

# VIRINCHI LIMITED

Registered Office: 8-2-672/5&6, 4<sup>th</sup> Floor, Ilyas Mohammed Khan Estate,  
Road#1, Banjara Hills, Hyderabad-500034  
CIN: L72200TG1990PLC011104

Tel.: +91 (40) 48199999 Email Id: [investors@virinchi.com](mailto:investors@virinchi.com), Web: [www.virinchi.com](http://www.virinchi.com)

## NOTICE OF POSTAL BALLOT

NOTICE PURSUANT TO SECTION 110 OF THE COMPANIES ACT, 2013 AND RULE 22 OF THE COMPANIES (MANAGEMENT AND ADMINISTRATION) RULES, 2014 RELATING TO PASSING OF THE RESOLUTION THROUGH POSTAL BALLOT READ WITH REGULATION 44 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 INCLUDING ANY STATUTORY MODIFICATIONS OR AMENDMENTS THEREOF (“ LISTING REGULATIONS”)

Dear Member(s),

Notice is hereby given pursuant to Section 110 and other applicable provisions, if any, of the Companies Act, 2013, read with Rule 22 of the Companies (Management and Administration) Rules, 2014 (including any statutory modification or re-enactment thereof for the time being in force) and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, to the members of Virinchi Limited (hereinafter referred to as ‘the Company’) to seek their approval by way of Postal Ballot for the proposal contained in the draft resolution as given below:

- (i) **Approval to issue and allot 26,00,000 ( Twenty Six Lacs ) no(s) of Convertible Equity Warrants to Promoter group on a preferential basis**
- (ii) **Approval to issue and allot 14,00,000 ( Fourteen Lacs ) no(s) of Equity Shares to Strategic investors on a preferential basis**

The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 pertaining to the resolutions stating the material facts of the proposals are annexed hereto along with the Postal Ballot for your consideration.

The Board of Directors of the Company has appointed Mr. V. Chandra Sekhar Patnaik (CP No.16619), Practicing Company Secretary, as Scrutinizer in the meeting held on 20<sup>th</sup> November, 2017, for conducting the postal ballot (physical & e-voting) process in accordance with the law in a fair and transparent manner.

The Company in compliance with Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, is pleased to provide the members with the facility to exercise their right to vote on the matter included in the postal ballot by electronic means i.e. through e-voting services provided by Central Depository Services Limited (CDSL). The e-voting will commence on Thursday, 23<sup>rd</sup> November, 2017 (9.00 a.m.) and end on Friday, 22<sup>nd</sup> December, 2017 (5.00 p.m.). Please read carefully and follow the instructions as printed in this Notice for e-voting.

However, those members, who do not have access to e-voting facility can send their assent or dissent in writing on the postal ballot form attached herewith.

Members are requested to carefully read the instructions printed on the postal ballot form and return the form duly completed and signed in the attached self-addressed, business reply envelope, so as to reach the Scrutinizer before the close of working hours (5.00 p.m.) on Friday, 22<sup>nd</sup> December, 2017. Please note that any postal ballot form(s) received after the said date will be treated as not received.

The Scrutinizer will submit his report to the Chairperson or in his absence, to any other person authorised by him, after the completion of the scrutiny of the postal ballots (physical and e-voting). The results of the Voting by Postal Ballot will be announced by the Chairman of the Company or in his absence, by any other person authorized by him, on 23<sup>rd</sup> December, 2017 at 5 p.m. at the Registered Office of the Company at 8-2-672/5&6, 4<sup>th</sup> Floor, Ilyas Mohammed Khan Estate, Road#1, Banjara Hills, Hyderabad-500034. The results of the Postal Ballot will be posted on the Company’s website [www.virinchi.com](http://www.virinchi.com) and [www.e-votingindia.com](http://www.e-votingindia.com) besides communicating to the Stock Exchange where the Company’s shares are listed. The resolution(s), if approved, will be taken as passed effectively on the date of declaration of results.

