Managing Director of the company, be and is hereby authorized to sign, verify submit necessary applications under the Listing Agreement, SEBI Act, 1992 and all other applicable regulations, Companies Act, 2013 and any other authority for the purpose of giving effect to the above mentioned reduction of capital, listing and trading of new capital and to do all such acts and deeds as he may deem fit and proper to carry out the reduction of capital.

RESOLVED FURTHER THAT for the purpose of giving effect to the reduction of capital and as per the direction of Hon'ble High Court with judicature at Ahmedabad and/or such other authorities, Stock Exchange, Government, Registrar, the Securities and Exchange Board of India, the Board be and is hereby authorized to:

A. fix the Book Closure/Record Date to give effect to the reduction of capital;

B. make necessary application to the depositories including NSDL/CDSL and Registrar and Share Transfer Agent; and

C. issue new share certificates in accordance with Companies (Share Capital and Debentures) Rules, 2014; and

D. Listing and trading application to stock exchange(s).

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and it is hereby authorised to do all such acts, deeds, matters and things as it may, in its discretion, deem necessary”

AND RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to give effect the changes and take appropriate steps to intimate the CDSL / NSDL, BSE and other statutory authorities and call back the existing share certificates from the share holders or issue fresh new set of certificates as deem fit and proper or to give effect the changes in the physical shares, issue new share certificates with a new set of distinctive numbers and certificate numbers in the aforesaid proportion under intimation to CDSL / NSDL, BSE and other statutory authorities, and subject to the rules as laid down in the Companies (Share Capital and Debentures) Rules, 2014 and the Articles of Association of the Company.

Date: 8-1-2015

Place: Ahmedabad

By Order of the Board

Sd/-

(VINAY AGRAWAL)

Managing Director

DIN: 03133446

NOTES:

1. A member entitled to attend and vote at this meeting may appoint a proxy to attend and vote on a poll on his behalf. A proxy need not be a member of the company. Proxies in order to be effective must be received at the Registered Office of the company not less than Forty Eight hours before the meeting.

2. Members are requested to notify any correction /change in their name /address including Pin Code number immediately to the Companies Register/ Depository Participant .In the event of non - availability of Members latest address either in the Companies records or in Depository Participant's records, members are likely to miss notice and other valuable correspondence sent by the company.

3. Members are requested to kindly mention their Folio Number/ Client ID Number (in case of demat shares) in all their correspondence with the Companies Registrar to enable prompt reply to their queries.

4. Members are requested to bring the Notice of the meeting along with the Attendance slip with them duly filled in and hand over the same at the entrance of the Meeting Hall.

5. All documents referred to in the accompanying Notice are open for inspection at the registered office of the Company on all working days, Monday to Friday between 11.00 A.M. to 1.00 P.M.

6. Members who are holding shares in identical order of names in more than one folio are requested to send to the Company the details of such folios together with the share certificates for consolidating their holdings in one folio. The share certificates will be returned to the members after making requisite changes thereon.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 IN RESPECT OF THE SPECIAL BUSINESS SET OUT IN THE NOTICE CONVENING THE EXTRA ORDINARY GENERAL MEETING.

ITEM NO. 1 & 2: REDUCTION OF CAPITAL BETWEEN GOYAL ASSOCIATES LIMITED AND ITS SHAREHOLDERS UNDER SECTION 100-104 OF THE COMPANIES ACT 1956 (SECTION 66 THE COMPANIES ACT 2013)

**REDUCTION OF CAPITAL
BETWEEN
GOYAL ASSOCIATES LIMITED AND ITS SHAREHOLDERS
UNDER SECTION 100- 104 OF THE COMPANIES ACT 1956
(SECTION 66 THE COMPANIES ACT 2013)**

PART- I

Object:

1. Reduction of Share capital of M/s. Goyal Associates Limited;

1. DEFINITIONS

In this Scheme, unless repugnant to or inconsistent with the meaning or context thereof, the following expressions shall have the following meanings:

