20 MICRONS™
L I M I T E D

347, GIDC Industrial Estate, Waghodia - 391760, Dist. Vadodara, Gujarat, India.

15th February, 2013

TO:

BOMBAY STOCK EXCHANGE LTD.
Department of Corporate Services
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai – 400 001.
SCRIP CODE : 533022

NATIONAL STOCK EXCHANGE OF INDIA LTD.
Listing Department
Exchange Plaza, Bandra – Kurla Complex,
Bandra [East], MUMBAI – 400 051.
SCRIP CODE : 20 MICRONS

Dear Sirs,

Re: Ordinary & Special Resolutions to be passed by Postal Ballot.

This is to inform you that the Members of the Company will consider to approve the Ordinary & Special Resolutions, as detailed in the enclosed Notice and Explanatory State dated 8th February, 2013, by Postal Ballot in terms of the provisions of the Companies Act, 1956.

Dispatch of the Notice, Explanatory Statement, Postal Ballot Form and self addressed Business Reply Envelope for the above has been completed on 15.02.2013 and specimen copy of each of the same are enclosed for your ready reference and records.

We request you to arrange to take note of the above.

Thanking you,

Yours faithfully
20 Microns Limited

20 MICRONS LTD. GUJARAT BARODA.

Nikunj Savaliya
Company Secretary

Encl.: As above.

20 MICRONS™
LIMITED
Registered Office: 9/10, GIDC Industrial Estate, WAGHODIA – 391 760 Dist. Vadodara, Gujarat, India.
Ph. : 02668 – 264077 **Website:** www.20microns.com **E-mail:** investors@20microns.com

NOTICE OF POSTAL BALLOT

(Pursuant to Section 192A(2) & other applicable provisions of the Companies Act, 1956)

To
The Members of 20 Microns Limited

NOTICE IS HEREBY GIVEN pursuant to Section 192A & other applicable provisions of the Companies Act, 1956, read with the Companies (Passing of the Resolution by Postal Ballot) Rules, 2011 that it is proposed to transact the business by passing resolutions through Postal Ballot:

PROPOSED RESOLUTIONS:

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Item: 1
To consider and if thought fit, to give assent/dissent the following resolution as **Ordinary Resolution**:

"RESOLVED THAT pursuant to section 293(1)(a) and section 192A read with Companies (passing of the resolution by postal ballot) Rules, 2011 and other applicable provisions, if any of the Companies Act, 1956, (the "Act') and the rules made there under, consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as "the Board" which terms shall deem to include any Committee thereof), to sell, transfer and/or otherwise dispose off the Undertakings of the Company located at Bhuj - Gujarat, Udaipur – Rajasthan, Beawer – Rajasthan, Plot 253-254 & 256, Waghodia – Gujarat, Nandesari – Gujarat, Tirunelvelli Part – Tamilnadu and Haldwani – Uttaranchal, which caters to Calcined Clay, China Clay and Talc Mineral Products (hereinafter referred to as "the Undertakings") for cash consideration together with all the employees as well as assets and liabilities of the said Undertakings including all licenses, permits, consents and approvals whatsoever on a going concern basis by way of Sale/Transfer or otherwise to Silicate Minerals (I) Pvt. Ltd. (or such other name as may be approved by the Registrar of Companies in this regard), a wholly-owned subsidiary of the Company at such consideration and with effect from such date as they deem appropriate.

RESOLVED FURTHER THAT the Board/Committee of Directors be and is hereby authorized with power to finalize the terms and conditions of the sale of the Undertakings as well as the methods or modes thereof and to execute all the required documents including agreements, memorandum, deeds of assignments / conveyance and any other documents with such modifications as may be required from time to time and to do all such acts, deeds, matters and things as may be deemed necessary and/or expedient for completion of the transaction as aforesaid in the best interest of the Company."