## Proposed Resolution Item No. 1:

### Issue of Convertible Equity Warrants on Preferential basis to Promoter / Promoter Group

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

“RESOLVED THAT pursuant to the provisions of Sections 62(1)(c), read with Section 42, and other applicable provisions, if any, of the Companies Act, 2013, and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) (“Act”), and in accordance with the enabling provisions of the Memorandum and Articles of Association of the Company, the listing agreements entered into by the Company with the stock exchanges, where the shares of the Company are listed, the rules and regulations issued by the Securities and Exchange Board of India (“SEBI”), including the provisions of Chapter VII – “Preferential Issue” and other applicable provisions, if any, of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended (the “ICDR Regulations”), the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the “Listing Regulations”) and any other policies, rules, regulations, guidelines, notifications and circulars, if any, issued by the Government of India or any other competent authority, from time to time, to the extent applicable and subject to the permission(s), consent(s), sanction(s) and approval(s), if any, by any authority, as may be necessary, and subject to such conditions and modifications as might be prescribed while granting such approval(s), consent(s), permission(s) and sanction(s), and which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the “Board”, which term shall be deemed to include any committee(s) constituted/to be constituted by the Board to exercise its powers including the powers conferred by this Resolution) and subject to any other alterations, modifications, conditions, corrections, changes and variations that may be decided by the Board in its absolute discretion, the consent of the Company be and is hereby accorded to the Board to create, issue, offer, and allot, from time to time in one or more tranches, 26,00,000( Twenty Six Lakhs only) Convertible Equity Warrants (“Warrants”) on a preferential basis to investors mentioned below (“Warrant Holder”), being the Promoter / Promoter Group of the Company (as defined in the ICDR Regulations), with a right to Warrant Holder to apply for and get allotted one equity share of face value of Rs. 10/- (Rupees Ten Only) each (the “Equity Shares”), ranking in all respects pari-passu with the existing equity shares of the Company, for each Warrant, within a period of 18 (Eighteen) months from the date of allotment of Warrants, at a price as may be arrived in accordance with the Regulation 76 of the SEBI (ICDR) Regulations, 2009 to the below mentioned allottees hereinafter referred to as “Allottee”:

#### DETAILS OF ALLOTEES:

Promoter/Promoter Group Investor:

Sr. No.	Name of the Allottee	Number of Convertible Equity Warrants
1.	Ms.Kompella Lopa Mudra D/o Kompella Viswanath Age:15	5,00,000
2.	Master Kompella Ramakrishna Paramahansa S/o Kompella Viswanath Age:12	5,00,000
3.	Ms.Kompella Modini D/o Kompella Viswanath Age:10	5,00,000
4	PKI Solutions Private Ltd	6,00,000
5	Bharat Megawatts Gen Private Ltd	2,00,000
6	Shri Shri Resorts Private Ltd	3,00,000
	TOTAL	26,00,000

**RESOLVED FURTHER THAT** the relevant date, as per Regulation 71 (a) of the SEBI ICDR Regulations for the determination of issue price of the Warrants to be allotted pursuant to the preferential issue is fixed as 23<sup>rd</sup> November, 2017 i.e. 30 days prior to the date of passing of special resolution through Postal Ballot to approve the proposed preferential issue in terms of Section 62(1) (c) of the Act.

RESOLVED FURTHER THAT the said Warrants shall be issued and allotted by the Company within a period of 15 (Fifteen) days from the date of passing of this resolution, provided that where the allotment of the said Warrants is pending on account of pendency of any approval for such allotment by any regulatory authority or the Central Government, the allotment shall be completed within a period of 15 (Fifteen) days from the date of receipt of last of such approvals, in accordance with provisions of ICDR Regulations

RESOLVED FURTHER THAT the equity shares to be allotted upon exercise of Warrants shall rank pari - passu in all respects including as to dividend, with the existing fully paid up equity shares of face value of Rs.10/-each of the Company, subject to the relevant provisions contained in the Articles of Association of the Company.