- 1.1 **Act** or **the Act** means the Companies Act, 1956 including any statutory modifications, re-enactments or amendments thereof. (Section 66 of the Companies Act, 2013 yet to be notified)
- 1.2 **Appointed Date** means 01.04.2014 or such other date as may be approved by the High Court at Ahmedabad or such other appropriate authority.
- 1.3 **Capital Loss** means the accumulated losses available to Goyal Associates Limited to be set off against its future profits;
- 1.4 **Company** means M/s. GOYAL ASSOCIATES LIMITED, a company registered under the Companies Act, 1956 and having its registered office at 215 Sakar-2, Ahmedabad, Gujarat – 380006 herein after referred as GAL.
- 1.5 **Designated Stock exchange** means BSE (The Bombay Stock Exchange Limited) However the Company is listed with Ahmedabad Stock Exchange also.
- 1.6 **The Court** shall mean the Hon'ble High Court at Ahmedabad, in the State of Gujarat;
- 1.7 **The Effective Date** for the Scheme of Arrangement shall mean the date on which certified copies of the Order of the Hon'ble High Court of Gujarat under Section 100-104 of the Companies Act, 1956 (Section 66 of the Companies Act, 2013) and other applicable provisions of the Companies Act, if any, are filed with the Registrar of Companies, Gujarat and if the certified copies are filed on different dates, the last of such dates.
- 1.8 **Record Date** means the date to be fixed by the Board of Directors or a committee of the Company for the purpose of determining the members of the Company whose shares in the Company will stand reduced pursuant to this Scheme and allotment of New Shares as per the scheme after reduction of capital.
- 1.9 The words **shareholder** and **member** are used to denote the same meaning and are used interchangeably;

2. DATE OF TAKING EFFECT

- i. The Reduction of Capital shall be operative from the Appointed Date but shall be effective from the Effective Date.

PART- II
CAPITAL STRUCTURE

4. The share capital of **GAL** as on March 31, 2014 is as under:

Share Capital	Amount in Rs.
Authorised: 64,000,000 equity shares of Re. 1/- each	64,000,000/-
Issued, subscribed and paid-up: 50,750,000 equity shares of Re. 1/- each fully paid up	50,750,000/-

Balance Position as on March 31, 2014

Particulars	AS AT 31-03-2014
<u>I. EQUITY AND LIABILITIES</u>	
(1) Shareholders' Funds	
(a) Share Capital	50,750,000
(b) Reserves and Surplus	(64,334,539)
(2) Non-Current Liabilities	
(a) Deferred Tax Liability (Net)	74,161
(3) Current Liabilities	
(a) Short Term Borrowings	63,650,000
(b) Trade Payables	-
(c) Other Current Liabilities	44,663
(d) Short term Provisions	145,032
Total	50,329,317
<u>II. ASSETS</u>	
(1) Non-Current Assets	
(a) Fixed Assets	
- Tangible Assets	1,072,572
(b) Deferred Tax Assets (Net)	-
(2) Current assets	
(a) Inventories	6,618,272
(b) Trade Receivables	439,000
(c) Cash and Cash Equivalents	558,917
(d) Short-Term Loans and Advances	41,640,556
Total	50,329,317

4.1. OBJECT OF THE COMPANY

The Present objects of the Company are:

1. To carry on the business of importing, exporting, purchasing, selling, whether wholesale or retail and whether manufacturing or otherwise of all kinds of metals, (whether iron, brass, copper, steel, aluminum, alloys, stainless steels, monel metal, gold, silver, platinum or any other kind of Metals, metal items, chemicals, petrochemicals, precious stones (whether diamond, emerald, ruby, sapphire, pearls or any other stones) and goods and articles made out of the above items or any products derived in the course of the preparation or treatment of any kind of metals, stones, chemical, petrochemicals.
2. To make, draw, issue, accept, endorse, discount, buy, sell and deal in promissory notes, bills of exchange, hundies, cheques, debentures, bonds coupons and other negotiable instruments, securities, advances, deposit or loan money on security, to finance for shares applications through " stock Invest", to buy, sell, discount and deal in promissory notes, bills of exchange, hundies, warrants, coupons, or other negotiable or transferable securities or chose-in-action of other documents and to invest guarantee or become liable for payment of money or for performance of any obligation or to stand surety and generally to transact all kinds of business of indemnity and guarantee and to execute all kinds of trust and carry on all kinds of agency business.
3. To carry on the business of Leasing and Hire Purchase of Plant and Machinery, Motor Vehicles, Household Utility Articles. Entertainment Articles and other assets capable of being hired or leased, acting as merchants and agents, merchant bankers. Financiers, Investors, depositors, lenders of money either with or without interest or security. However the company shall not do any banking business as defined under the Banking Companies Regulations Act, 1949.
4. To purchase or otherwise acquire, construct, sell, dispose off, manage, turn to account and deal in real and personal property of all kinds and in particular lands, buildings, hereditments, business concerns, undertakings, mortgages, charges, annuities, patents, license, concessions, options, policies, book debts, claims, merchandise and other property in India or else- where and civil construction of commercial and residential buildings, markets, hospitals and public and private work of all kinds.