Item: 2
To consider and if thought fit, to give assent/dissent the following resolution as **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 81(1A) and other applicable provisions, if any, of the Companies Act, 1956 (including any amendments thereto or re-enactment thereof), the provisions of Chapter VIII of the SEBI (Issue of Capital and Disclosure Requirements) Regulations 2009 ("SEBI ICDR Regulations") and such other applicable provisions, the Board may at its absolute discretion, issue, offer and allot Equity Shares or any other financial instruments / Securities either convertible and/or non-convertible into Equity shares or giving the holder a right to subscribe to Equity whether attached to other securities or otherwise or any other securities (hereinafter collectively referred to as **"Securities")** or any combination thereof, whether secured by way of charge on the assets of the Company or unsecured as may be decided by the Board, in one or more tranches of public and /or private offerings and /or qualified institutional placement and/ or on preferential allotment basis or any combination thereof through issue of prospectus and/or placement document and/or other permissible /requisite offer document, to any eligible person up to the amount of Rs. 30 Crores (as defined by the SEBI ICDR Regulations) whether or not such investors are existing members of the Company and such Securities shall be fully paid up pursuant to a Qualified Institutional Placement, in accordance with the provisions of Chapter VIII of the SEBI ICDR Regulations and the relevant date for the determination of applicable price for the issue of the Securities means the date of the meeting in which Board of Directors decides to open the proposed issue and such securities shall be fully paid up and the allotment of such securities shall be completed within 12 (twelve) months from the date of the shareholders resolution approving the proposed issue or such other time as may be allowed by the SEBI ICDR Regulations and approved by the Board of Directors from time to time, at such price being not less than the price determined in accordance with the pricing formula of the afore-mentioned SEBI ICDR Regulations and on such terms and conditions as may be deemed appropriate by the Board at its absolute discretion and wherever necessary in consultation with Lead Managers in accordance with the applicable laws, rules, regulations and guidelines prevailing in this regard."

"RESOLVED FURTHER THAT no allotment of equity shares in breach of the maximum permissible limit set for FII investment into the company shall be made and that the allotment of equity shares shall comply with all the applicable rules and regulations in this regard."

"RESOLVED FURTHER THAT in pursuance of the aforesaid resolutions:

(a) The Securities to be so offered, issued and allotted shall be subject to the provisions of the Memorandum and Articles of Association of the Company; and

(b) The relevant date for the purposes of determining the floor price of the Securities in accordance with the SEBI ICDR Regulations would be the date in which the Board decides to open the proposed issue.

(c) The Equity Shares proposed to be issued shall rank pari passu in all respects including entitlement to dividend with the existing equity shares of the Company.

"RESOLVED FURTHER THAT the pricing of any Equity Shares issued upon the conversion of the Securities shall be made subject to, and in compliance with the applicable rules and regulations and such price shall be subject to appropriate adjustments in the applicable rules/ guidelines/ statutory provisions."

"RESOLVED FURTHER THAT the issue to the holders of the Securities underlying the Securities, which are convertible into or exchangeable with Equity Shares at a later date shall be, inter alia, subject to the following terms and conditions:

(a) in the event of the Company making a bonus issue by way of capitalization of its profits or reserves prior to the allotment of the Securities, the number of Equity Shares to be allotted shall stand augmented in the same proportion in which the Equity Share capital increases as a consequence of such bonus issue and the premium, if any, shall stand reduced pro rata;

(b) in the event of the Company making a rights offer by issue of Equity Shares prior to the allotment of the Securities, the entitlement to the Equity Shares will stand increased in the same proportion as that of the rights offer and such additional Equity Shares shall be offered to the holders of the Securities at the same price at which the same are offered to the existing shareholders;

(c) in the event of merger, amalgamation, takeover or any other re-organization or restructuring or any such corporate action, the number of Equity Shares, the price and the time period as aforesaid shall be suitably adjusted;

(d) in the event of consolidation and/or division of outstanding shares into smaller number of shares (including by the way of stock split) or re-classification of the Securities into other securities and/or involvement in such other event or circumstances which in the opinion of concerned stock exchange requires such adjustments, necessary adjustments will be made."

"RESOLVED FURTHER THAT without prejudice to the generality of the above, subject to applicable laws and subject to approvals, consents, permissions, if any, from any governmental body, authority or regulatory institution including any conditions as may be prescribed in granting such approval or permissions by such governmental authority or regulatory institution, the aforesaid securities may have such features and attributes or any terms or combination of terms that provide for the tradability and free transferability thereof in accordance with the prevailing practices in the capital markets including but not limited to the terms and conditions for issue of additional Securities."

"RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution and any other, issue and allotment of Securities, the Board be and is hereby authorized to take all such actions, give directions and to do all such acts, deeds and things as may be necessary, desirable or incidental thereto and matters connected therewith including without limitation the determining the form and manner of the issue, including the class of investors to whom the Securities are to be issued and allotted, number of Securities to be allotted, issue price, face value, premium amount on issue/conversion of the Securities, if any, in respect of any Securities as may be required either on pari- passu basis or otherwise as it may in its absolute discretion deem fit and to settle all questions, difficulties or doubts that may arise in regard to the issue, offer or allotment of Securities and utilization of the issue proceeds as it may in its absolute discretion deem fit without being required to seek any further consent or approval of the members or otherwise to the end and intent that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution, enter into arrangements including arrangements for the Lead Managers, Underwriters, Registrars, Stabilizing Agent, Trustees, Bankers, Advisors and all such agencies as may be involved or concerned in such offerings of Securities and to remunerate them by way of commission, brokerage, fees or the like and also to enter into and execute all such arrangements, agreements, memoranda, documents etc. with such agencies and to seek the listing of such Securities on one or more stock exchange(s) (national or international) and to do all requisite filings with SEBI, the Government of India, the RBI, if required and any other concerned authority in India or outside, and to give such directions that may be necessary or arise in regard to or in connection with any such offer, issue proceeds, as it may, in its absolute discretion, deem fit and any such action, decision or direction of the Board shall be binding on all shareholders."

"RESOLVED FURTHER THAT the Board be and is hereby authorized to issue and allot such number of Equity Shares as may be required to be issued and allotted upon conversion of any Securities or as may be necessary in accordance with the terms of the offering all such Equity Shares ranking pari passu with the existing Equity Shares of the Company in all respects, except the right as to dividend which shall be as provided under the terms of the issue and in the offer documents."

Registered Office: -
9/10, GIDC Industrial Estate,
Waghodia – 391760
Dist. Vadodara, Gujarat, India

By Order of the Board of Directors,

Nikunj Savaliya
Company Secretary

Dated: 8th February, 2013

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NOTES:

1. In terms of the applicable provisions of the Companies Act, 1956 proposals mentioned at items 1 to 2 require the approval of the members by way of Special/Ordinary Resolutions.
2. In terms of Section 192A of the Companies Act, 1956 read with the Companies (Passing of the Resolution by Postal Ballot) Rules, 2011, Ordinary Resolution at Item No. 1 and Special Resolution at Item No. 2 requires the approval of the Members of the Company by means of a Postal Ballot.
3. The Company has appointed Mr. Devesh R. Desai, Practising Company Secretary as a Scrutinizer for conducting the Postal Ballot in a fair and transparent manner.
4. Members are requested to carefully read the instructions printed in the Postal Ballot Form and return duly completed form in the attached self addressed postage pre-paid envelope so as to reach to the Scrutinizer on or before the close of working hours on 15.03.2013.
5. The Scrutinizer will submit his report to the Chairman after completion of the scrutiny of the Postal Ballots received.
6. The Chairman & Managing Director or Director (Finance) or the Company Secretary of the Company will announce the result of the Postal Ballot on Monday, the 18th day of March, 2013 at 3.00 p.m at the Company's Registered Office at 9/10, GIDC Industrial Estate, Waghodia – 391760, Dist. Vadodara, Gujarat, India.
7. The Result will be displayed at the Registered Office and at the Company's website, besides being communicated to the Stock Exchanges on which the Company's Equity shares are listed.

EXPLANATORY STATEMENT PURSUANT TO THE PROVISIONS OF SECTION 173(2) OF THE COMPANIES ACT, 1956

Item: 1

The Company is a multi-locational Company having manufacturing locations spread across India at Vadadla, Bhuj, Waghodia and Nandesari in Gujarat, Swaroopgunj, Alwar, Udaipur and Beawer in Rajasthan, Tirunelvelli and Hosur in Tamilnadu, and Haldwani in Uttaranchal. Out of the above locations, manufacturing plants situated at Bhuj - Gujarat, Udaipur – Rajasthan, Beawer – Rajasthan, Plot 253-254 & 256, Waghodia – Gujarat, Nandesari – Gujarat, Tirunelvelli Part – Tamilnadu and Halwani – Uttaranchal are catering to Calcined Clay, China Clay and Talc mineral products and contributes about 28% of the total revenue. Manufacturing locations other than above are catering to other mineral products such as Calcium Carbonate, Calcite, Barytes, Dolomite and other speciality chemical products and contributes balance 72% of the total revenue of the Company.