RESOLVED FURTHER THAT the Board be and is hereby authorized to determine, vary, modify, alter any of the terms and conditions of the proposed issue of Warrants including reduction of the size of the issue, as it may deem expedient, in its discretion

RESOLVED FURTHER THAT without prejudice to the generality of the above, the issue of Warrants shall be subject to following terms:

- i. The proposed allottees of Warrants shall, on the date of allotment of Warrants, pay an amount equivalent to at least 25% [Twenty-five percentage only] of the exercise price determined in compliance with the provisions of the SEBI (ICDR) Regulations, 2009;
- ii. The balance 75% [Seventy-five percentage only] of the exercise price shall be payable on or before the conversion of said Warrants into Equity Shares, within a maximum permissible period of 18 months from the allotment thereof;
- iii. The proposed allottees of Warrants will be entitled to apply for and obtain allotment of one equity share of face value of Rs. 10/- (Rupees Ten only) each of the Company against each Warrant at any time after the date of allotment but on or before the expiry of 18 (Eighteen) months from the date of allotment ("Tenor") thereof, in one or more tranches;
- iv. In the event the Warrant Holder does not exercise the Warrants within 18 (Eighteen) months from the date of allotment of the Warrants, the Warrants shall lapse and the amount paid on such Warrants shall stand forfeited by the Company;
- v. The Warrant Holder shall be entitled to exercise the option of exercising any or all of the Warrants in one or more tranches by way of a written notice to the Company, specifying the number of Warrants proposed to be exercised along with the aggregate amount thereon, without any further approval from the shareholders of the Company prior to or at the time of conversion. The Company shall accordingly, issue and allot the corresponding number of Equity Shares to the Warrant holder;
- vi. The Company make an application for Listing, within 21 days from date of allotment of Equity Shares, upon conversion of warrants, to the stock Exchanges where shares of the Company are listed in accordance with SEBI (LODR) Regulations, 2015;
- vii. The Equity Shares to be so allotted on exercise of the Warrants shall be in dematerialized form and shall be subject to the provisions of the Memorandum of Association and Articles of Association of the Company and shall rank pari-passu in all respects including dividend, with the existing fully paid Equity Shares of the Company;
- viii. Upon exercise of the Warrants by the Warrant Holder, the Company shall issue and allot appropriate number of Equity Shares and perform such actions as are required to credit the Equity Shares to the depository account of Warrant Holder and entering the name of Warrant Holder in the records of the Company as the registered owner of such Equity Shares;
- ix. The issue of the Warrants as well as Equity Shares arising from the exercise of the Warrants shall be governed by the regulations and guidelines issued by SEBI or any other statutory authority as the case may be or any modifications thereof;

- x. Subject to the provisions of Regulation 79 of Chapter VII of the ICDR Regulations, the Warrants and equity shares allotted on exercise of such Warrants will be transferable within the Promoters and persons forming part of Promoter Group;
- xi. In the event that the Company completes any form of capital restructuring prior to the conversion of the Warrants, then, the number of Equity Shares that each Warrant converts into and the price payable for such Equity Shares, shall be adjusted accordingly in a manner that, to the extent permitted by applicable laws, Warrant holder: (a) receives such number of Equity Shares that Warrant holder would have been entitled to receive; and (b) pays such consideration for such Equity Shares to the Company which Warrant holder would have been required to pay, had the Warrants been exercised immediately prior to the completion of such capital restructuring;
- xii. The Company shall re-compute the price of the Warrants / Equity Shares issued on conversion of Warrants in terms of the provisions of ICDR Regulations, where it is required to do so and the differential price, if any, shall be required to be paid by such Warrant holder to the Company in accordance with the provisions of ICDR Regulations;
- xiii. The Warrants and the Equity Shares allotted pursuant to exercise of such Warrants shall be subject to a lock-in for such period as specified under Chapter VII of ICDR Regulations relating to preferential issues;
- xiv. The Warrants by itself, until exercise of conversion option and Equity Shares allotted, does not give to the Warrant holder thereof any rights with respect to that of a shareholder(s) of the Company; and
- xv. Until the Warrants are transferred, the Company shall treat Warrant Holder as the absolute owner for all purposes without being affected by any notice to the contrary.
- xvi. Warrants so allotted under this resolution shall not be sold, transferred, hypothecated or encumbered in any manner during the period of lock-in as provided under SEBI (ICDR) Regulations except to the extent and in the manner permitted there under.

