



The Ultimate Grip

AKAR AUTO INDUSTRIES LTD. (Formerly known as Akar Tools Ltd.)

E-5, M.I.D.C. Waluj, Aurangabad - 431 136 (M.S.) INDIA
Phone : (0240) 6647200, Fax : 91-240-2554640,
Web Site : www.akartoolsltd.com,
E-Mail : factory@akartoolsltd.com,

CIN No.: L29220MH1989PLC052305



26th November, 2020

To,
Corporate Relations Department,
Bombay Stock Exchange Limited,
Phiroz Jeejeebhoy Tower,
Dalal Street, Fort,
MUMBAI – 400001

Subject: Intimation of Postal Ballot and Cut-off Date

Reference: Scrip Code- 530621, Scrip ID- AAIL

Dear Sir / Madam,

This is to inform you that the Company has, pursuant to Sections 108 and 110 of the Companies Act, 2013 read with Rules 20 and 22 of the Companies (Management and Administration) Rules, 2014, Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, General Circular No. 14/2020 dated 8th April, 2020, General Circular No. 17/2020 dated 13th April, 2020, General Circular No. 22/2020 dated 15th June, 2020 and General Circular No. 33/2020 dated 28th September, 2020 (the "MCA Circulars"), dispatched Post Ballot Notice dated 13th November, 2020, for seeking consent/approval of the members of the Company for the following business to be passed through Postal Ballot process.

1. Approval for Material Related Party Transactions.

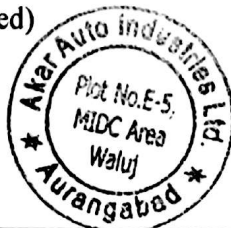
In view of the current extraordinary circumstances due to COVID-19 pandemic requiring social distancing and in compliance with the requirements of the MCA Circulars, dispatch of notice of Postal Ballot was made on 26th November, 2020 only to the members who have registered their e-mail addresses with the Company / RTA or their respective Depository Participants. Further, the members are required to communicate their assent or dissent through the remote e-voting system only. The voting through remote e-voting shall commence on Tuesday, 1st December, 2020 at 9.00 a.m. (IST) and ends on Wednesday, 30th December, 2020 at 5.00 p.m. (IST). The Board has appointed Mr. Nitin S. Sharma, Practicing Company Secretary, Aurangabad, as Scrutinizer for the entire Postal Ballot process and results of Postal Ballot will be declared on Friday, 1st January, 2021, by the Chairman or any Director authorized by him through Company's website www.akartoolsltd.com.

Company has considered Friday, 20th November, 2020 as the cut-off date for determining eligible members to participate in the postal ballot process.

Postal Ballot Notice dispatched to the members of the Company is attached herewith for the record of the Stock Exchange.

Thanking You,
Yours Truly,
For Akar Auto Industries Limited
(Formerly known as Akar Tools Limited)

Mitlesh Gadhiya
Company Secretary





AKAR AUTO INDUSTRIES LIMITED
(Formerly known as Akar Tools Limited)

Regd. Office: 304, Abhay Steel House, Carnac Bunder, Baroda Street, Mumbai – 400009. (India)

Tel: (022)23481083, Fax: 91-22-23483887,

Corp Office: E-5, MIDC, Waluj, Aurangabad – 431136 (M.S) India

Tel: (0240)6647200, Fax: 91-240-2554640

Website: www.akartoolsltd.com Email: corporate@akartoolsltd.com CIN No. L29220MH1989PLC052305

POSTAL BALLOT NOTICE

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

TO THE MEMBERS OF THE COMPANY,

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:

1. Approval for Material Related Party Transactions.

The Statement setting out material facts concerning the resolution set out at Item No. 1 of the Postal Ballot Notice dated 13th November, 2020, pursuant to Section 102 of the Act relating to the resolution is annexed. Postal Ballot Notice dated 13th November, 2020, is placed on the website of the Company www.akartoolsltd.com, the BSE Ltd., www.bseindia.com and the Central Depository Services (India) Limited (“CDSL”) www.evotingindia.com, the e-voting agency.

The Board of Directors of your Company has appointed Mr. Sunil Todi, Managing Director (DIN:00061952) and Mr. Mitesh Gadhiya, Company Secretary (ICSI Membership No.: F10000), of the Company as the persons responsible for the entire Postal Ballot process.