Over past years, we have developed good expertise in both the above mineral segments with the help of in-house research and development technology and achieved the good results.

Considering present share of revenue, more focus is required on speciality chemical products and calcium carbonate, calcite, barites and dolomite mineral products wherein we see bright growth potential.

The Calcined Clay, China Clay and Talc mineral products needs larger investment and the Company is anticipating a strategic investor in the said minerals base. Considering above, it would be beneficial for the Company to transfer the above undertakings associated with calcined clay, china clay and talc mineral base to wholly owned subsidiary of the Company which in turn will create ready platform for the future development by the company jointly with strategic alliance partner. Potentially new strategic partner can also bring benefits of their existing expertise with overseas customer presence.

By doing so, remaining undertakings associated with speciality chemical products, calcium carbonate, calcite, barites, dolomite and other mineral products shall be growing on its own with its existing strength. Since the aforesaid proposal is to Sale/ transfer or otherwise the undertakings to wholly owned subsidiary, financials of the Company on a consolidated basis shall not get disturbed.

The Company's Board of Directors therefore reviewed its business portfolio and after detailed deliberations, proposed the disinvestment of its manufacturing undertakings located at Bhuj - Gujarat, Udaipur – Rajasthan, Beawer – Rajasthan, Plot 253-254 & 256, Waghodia – Gujarat, Nandesari – Gujarat, Tirunelvelli Part – Tamilnadu and Halwani – Uttaranchal which caters to Calcined Clay, China Clay and Talc Mineral Products so that it can gain from more optimally utilizing its resources towards its core business and create better value for its stake holders and create a platform ready for new technology partner to enter.

The Board of Directors, in its recently held Meeting has approved the proposal to transfer/sell its above said undertakings, subject to the Shareholders' approval, to Silicate Minerals (I) Pvt. Ltd. (or such other name as may be approved by the Registrar of Companies in this regard), a wholly-owned subsidiary of the Company, as a going concern on sale/transfer basis.

The proposed transaction would include the transfer of all assets, liabilities and the employees working in above said undertakings of the company. The transaction is subject to various regulatory approvals and approvals of Banks/ Financial Institutes in this regards.

Any sale or disposal off of any undertaking of the Company requires the approval of the Shareholders under Section 293(1)(a) of the Companies Act, 1956. Hence, this resolution at Item 1 is placed before the Shareholders for their approval.

In the Opinion of the Directors, it is in the interest of the Company that the above undertakings of the Company be transferred/ sold as a part of restructuring and to achieve better operational control.

Your approval or otherwise is sought through voting by Postal Ballot in terms of the provisions of Section 192 A of the Companies Act, 1956 read with the provisions of the Companies [Passing of Resolutions by Postal Ballot' rules, 2011.

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The Directors of the Company may be deemed to be interested in the proposed resolution to the extent of their Directorship and shareholding in the subsidiary of the Company, if any.

Item: 2

The Company is presently engaged into manufacturing and trading of Non-metallic Industrial Minerals which includes range of minerals base. As stated above, the Company is planning to divest its undertakings associated with Calcined Clay, China Clay and Talc mineral products and continue its operation with greater concentration on speciality chemical products, calcium carbonate, calcite, barites and dolomite minerals products with existing infrastructure which in turn will require upgradation of technology, expansion of manufacturing capacities related to these mineral products.

With a view to carry on and implement the above activities effectively, the Company would require substantial long term funds. Considering future funds requirements of the Company, it is proposed to issue, offer and allot Equity Shares or Securities up to the amount of Rs. 30 Crores to Qualified Institutional Buyers or such other person(s)/entities, by way of further issue of securities in Domestic/International Markets through various instruments including issue of Equity Shares/ Warrants/ Convertible or Non-convertible Debentures under Qualified Institutional Placements or Private Equity or any other forms of Capital raising instruments.

In terms of the provisions of Sections 81 (1A) of the Companies Act, 1956, approval of the Shareholders is required and therefore your Directors commend the Special Resolution at item 2 for your approval and acceptance.