RESOLVED FURTHER THAT the Board / Board Committee be and is hereby authorized to issue and allot such number of Equity Shares of the Company as may be required to be issued and allotted upon exercise of the option in the Warrants held by the holder(s) of the Warrants.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred to any Committee of the Board or any Director(s) or Officer(s) of the Company and to generally do all such acts, deeds and things as may be required in connection with the aforesaid resolution, including issue of offer letter, making necessary filings with the stock exchanges and regulatory authorities and execution of any documents on behalf of the Company and to represent the Company before any governmental authorities and to appoint any merchant bankers or other professional advisors, consultants and legal advisors to give effect to the aforesaid resolution.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorized to do all such acts, deeds, matters and things as they may in its absolute discretion deem necessary, desirable and expedient for such purpose, including without limitation, effecting any modifications or changes to the foregoing (including modification to the terms of the issue), entering into contracts, arrangements, agreements, documents without being required to seek any fresh approval of the shareholders of the Company to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution and to settle all questions, difficulties or doubts that may arise in regard to the offer, issue and allotment of the Warrants and Equity Shares and utilisation of proceeds of the Warrants and Equity Shares issued upon exercise of such Warrants, take all other steps which may be incidental, consequential, relevant or ancillary to give effect to the aforesaid resolution.

RESOLVED FURTHER THAT the Directors be and are hereby severally authorized to do all such other acts, deeds and things and sign and execute and file such papers and documents as may be necessary to give effect to this resolution and for matter connected therewith or incidental thereto.

## 2. Issue of Equity Shares on Preferential basis to Strategic Investors

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

“RESOLVED THAT pursuant to the provisions of Sections 62(1)(c), read with Section 42, and other applicable provisions, if any, of the Companies Act, 2013, and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) (“Act”), and in accordance with the enabling provisions of the Memorandum and Articles of Association of the Company, the listing agreements entered into by the Company with the stock exchanges, where the shares of the Company are listed, the rules and regulations issued by the Securities and Exchange Board of India (“SEBI”), including the provisions of Chapter VII – “Preferential Issue” and other applicable provisions, if any, of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended (the “ICDR Regulations”), the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the “Listing Regulations”) and any other policies, rules, regulations, guidelines, notifications and circulars, if any, issued by the Government of India or any other competent authority, from time to time, to the extent applicable and subject to the permission(s), consent(s), sanction(s) and approval(s), if any, by any authority, as may be necessary, and subject to such conditions and modifications as might be prescribed while granting such approval(s), consent(s), permission(s) and sanction(s), and which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the “Board”, which term shall be deemed to include any committee(s) constituted/to be constituted by the Board to exercise its powers including the powers conferred by this Resolution) and subject to any other alterations, modifications, conditions, corrections, changes and variations that may be decided by the Board in its absolute discretion, the consent of the Company be and is hereby accorded to the Board to create, issue, offer, and allot from time to time upto, 14,00,000(Fourteen Lakhs only) Equity Shares of a face value of Rs.10/-each of the company on a preferential basis to strategic investors mentioned below being the Non-Promoters of the Company (as defined in the ICDR Regulations), ranking in all respects pari-passu with the existing equity shares of the Company, at a price as may be arrived in accordance with the Regulation 76 of the SEBI (ICDR) Regulations, 2009 to the below mentioned allottees hereinafter referred to as “Allottee”:

#### DETAILS OF ALLOTEES:

Strategic Investors( Non Promoter Investors ):

Sr. No.	Name of the Allottee	Number of Equity Shares
1	M/s. Mallemkonda Realities Private Ltd	5,00,000
2	Mr. Mohan Kumar Tayal	5,00,000
3	M/s. Magadha Infracon Private Ltd	2,50,000
4	Mr. D. Pavan Kumar	50,000
5	Ms. Vasudha Marwah	50,000
6	Mr. Prem Kumar Bajaj	50,000
	TOTAL	14,00,000

RESOLVED FURTHER THAT the relevant date, as per Regulation 71 (a) of the SEBI ICDR Regulations for the determination of issue price of the Equity shares to be allotted pursuant to the preferential issue is fixed as 23<sup>rd</sup> November, 2017 i.e. 30 days prior to the date when the results of the postal ballot are to be announced.

RESOLVED FURTHER THAT the said Equity Shares shall be issued and allotted by the Company within a period of 15 (Fifteen) days from the date of passing of this resolution, provided that where the allotment of the said Equity Shares is pending on account of pendency of any approval for such allotment by any regulatory authority or the Central Government, the allotment shall be completed within a period of 15 (Fifteen) days from the date of receipt of last of such approvals, in accordance with provisions of ICDR Regulations

RESOLVED FURTHER THAT the Equity Shares to be issued and allotted shall be subject to lock-in as provided under the provisions of SEBI ICDR Regulations and the equity shares to be allotted shall rank pari - passu in all respects including as to dividend, with the existing fully paid up equity shares of face value of Rs.10/-each of the Company, subject to the relevant provisions contained in the Articles of Association of the Company.