4.2. NBFC STATUS

As per Section 45I of the RBI Act, the Company is a registered non-deposit taking NBFC. The Reserve Bank of India, vide its letter Ref. DNBS (AH) No. 2053/01.10.311/2013-14; dated 14-3-2014 has enquired about the erosion of Net worth of the Company and steps to be taken up by the company for regularization of Net worth to the stipulated level.

5. REDUCTION OF SHARE CAPITAL

- 5.1 As on 31st March, 2014 , the accumulated losses of the Company was of Rs.6,44,08,313/- (Rupees Six Crore Forty-Four Lacs Eight Thousand Three Hundred & thirteen Only)
- 5.2 On the effective date and after securing necessary approvals and permissions, the Company will set off accumulated losses of Rs. 48,212,500/- (Rupees Four Crore Eighty Two Lakhs Twelve Thousand five Hundred only) against the paid up capital of the Company of Rs. 50,750,000 (Rupees Five Crore Seven Lacs Fifty Thousand Only) with effect from the appointed date.
- 5.3 As a result of the reduction the Subscribed and Paid-up Share Capital of the Company shall stand reduced from Rs. 50,750,000/- (Rupees Five Crore Seven Lacs fifty Thousand Only) divided into 5,0750,000 (Five Crore Seven Lacs fifty Thousand Only) fully paid up Equity Shares of Rs. 1/- (Rupee One Only) each, to Rs. 2,537,500/- (Rupees Twenty-Five Lacs Thirty Seven Thousand five Hundred Only) divided into 2,537,500 (Twenty five Lacs Thirty Seven Thousand five Hundred) Equity Shares of Rs.1/- (Rupees One Only).

6. FRACTION OF SHARES

The reconstruction/restructuring of capital shall not cause any shareholder to hold any fractional shares in the Company. In respect of the fractional shares, if any, caused by the reconstruction/restructuring of capital, the same shall be rounded off to the nearest whole number. For example if shareholder will hold 15.4 shares after reconstruction of capital, it shall be rounded off to 15 shares and the 0.4 shares shall be ignored. However, if the shareholder will hold say 15.5 shares, it shall be rounded off to 16 shares. For the purpose of rounding off, in case it is required, then the promoters will offer their holdings for reduction to the nearest rounding off.

As an integral part of this Scheme and upon coming into effect of the Scheme of Reduction of capital the issued, subscribed and paid up share capital of the Company shall be reduced by canceling a sum of Rs. 0.95/- (ninetyfive paisa) from every paid up share of Rs.1/- and thereafter consolidating 1 Equity Shares of Rs.1/- each as fully paid up capital in the Company i.e. after reduction the capital of the company will be of 2,537,500 (Twenty Five Lacs Thirty Seven Thousand five Hundred) fully paid equity shares of Rs.1/- each aggregating to Rs. 2,537,500 /-(Rupees Twenty five Lacs Thirty Seven Thousand five Hundred Only).

7. EFFECT OF THE REDUCTION OF CAPITAL

The proposed reconstruction / restructuring of capital by reduction of paid up capital against accumulated losses shall be reflected in the books of Accounts of the Company, on the effective date, in the following manner.