None of the Directors of the Company may be considered to be concerned or interested in passing of the said resolution.

Registered Office: -
9/10, GIDC Industrial Estate,
Waghodia – 391760
Dist. Vadodara, Gujarat, India

By Order of the Board of Directors,

Nikunj Savaliya
Company Secretary

Dated: 8th February, 2013

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20 MICRONS™

L I M I T E D

Registered Office: 9/10, GIDC Industrial Estate, WAGHODIA – 391 760 Dist. Vadodara, Gujarat, India.
Website: www.20microns.com email: investors@20microns.com

POSTAL BALLOT FORM

(Please read the instructions carefully before completing this form)

Serial No.

(1) Name(s) of Member(s) (Including Joint holders, if any) :

(2) Registered address of the Sole / First named Member :

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(3) Registered Folio No. / DP ID No. and Client ID No.* (*applicable to Members holding Shares in dematerialized form) :

(4) Number of Shares held :

(5) I/we hereby exercise my/our vote in respect of the Resolution(s) to be passed through Postal Ballot for the business stated in the notice of the Company by sending my/our assent or dissent to the said Resolution(s) by placing the tick (√) mark at the appropriate box below:

Item No.	Description	No. of Shares	I/We assent to the Resolution (FOR)	I/We dissent to the Resolution (AGAINST)
1.	Ordinary Resolution to sell, transfer and/or otherwise dispose off the Undertakings which caters to Calcined Clay, China Clay and Talc Mineral Products of the Company.		SPECIMEN	
2.	Special Resolution for issue of Security(s) to the extent of Rs. 30 Crores.			

Place:
Date:

(Signature of the Member)

Note: Last date for receipt of Postal Ballot Forms by the Scrutinizer is 15th March, 2013.

INSTRUCTIONS

1. A Member desiring to exercise vote by Postal Ballot may complete this Postal Ballot Form (no other form or photocopy thereof is permitted to be used for the purpose) and send it to the Scrutinizer in the attached self-addressed envelope. Postage will be borne and paid by the Company. However, envelopes containing Postal Ballots, if sent by courier at the expense of the Member will also be accepted.

2. The self-addressed envelope bears the address of the Scrutinizer appointed by the Company.

3. This form should be completed and signed by the Member. In case of joint holding, this Form should be completed and signed (as per the specimen signature registered with the Company or furnished by National Securities Depository Limited/Central Depository Services (India) Limited to the Company in respect of shares held in the physical form or dematerialized form respectively) by the first named Member and in his/her absence, by the next named Member. In case of other than individual Members, this form should be signed by an authorised signatory whose signature is already registered with the Company.

4. In case of shares held by Companies, Trusts, Societies, etc. the duly completed Postal Ballot Form should be accompanied by a certified copy of the Board Resolution/Authorization giving requisite authority to the person voting on the Postal Ballot Form.

5. There will be one Postal Ballot Form for every Registered Folio/Client ID, irrespective of the number of joint Members.

6. The right of the voting by Postal Ballot shall not be exercised by a proxy.

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7. Unsigned, incomplete or incorrectly ticked Postal Ballot Forms will be rejected.

8. Duly completed Postal Ballot form should reach the Scrutinizer not later than the close of working hours on 15th March, 2013. All Postal Ballot Forms received after this date will be strictly treated as if the reply from the Member(s) has not been received.

9. A Member may request for a duplicate Postal Ballot Form, if so required. However, the duly completed duplicate Postal Ballot Form should reach the Scrutinizer not later than the date and time specified at Sr. No. 8 above.

10. The voting rights shall be reckoned on the paid up value of shares registered in the name of the Member(s) on the date of completion of dispatch of the Notice.

11. Member(s) are requested not to send any other paper along with the Postal Ballot Form in the enclosed self addressed postage prepaid envelope as such envelope will be sent to the Scrutinizer and any extraneous paper found in such envelope would be destroyed by the Scrutinizer.

12. Scrutinizer's decision on the validity of the Postal Ballot will be final.

13. The result of the Postal Ballot will be displayed at the Registered Office, Head office and Corporate Office of the Company as specified in the Notice. The result will thereafter be posted on the Company's website www.20microns.com, for the information of the Members.