RESOLVED FURTHER THAT aforesaid issue of Equity Shares shall be subject to the following terms and conditions:

- a) The Proposed allottee shall be required to bring in 100% of the consideration on or before the date of allotment thereof
- b) The consideration for allotment of Equity Shares shall be paid to the company from the bank account of the proposed allottee.
- c) The Equity Shares so allotted to the proposed allottee under this resolution shall not be sold, transferred, hypothecated or encumbered in any manner during the period of Lock-in provided under SEBI ICDR Regulations except to the extent and in the manner permitted there under.
- d) Allotment shall only be made in dematerialized form.

RESOLVED FURTHER THAT the Board be and is hereby authorized to determine, vary, modify, alter any of the terms and conditions of the proposed issue of Equity Shares including reduction of the size of the issue, as it may deem expedient, in its discretion

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred to any Committee of the Board or any Director(s) or Officer(s) of the Company and to generally do all such acts, deeds and things as may be required in connection with the aforesaid resolution, including issue of offer letter, making necessary filings with the stock exchanges and regulatory authorities and execution of any documents on behalf of the Company and to represent the Company before any governmental authorities and to appoint any merchant bankers or other professional advisors, consultants and legal advisors to give effect to the aforesaid resolution.

RESOLVED FURTHER THAT the Directors and the Company Secretary be and are hereby severally authorized to do all such other acts, deeds and things and sign and execute and file such papers and documents as may be necessary to give effect to this resolution and for matter connected therewith or incidental thereto.

**By Order of the Board of Directors  
For Virinchi Ltd.**

**K. Ravindranath Tagore  
Company Secretary  
M.No: A18894**

**Place: Hyderabad  
Date: 20/11/2017**

## Notes:

The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, setting out the material facts is annexed hereto.

1. The notice of postal ballot is being sent to all the members, whose names appear on the Register of Members/ List of Beneficial Owners as received from National Securities Depository Limited (NSDL) / Central Depository Services (India) Limited (CDSL) on 17<sup>th</sup> November, 2017. The voting rights shall also be reckoned on the paid up value of shares registered in the name of the member(s) as on the said date. The Notice is also uploaded on the website of the Company ([www.virinchi.com](http://www.virinchi.com)).
2. All documents referred to in the accompanying Notice and the explanatory statement are open for inspection at the registered office of the Company on all working days between 11:00 a.m. and 1:00 p.m. upto 22<sup>nd</sup> December, 2017.
3. Members who have not registered their e-mail ID are requested to register the same with the Company's Registrar and Transfer Agents/ Depositories in order to receive the Company's Annual Report and other communications electronically.
4. A member who has not received the postal ballot form may request the company for a duplicate form or download the same from the Company's website [www.virinchi.com](http://www.virinchi.com).
5. A Member cannot exercise his/her vote by proxy on postal ballot.
6. Unsigned, incomplete, improperly or incorrectly ticked Postal Ballot Forms shall be rejected.
7. Resolutions passed by the Members through postal ballot are deemed to have been passed as if they have been passed at a General Meeting of the Members.
8. In case of shares held by companies, trusts, societies, etc. the duly completed Postal Ballot Form should be accompanied by a certified true copy of the Board Resolution/Authority Letter together with the specimen signature of the Authorised Signatories.
9. A resolution which is assented to by the requisite majority of the members by means of postal ballot shall be deemed to have been duly passed at a general meeting of the members convened in that behalf.
10. The date of dispatch will be announced through advertisement in news papers
11. The postage will be borne and paid by the company, however envelopes containing postal ballots, if sent by courier or by registered post at the expense of the members will also be accepted. It is, however, clarified that members desiring to exercise their vote from outside of india will have to arrange for postage from the country where the ballot papers are dispatched to the scrutinizer.
12. The date of declaration of result of the postal ballot shall be deemed to be the date of the general meeting and the date of passing of the proposed resolution (s)
13. The shareholders are requested to exercise their voting rights by using the attached postal ballot form only. No other form is permitted. Also attached is a self-addressed, business reply envelope.
14. The Company has appointed Mr. V. Chandra Sekhar Patnaik, Practicing Company Secretary (Certificate of Practice No. 16619) to act as Scrutinizer for conducting the postal ballot and electronic voting process in fair & transparent manner.
15. As per section 110 of the Companies Act, 2013 read with Rule 22 of the companies (Management and Administration) Rules, 2014, Notice of postal ballot may be served on the members of the company through electronic means. Members who have registered their e-mail IDs with depositories or with the company are being sent this notice of postal ballot by e-mail and the members who have not registered their e-mail IDs will receive notice of postal ballot along with physical form through courier. Members who have received Notice of Postal ballot by e-mail and who wish to vote through physical ballot form may indicate their option to receive the physical form from the company by sending an e-mail at [investors@virinchi.com](mailto:investors@virinchi.com) or alternatively download the form from the company's website [www.virinchi.com](http://www.virinchi.com)
16. Voting through electronic means