The Company has engaged the services of CDSL, to provide e-voting facility to the members. The Board of Directors vide their resolution dated 13th November, 2020, have appointed Mr. Nitin S. Sharma (ICSI Membership No. F8518), Nitin S. Sharma & Associates, Company Secretaries in Practice, Aurangabad, as Scrutinizer for scrutinizing the e-voting 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, General Circular No. 22/2020 dated June 15, 2020 and General Circular No. 33/2020 dated 28th September, 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 / Bigshare Services Pvt. Ltd., 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 will be available at the link <https://www.evotingindia.com/> from Tuesday, 1st December, 2020, 9.00 a.m.(IST) onwards to Wednesday, 30th December, 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.

The Scrutinizer will submit his report to the Chairman / or any other Director authorized by the Chairman, of the Company after completion of the scrutiny on 1st January, 2021. Based on the Scrutinizer's Report, the results of the e-voting will be declared on 1st January, 2021, at the Company's Registered Office at 304, Abhay Steel House, Baroda Street, Carnac Bunder, Mumbai - 400009, through the website of the Company viz., www.akartoolsltd.com, either by the Chairman or any other Director authorized by the Chairman in this regard. Voting results along with the Scrutinizer's Report will be made available on the Company's website www.akartoolsltd.com under the section 'Investor Relations' and will be forwarded to the Stock Exchange(s) where the Company's shares are listed and also made available on the website of CDSL. The resolution, if passed by requisite majority, will be deemed to be passed on the last date specified for e-voting i.e. 30th December, 2020. In case of any grievance or query, members may contact the RTA at Bigshare Services Private Limited, 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis Apt., Marol Maroshi Road, Andheri East, Mumbai – 400059, E-mail: investor@bigshareonline.com, Phone : 022-62638200.

SPECIAL BUSINESS:

Resolution No. 1

Approval for Material Related Party Transactions.

To consider and, if thought fit, to pass the following resolution as Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of the Regulation 23 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 188 of the Companies Act, 2013 read with the Companies (Meeting of Board and its Powers) Rules, 2014 as applicable and any amendments thereto and subject to such other approvals, consents, permissions and sanctions of any authorities as may be necessary, consent of the Company be and is hereby accorded to the Board of Directors to ratify/ approve all existing contracts / arrangements/ agreements and to enter into contract(s)/ transaction(s) with R. L. Steels & Energy Limited and Akar Industries Private Limited, related parties within the meaning of the aforesaid law, the value of which either singly or all taken together may exceed ten per cent of the annual turnover of the Company as per audited financial statements of the Financial Year 2019-20; having the following details and as detailed in the Explanatory Statement annexed hereto:

Sr. No.	Name of Related Party	Nature of Transaction	Period of Contract / Arrangement	Amount (Rs. In Lakhs)
1	R. L. Steels & Energy Limited	Sale of Scrap / Others	1 st April 2020 to 31 st March 2021	2,500.00
		Purchase of Raw Material		15,000.00
2	Akar Industries Private Limited	Purchase of Raw Material	1 st April 2020 to 31 st March 2021	6,000.00

RESOLVED FURTHER THAT the Board be and is hereby authorized to take such steps as may be necessary for obtaining approvals, statutory or contractual, in relation to the above and be authorized to approve aforesaid transactions and the terms & conditions thereof.

RESOLVED FURTHER THAT the Board be and is hereby authorised on behalf of the Company to do all such acts, deeds and things, to sign, execute all such documents, instruments in writing on an on-going basis as may be required in its absolute discretion pursuant to the above Resolution."

By order of the Board

Date: 13th November 2020
Place: Aurangabad

Sd/-
MITESH GADHIYA
(Company Secretary)

NOTES:

1. The statement as required under Section 102 of Companies Act, 2013 is appended to this Notice.

1. 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 20th November, 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.

2. The Notice is also available on the Company's website www.akartoolsltd.com

3. The Members who have not yet registered their email address are requested to get their email addresses registered and cast their votes through e-voting, in accordance with the procedure set out below:

(a) Members who have not registered their email address and in consequence could not receive the evoting notice may get their email addresses registered, by sending an email to corporate@akartoolsltd.com, along with scan copy of the PAN card / Adhaar of the member. A confirmation email shall be sent to such members for registering their email addresses. Post successful registration of the email address, the Member would get soft copy of the Notice and the procedure for e-voting for this postal ballot. In case of any queries, the Member may write to the Company at corporate@akartoolsltd.com.

(b) Please note that for permanent registration of email address, Members shall register their email addresses, in respect of electronic holdings with their concerned depository participants by following due procedure. Kindly note that steps taken by Members in respect of physical holdings as enunciated in point 3(a) above shall be sufficient for permanent registration of their email addresses.

(c) Members who have already registered their email address are requested to keep their email addresses validated with their depository participants / the Company's Registrar and Share Transfer Agent, for receiving future communications in electronic form to their email address.