Particulars	Prior to the Scheme of Arrangement	Proposed Reduction of capital against “accumulated loss” as per Scheme	Capital After the Scheme of Arrangement as on the Effective Date(Rs.)
Number of Equity Shares	50,750,000	48,212,500	2,537,500
Value of each share (Rs.)	1	1	1
Total paid up share Capital (Rs.)	50,750,000	48,212,500	2,537,500
Profit & Loss A/c: (Rs.)	(64,408,313)	(48,212,500)	(16,195,813)

8. The share holding pattern of the Company, upon the approval of Scheme shall be in the following manner: There will be no change of shareholding pattern on account of Reduction of capital of the company.

Particulars	Prior to the Scheme of Arrangement		Scheme Post reduction	
	No. of Shares	% to Total	No. of Shares	% to Total
1. Promoters holding*				
Promoter’s Associates, Directors friends and relatives	5000	0.01	250	0.01
Bodies Corporate	--	--	--	--
Total(A)	5000	0.01	250	0.01
OTHERS				
FI/Institutions / Mutual Funds etc.	150,000	0.30	7500	0.30
NRIs /OCBs	273,170	0.53	13659	0.53
Domestic Co.	22257531	43.86	1112876	43.86
Others/General Public	28064299	55.30	1403215	55.30
Others	--	--	--	--
Total(B)	50745000	99.99	2537250	99.99
Grand Total (c)= (A) + (B)	50750000	100	2537500	100

9. JUSTIFICATION OF THE REDUCTION OF CAPITAL

- 9.1 The Company has been incurring losses for past couple of years due to business Loss . The accumulated losses of the Company as on 31st March, 2014 which amounted to Rs. 6,44,08,313 /- (Rupees Six Crore Forty-Four Lacs Eight Thousand Three Hundred & thirteen Only) which has wiped off the net worth of the Company. Since the Net worth of the company has fallen below the stipulated level, the Reserve Bank of India has asked the company to refrain from carrying out any fresh Non-banking financial business. The company is also unable to raise any finance either from PRIVATE placement, capital markets or financial institutions whether in the form of equity or debt, to undertake business activities on a larger scale. This proposed reduction of capital would enable the company to show the actual financial position in its balance sheet to depict the true representing Assets value which in turn will enable it to approach for financial assistances in order to develop its business and thereby increase its net worth so as to enhance the stakeholders' value.
- 9.2 In view of the accumulated losses and erosion of more than 100% Net worth, the Company is not in position to undertake any projects cum trading business and NBFC activities due to paucity of Capital & working capital. Because of Negative Net worth, the Company was also not able to raise any loans from Financial Institutions, which is essential for expanding its business activities.

10. OBJECTS / BENEFITS ARISING OUT OF THE SCHEME:

- 1.) The Company has incurred heavy losses and has an eroded Net Worth; Full implementation of the aforesaid Scheme would help the company realize the stipulated minimum Net Worth required for carrying out fresh NBFBI business as per the RBI norms;
- 2.) The Scheme would result in making the company's Net worth realistic;
- 3.) This will enable the Company to overcome its financial difficulties and improve its working in the future;
- 4.) Will give a way for future financial re-arrangement that will improve and ensure enhancement of its shareholders' value; and
- 5.) This will help the revival of the Company, which will be in the interests of its employees, shareholders and the public at large.

PART- IV

11. IMPACT OF THE SCHEME ON EMPLOYEES/ WORKERS

The Scheme shall not have any adverse impact on the employees/workers of the Company.

12. IMPACT OF THE SCHEME ON SECURED CREDITORS / BANKS / FINANCIAL INSTITUTIONS.

12.1. As on date there are no secured creditors, however there are unsecured creditors who have accorded their consent to the scheme to reduction.

12.2. The company has no loan or credit facilities from Banks / Financial Institutions.

13. LEGAL PROCEEDINGS

The Scheme would not affect any legal or other proceedings by or against the Company.

14. PENDING CONVERTIBLE WARRANTS INTO EQUITY SHARES

There were no convertible warrants in to equity shares pending for allotment in transferee or transferor companies. Also, no instrument is pending for allotment.