The company has entered into an arrangement with M/s. CDSL Ltd for facilitating remote e-voting for postal ballot.

## **EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

The following explanatory statement sets out all material facts relating to the business mentioned in the Postal ballot Notice, as required under Section 102(1) of the Companies Act, 2013.

### **Item No. 1:**

#### **Purpose of the allotment**

The Company wants to raise long term funds to finance growth plans of the Company, strengthen financial structure, enhancing liquidity, working capital resources and for general corporate purposes. Hence, the Board of Directors of the company in their meeting held on 20<sup>th</sup> November, 2017 has considered and approved the proposal to issue 26,00,000 (Twenty Six Lacs Only) Warrants having attached thereto the right to subscribe for equal number of Equity Shares of Rs.10/- each at an issue/exercise price to be determined in accordance with Regulation 76 of the SEBI ICDR Regulations in one or more tranches.

The members are requested to note that as per Section 62(1)(c), 42 and other applicable provisions, if any, of the Companies Act, 2013 read with the relevant Rules made thereunder and Chapter VII of the SEBI (ICDR) Regulations, 2009 as amended, prior approval of the shareholders by way of Special Resolution is required to issue convertible equity warrants to the Promoter/Promoter Group and Non-Promoter investors.

#### **Salient features of the preferential issue of Warrants are as under:**

The proposed issue and allotment of Warrants, on a preferential basis, shall be governed by the applicable provisions of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended (“ICDR Regulations”) and the Companies Act, 2013 read with rules made thereunder (“Act”).

Without generality to the above, the salient features of the preferential issue of Warrants are as under:

- The “Relevant Date” as per the ICDR Regulations for determining the minimum price for the preferential issue of Warrants is 23rd November, 2017, which is 30 [thirty] days prior to the date of the shareholders’ meeting to be held on 23rd December, 2017 ( Date of Declaration of Results will be considered as Date of Shareholders Meeting)
- 25% [Twenty-five percentage only] of the consideration for preferential issue of Warrants shall be received by the Company prior to the allotment of said warrants.
- The Warrants shall be exercised within a period of 18 (eighteen) months from the date of their allotment, in one or more tranches.
- At the time of exercise, the Warrant Holder shall pay the balance 75% [Seventy-five percentage only] of the consideration payable in respect of the Warrants so being exercised. The amount paid will be adjusted / set off against the issue price of the resultant equity shares. The Board (or a Committee thereof) upon receipt of the entire payment towards issue price, shall allot one equity share per warrant. If the entitlement against the warrants to apply for the equity shares is not exercised within the specified period of 18 [eighteen] months, such entitlement shall lapse and the amount paid on such warrants shall stand forfeited.
- The Company has not made any preferential issue of securities in this financial year, other than the proposed issue of Warrants as stated in this notice.
- The Warrant Holder has not sold any equity shares during the six months preceding the Relevant Date. The Warrant Holder has not subscribed to any warrants of the Company during last one year.

The other information prescribed under Regulation 73 of the ICDR Regulations, 2009 and other applicable laws in relation to the Proposed Special Resolution as set out at item No.1 are given hereunder:

#### **a. Object of the preferential issue of Warrants and details of utilization of proceeds:**

The proceeds of the preferential issue will be utilized towards augmenting the working capital requirements and meeting other business requirements.