4. Voting rights will be reckoned on the paid-up value of shares registered in the name of the Members on 20th November, 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. A person who is not a Member on the cut-off date should accordingly treat this Notice as for information purpose only.

5. The instructions for members for voting electronically are as under:-

(a) The voting period begins on 1st December, 2020 at 9.00 a.m. IST and ends on 30th December, 2020 at 5.00 p.m. IST. During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. 20th November, 2020 may cast their vote electronically. The e-Voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the Member, he/she shall not be allowed to change it subsequently or cast vote again.

(b) The shareholders should log on to the e-Voting website www.evotingindia.com.

(c) Click on "Shareholders/Members" tab.

(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. Members holding shares in Physical Form should enter Folio Number registered with the Company.

(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 and voted on an earlier 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 Members 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) <ul style="list-style-type: none">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. <ul style="list-style-type: none">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 (d).

(h) After entering these details appropriately, click on "SUBMIT" tab.

(i) Members holding shares in physical form will then directly reach 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.

(j) For Members 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 Akar Auto 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 demat account holder has forgotten the login password, then enter the User ID and the "Image Verification Code" and click on Forgot Password and enter the details as prompted by the system.
- (r) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (s) Notes for non-individual Shareholders and Custodians:
Non-individual shareholders (i.e. other than individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and signature of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details, a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be emailed to helpdesk.evoting@cdslindia.com and on approval of the accounts, they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney, which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the Scrutinizer to verify the same.
- (t) In case you have any queries or issues regarding remote e-Voting, you may refer the Frequently Asked Questions ("FAQs") and e-Voting manual available at www.evotingindia.com under Help Section or write an email to helpdesk.evoting@cdslindia.com.

Explanatory Statement pursuant to Sections 102 and 110 of the Companies Act, 2013 ("the Act")

Item No.1

Pursuant to Section 188 of the Companies Act, 2013 ("the Act"), read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, the Company is required to obtain consent of the Board and prior approval of the members by resolution in case certain Related Party Transactions exceed such sum as is specified in the rules. The aforesaid provisions are not applicable in respect transactions entered into by the Company in the ordinary course of business on an arm's length basis.

However, pursuant to regulation 23(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, approval of the shareholders through Ordinary Resolution is required for all 'material' related party transactions (RPT) even if they are entered into in the ordinary course of

business on an arm's length basis. For this purpose, a RPT will be considered 'material' if the transaction / transactions to be entered into individually or taken together with previous transactions during a financial year exceeds 10% of the annual consolidated turnover of the Company as per the last audited financial statements of the Company. The transactions to be entered into by the Company, together with transactions already entered into by the Company with R. L. Steels & Energy Limited and Akar Industries Private Limited, during the financial year 2020-21, even though are in the ordinary course of business and on an arm's length basis, are estimated to exceed 10% of the annual turnover of the Company as per the audited financial statements of the Company of the year ended 31st March, 2020:

Sr. No.	Name of Related Party	Name of Director / KMP who is related	Nature of Relationship	Any other relevant information for the members
1	R. L. Steels & Energy Limited	Mr. R. L. Gupta	Mr. R. L. Gupta and Mr. N. K. Gupta are Directors and also hold more than 2 percent shares of R. L. Steels & Energy Limited.	The transactions are in the ordinary course of business and are at an arm's length basis.
		Mr. N. K. Gupta		
2	Akar Industries Private Limited	Mr. N. K. Gupta	Mrs. Usha Gupta, relative of Mr. N. K. Gupta, is Director of Akar Industries Private Limited.	

The above transactions are approved by the Audit Committee as per the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In view of the above, it is proposed to seek approval of the members of the Company through an Ordinary resolution for the above transactions and the related parties are abstained from voting on the resolution as set out at Item No. 1.

None of the Directors or Managers or Key Managerial Persons of the Company or their relatives, except Mr. R. L. Gupta and Mr. N. K. Gupta, are in any way deemed to be concerned or interested, financially or otherwise, in the resolution as set out in Item No. 1 of the Notice.

Mr. R. L. Gupta holds 16.75% shares in R. L. Steels & Energy Limited and 9.06% shares in Akar Industries Private Limited.

Mr. N. K. Gupta holds 8.23% shares in R. L. Steels & Energy Limited and 8.88% shares in Akar Industries Private Limited.

Your Directors recommend an Ordinary Resolution as set out in Item no. 1 of the Notice for the approval of Members.

By order of the Board

Sd/-

**MITESH GADHIYA
(Company Secretary)**

**Date: 13th November 2020
Place: Aurangabad**