15. PARTLY PAID UP SHARES

The Company does not have any partly paid up shares as on date.

16. CANCELLATION OF SHARES

All the present share capital of the company are free shares. Upon this Scheme becoming finally effective, all the shareholders, if so required by the Company, shall surrender their share certificates for cancellation

thereof. Notwithstanding anything to the contrary, upon the issue of the new share certificates in the Company to the Shareholders whose names shall appear in the Register of Members of the Company on such Record Date fixed as aforesaid, the old share certificates held by them in the Company shall be deemed to have been automatically cancelled and cease to be negotiable and be of no commercial or legal value, on and from the Record Date. In the case of shares held in dematerialized and electronic form, the required procedure for reflecting the change in the holdings of the members of the Company, as a consequence of the sanctioning of this Scheme, shall be adopted for making the necessary alterations in the Depository Accounts of the shareholders.

17. STATUTORY COMPLIANCES

Pursuant to this Scheme of reduction, the Company shall file the requisite forms with the Registrar of Companies, Stock Exchanges & other Statutory and other authorities.

18. APPLICATION TO THE HIGH COURT OF GUJARAT

This reduction of share capital as contemplated by Article 52 of the Company's Articles of Association. Approvals of the shareholders and of the Hon'ble High Court, Ahmedabad, pursuant to this Scheme under section 100-104 of the Companies Act, 1956 (Section 66 of the Companies Act, 2013) and other applicable provisions of the Act are being sought as a measure of legal compliance, transparency and prudence including the matters referred at the preamble.

19. MODIFICATIONS / AMENDMENTS OF THE SCHEME

The Company, by its Directors (including a Committee of Directors constituted for this purpose), may effect or assent to any modification or amendment of the Scheme which the Court and/or any other authorities under law may deem fit to direct or impose or which may otherwise be considered necessary or desirable by the Board of Directors of the Company for settling any question or doubt or difficulty that may arise for implementing and/or carrying out the Scheme or otherwise as may be considered by the Board to be in the best interest of the Company and its members and do all acts, deeds and things as may be necessary, desirable or expedient for giving effect to the Scheme.

PART- V

20. THIS SCHEME IS SPECIFICALLY CONDITIONAL UPON AND SUBJECT TO:

- 20.1 The approval of the Scheme will be by the requisite majorities as under section 100-104 of the Companies Act, 1956 (Section 66 of the Companies Act, 2013) and other applicable provisions of the Act for calling meetings and necessary resolutions being passed under the said Act for the purpose;
- 20.2 The sanction of the Hon'ble High Court of Judicature of Gujarat at Ahmedabad being obtained under section 100-104 of the Companies Act, 1956 (Section 66 of the Companies Act, 2013) and other applicable provisions of the Act, if any, by the Company.

21. EFFECT OF NON-RECEIPT OF APPROVALS / SANCTIONS

- 21.1 In the event of any of the aforesaid sanctions and approvals not being obtained and/or not being sanctioned by the High Court at Ahmedabad and/or the order or orders not being passed as aforesaid, the Scheme shall become null and void.
- 21.2 If, in the opinion of the Board of Directors of the Company, any part of the Scheme is found to be unworkable for any reason whatsoever, the same shall not affect the validity or implementation of other parts or provisions of the Scheme.

PART-VI

22. LISTING OF SHARES:

Notwithstanding the reduction of Capital of the Company in pursuance of this Scheme, the listing benefit of the Company, for the existing shares on all or any of the Stock Exchanges where the existing Equity Shares

of the Company are listed may continue and the company will comply the applicable provisions of the Listing Agreement with the Stock Exchange.

23. Notwithstanding the reduction of capital of the Company in pursuance of this Scheme, the Company shall not be required to add the words "And Reduced" to its name as the last words thereof.