**b. The proposal or intention of the Promoter / Promoter group , Directors or Key Managerial Personnel to subscribe to the proposed preferential issue, if any:**

None of the directors or key managerial personnel intends to subscribe to any shares pursuant to this preferential issue of equity shares.

However, To meet the objects of the issue, the Promoters Mr. Ramakrishna Paramahansa Kompella, Ms. Lopa Mudra Kompella, Ms. Modini Kompella, M/s. PKI Solutions Private Ltd, M/s. Bharat Megawatts Gen Private Ltd, M/s. Shri Shri Resorts Private Ltd has shown their interest to subscribe 26,00,000 warrants.

**c. Relevant Date:**

The Relevant Date for the purpose of determining the pricing of shares arising out of Warrants in accordance with Chapter VII of SEBI (ICDR) Regulations, 2009 is 23<sup>rd</sup> November, 2017 (i.e., 30 days prior to the declaration of results of Postal Ballot, i.e., 23<sup>rd</sup> December, 2017). The Warrants will be allotted in accordance with the price determined in terms of Regulation 76 of the SEBI (ICDR) Regulations, 2009.

**d. Pricing of the Issue:**

The issue of warrants and equity shares arising through issuance will be at a price not less than higher of following:

- a) The average of the weekly high and low of the Volume weighted average price of the Company's Shares quoted on the Stock Exchange during the twenty six weeks preceding the 'relevant date'.
- b) The average of the weekly high and low of the Volume weighted average price of the Company's Shares quoted on a Stock Exchange during the two weeks preceding the 'relevant date'. The price above is determined on the basis of the quotes available on the BSE Limited, wherein the Company shares are traded highest in volume, during the preceding 26 weeks prior to the relevant date.

The issue price is at a minimum exercise price as may be arrived at in accordance with the ICDR Regulations ("Issue Price"), at the relevant date in on 23<sup>rd</sup> November, 2017

**e. The Company hereby undertakes that:**

- a) It would re-compute the price of the Securities specified above in terms of the provisions of the SEBI (ICDR) Regulations, 2009 if it is required to do so.
- b) If the amount payable on account of re-computation of price is not paid within the time stipulated in the SEBI (ICDR) Regulations, 2009, the above specified securities shall continue to be locked in till the time such amount is paid by allottees. f. The shareholding pattern of the Company before and after the preferential issue of Warrants: Shareholding pattern before and after the proposed preferential issue of Warrants is as follows:

**f. The shareholding pattern of the company before and after the preferential issue of warrants:**

Shareholding pattern before and after the proposed preferential issue of warrants is as follows:

Category	Pre issue shareholding as on 11 <sup>th</sup> November, 2017		Post issue shareholding*	
	Number of shares held	% of Share holding	Number of shares held	% of Share holding
A. Promoter Holding				
1. Indian-Individual				
Viswanath Kompella	68,07,975	25.39	68,07,975	22.01
Madhavi Latha Kompella	11,18,050	4.17	11,18,050	3.63
Lopa Mudra Kompella	10,70,625	3.99	15,70,625	5.09
Ramakrishna Paramahansa Kompella	10,70,625	3.99	15,70,625	5.09