COMPLAINT REPORT AS PER ANNEXURE III

Format for Complaints Report:

Part A

Sr.No.	Particulars	Number
1.	Number of complaints received directly	NIL
2.	Number of complaints forwarded by Stock Exchange	NIL
3.	Total Number of complaints/comments received (1+2)	NIL
4.	Number of complaints resolved	NIL
5.	Number of complaints pending	NIL

Part B

Sr.No.	Name of complainant	Date of complaint	Status (Resolved/Pending)
1.	Not Applicable	NA	NA
2.	Not Applicable	NA	NA
3.	Not Applicable	NA	NA

For **GOYAL ASSOCIATES LIMITED**

Sd/-

DIRECTOR

OBSERVATION LETTER ISSUED BY THE STOCK EXCHANGE

December 05, 2014

The Company Secretary
Goyal Associates Ltd.
U 215, Sakar-2,
Near Ellisbridge Corner,
Ahmedabad,
Gujarat 380 006.

Dear Sir / Madam,

Sub: Observation letter regarding the Scheme of Reduction of Capital of Goyal Associates Limited.

We are in receipt of Scheme of Reduction of Goyal Associates Limited.

The Exchange has noted the confirmation given by the Company stating that the scheme does not in any way violate or override or circumscribe the provisions of the SEBI Act, 1992, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996, the Companies Act, 1956, the rules, regulations and guidelines made under these Acts, and the provisions of the Listing Agreement or the requirements of BSE Limited (BSE).

As required under SEBI Circular No. CIR/CFD/DIL/5/2013 dated February 4, 2013 & SEBI Circular No. CIR/CFD/DIL/8/2013 dated May 21, 2013; SEBI has vide its letter dated December 03, 2014, given the following comment(s) on the draft scheme of arrangement:

- ***Shareholding Pattern submitted by the company is displayed from the date of receipt of this letter on the website of the company along with various documents submitted pursuant to the said Circulars.***
- ***Company shall duly comply with various provisions of the Circulars.***

Accordingly, we hereby convey Exchange's 'No-objection' with limited reference to those matters having bearing on listing/ delisting/ continuous listing requirements within the provisions of the Listing Agreement, so as to enable you to file the scheme with the Hon'ble High Court.

Further, you are also advised to bring the contents of this letter to the notice of your shareholders, all relevant authorities as deemed fit, and also mention the same in your application for approval of the scheme of arrangement submitted to the Hon'ble High Court.

The Exchange reserves its right to withdraw its No-objection/approval at any stage if the information submitted to the Exchange is found to be incomplete / incorrect / misleading / false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Agreement, Guidelines/Regulations issued by statutory authorities.

Further pursuant to the above SEBI circulars upon sanction of the Scheme by the Hon'ble High Court, the listed company shall submit to the stock exchange the following:

- g. Copy of the High Court approved Scheme;
- h. Result of voting by shareholders for approving the Scheme;
- i. Statement explaining changes, if any, and reasons for such changes carried out in the Approved Scheme vis-à-vis the Draft Scheme;
- j. Status of compliance with the Observation Letter/s of the stock exchanges;
- k. The application seeking exemption from Rule 19(2)(b) of SCRR, 1957, wherever applicable; and
- l. Complaints Report as per Annexure II of this Circular.

Yours faithfully,


Nitin Pujari
Manager


Lalit Phatak
Asst. Manager

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NOTES ON E-VOTING:

1. In terms of Sections 107 and 108 of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014, the Company is providing its members the facility to exercise their right to vote at the meeting by electronic means on any or all of the businesses specified in the accompanying Notice. Necessary arrangements have been made by the Company with CDSL to facilitate e-voting. E-voting is optional and members shall have the option to vote either through e-voting or in person at the General Meeting.

The procedure and instructions for voting through electronic means are as follows:-

- a) Open your web browser during the voting period and log on to the e-voting website www.evotingindia.com.
- b) Now click on "Shareholders" to cast your votes.
- c) Shareholders maintaining their holding in Demat form, Enter your User ID (For CDSL: 16 digits beneficiary ID, For NSDL: 8 Character DP ID followed by 8 Digits Client ID). Members holding shares in Physical Form should enter Folio Number registered with the Company and then enter the Image Verification as displayed and Click on "Login"
- d) If you are holding shares in Demat form and had logged on to www.evotingindia.com and casted your vote earlier for EVSN of any company, then your existing password is to be used. If you are a first time user follow the steps given below:
- e) Fill up the following details in the appropriate boxes:

For Members holding shares in Demat 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) 1. Members who have not updated their PAN with the company/Depository participants are requested to use the first 2 letters of their name and 8 digits of the sequence number which is mentioned in address label affixed on annual report, in the PAN field. 2. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the 1st two characters of the name in capital letters. eg: If your name is Ramesh Kumar with sequence number 1 enter 'RA00000001' in the PAN field.
DOB#	Enter the Date of Birth as recorded in your demat account or in the Company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details #	Enter the Dividend Bank Details as recorded in your demat account or in the Company records for the said demat account or folio.

Please enter the DOB or dividend bank details in order to login.

In case either of the details are not recorded with the depository please enter the member ID/Folio No. in the Dividend Bank details field.

- f) After entering these details appropriately, click on "SUBMIT" tab.
- g) Members holding shares in physical form will then reach directly the Company selection screen. However, members 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.
- h) For Members holding shares in physical form, the details can be used only for e- voting on the resolutions contained in this Notice.
- i) Click on the EVSN for the relevant "**Goyal Associates Limited**" on which you choose to vote.
- j) 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.
- k) Click on the "Resolutions File Link" if you wish to view the entire Resolutions.

- l) 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.
- m) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- n) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- o) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- p) Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporate. They should submit a scanned copy of the registration form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.
- q) The e-voting period begins on 5th February, 2015 at 9.00 a.m. and ends on 6th February, 2015 at 9.00 a.m. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the 31st December, 2014 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- r) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.co.in under help section or write an email to helpdesk.evoting@cdslindia.com.
- s) The Company has appointed M/s. Ramesh Chandra Mishra & Associates, Practicing Company Secretaries (C.P. No. 5477) as the Scrutinizer for conducting the e-voting process in fair and transparent manner.
- t) A copy of this notice has been placed on the website of the Company and the website of CDSL.
- u) In case of Members who are entitled to vote but have not exercised their right to vote by electronic means, the Chairman of the Company will order a poll on his own motion or on demand at the Meeting in terms of Section 109 of the Companies Act, 2013 for all businesses specified in the accompanying Notice.

ATTENDANCE SLIP

Extra Ordinary Meeting on 7th February, 2015

I hereby record my presence at the Extra Ordinary General Meeting of the Company to be held at 215, Sakar-2, Near Ellisbridge Corner, Ahmedabad-380006, on Saturday, 7th February, 2015 at 4 p.m.

Name of the Member: _____

Folio / Client ID No. _____

Name of the Proxy /Representative (in Block Letters)

(To be filled in if the Proxy / Representative attends

Instead of the Member) _____

Signature of the Member or Proxy /Representative _____

FORM OF PROXY

[Pursuant to Section 105 (6) of the Companies Act, 2013 read with Rule 19 (3) of the Companies (Management and Administration) Rules, 2014]

Name of the Member(s):
Registered address:
E-mail:
Folio No./ Client ID:
DP 1D*:

We are being the member(s) of _____ of M/s. Goyal Associates Limited.

(1) Name: _____

Address : _____

Email Id: _____

Signature: _____ or failing him

(2) Name: _____

Address: _____

Email Id: _____

Signature: _____ or failing him

(3) Name: _____

Address: _____

Email Id: _____

Signature: _____

as my/our proxy to attend and vote (on a poll) for me/us and on my/behalf at the Extra Ordinary General Meeting of the Company to be held on Saturday, 7th February, 2015 at 4 p.m. at 215, Sakar-2, Near Ellisbridge Corner, Ahmedabad-380006 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution Item no.	Particulars	For	Against
	Special Business		
1)	To consider and approve the Reduction of Capital		
2)	To consider and approve the fractional shares and implementation of reduction of capital of the company		

As witness my/our hand(s) this _____ day of _____ 2015

Signature of Shareholder _____

Signature of proxy holder(s) _____

Affix Re.1 Revenue Stamp

Notes:

1. The form should be signed across the stamp as per specimen signature registered with the Company.
2. The Proxy Form must be deposited at the Registered Office of the Company not less than 48 hours before the time fixed for holding the Meeting.
3. A Proxy need not be a Member