Category	Pre issue shareholding as on 11 <sup>th</sup> November, 2017		Post issue shareholding*	
	Number of shares held	% of Share holding	Number of shares held	% of Share holding
Modini Kompella	10,70,625	3.99	15,70,625	5.09
Srinath Kompella	200	0	200	0.00
Anil Kumar Pinapala	1,00,000	0.37	1,00,000	0.32
Shema Renny Abraham	50,000	0.19	50,000	0.16
Deepa Reji Abraham	25,000	0.09	25,000	0.08
<b>Body Corporate</b>				
PKI Solutions Private Ltd	4,05,605	1.51	10,05,605	3.26
BHARAT MEGAWATTS GEN PRIVATE LIMITED	2,50,000	0.93	4,50,000	1.46
Shri Shri Resorts Private Ltd	4,01,137	1.50	7,01,137	2.28
<b>2. Foreign</b>				
Individuals and corporate bodies	10,55,458	3.94	10,55,458	3.42
<b>Sub-Total (A)</b>	<b>1,34,25,300</b>	<b>50.06</b>	<b>1,60,25,300</b>	<b>52.00</b>
<b>B. Non Promoters Holding</b>				
<b>3. Institutions</b>				
Foreign Portfolio Investors	70,000	0.26	70,000	0.23
<b>4. Non-Institutions</b>				
Individuals - i. Individual shareholders holding nominal share capital up to Rs. 2 lakhs.	64,93,897	24.21	64,93,897	21.07
Individuals - ii. Individual shareholders holding nominal share capital in excess of Rs. 2 lakhs.	34,60,305	12.90	41,10,305	13.34
Employee Trusts	1375	0.01	1375	0.00
Non-Resident Indian-Non Repatriable	3,05,830	1.14	3,05,830	0.99
Non-Resident Indian- Repatriable	4,42,606	1.65	4,42,606	1.44
<b>Corporate Bodies</b>	<b>18,32,406</b>	<b>6.83</b>	<b>25,82,406</b>	<b>8.38</b>
<b>Clearing Member</b>	<b>2,61,331</b>	<b>0.97</b>	<b>2,61,331</b>	<b>0.85</b>
<b>Corporate BodiesOCB</b>	<b>5,00,000</b>	<b>1.86</b>	<b>5,00,000</b>	<b>1.62</b>
<b>Total Public Shareholding-B</b>	<b>1,33,67,750</b>	<b>49.85</b>	<b>1,47,67,750</b>	<b>47.92</b>
Employee Benefit Trust (under SEBI (Sharebased Employee Benefit) Regulations, 2014)-C	25,000	0.09	25,000	0.08
Sub-Total-C	25,000	0.09	25,000	0.08
<b>TOTAL( A+B+C)</b>	<b>2,68,18,050</b>	<b>100.00</b>	<b>3,08,18,050</b>	<b>100.00</b>

\* The above post-issue shareholding pattern has been prepared on the assumption the entire Warrants shall be converted into equity shares, in one or more tranches. This may, however, vary depending upon any other corporate action in between.

g. Proposed time within which preferential issue of Warrants shall be completed.

As required under the ICDR Regulations the preferential issue/allotment of Warrants shall be completed, within a period of 15 [Fifteen] days from the date of passing of the special resolution contained in this Notice. Provided that where the allotment on preferential basis is pending on account of pendency of any approval of such allotment from any regulatory authority or the Central Government, the allotment shall be completed within a period of 15 days from the date of receipt of last such approvals.

- h. The Identity of the natural persons who are the ultimate beneficial owners of the shares/ Warrants proposed to be allotted and/or who ultimately control the proposed allottees, the percentage of pre and post preferential issue capital that may be held by them**

The identity of the natural persons who are the ultimate beneficial owners of the shares/Warrants proposed to be allotted and /or who ultimately control the proposed allottees and the percentage of the pre and post preferential issue capital that may be held by them on a fully diluted basis is given in the following table:

\*Assuming 100% conversion of warrants

S.No	Details of Subscriber	Category of Subscriber	Pre-issue shareholding		Number of Equity warrants proposed to be allotted	Post Issue Share holding after conversion of the Warrants		Beneficial Ownership
1	Master Ramakrishna Paramahamsa Kompella S/o Kompella Viswanath Age:12	Promoter	10,70,625	3.99%	5,00,000	15,70,625	5.09%	Refer Annexure-A
2	Ms. Lopa Mudra Kompella D/o Kompella Viswanath Age:15	Promoter	10,70,625	3.99%	5,00,000	15,70,625	5.09%	Refer Annexure-A
3	Ms. Modini Kompella D/o Kompella Viswanath Age:10	Promoter	10,70,625	3.99%	5,00,000	15,70,625	5.09%	Refer Annexure-A
4	PKI Solutions private Ltd	Promoter	4,05,605	1.51%	6,00,000	10,05,605	3.26%	Refer Annexure-A
5	Bharat Megawatts Gen Private Ltd	Promoter	2,50,000	0.93%	2,00,000	4,50,000	1.46%	Refer Annexure-A
6	Shri Shri Resorts Private Ltd	Promoter	4,01,137	1.50%	3,00,000	7,01,137	2.28%	Refer Annexure-A

The post shareholding details does not include the shares pursuant to conversion of Employees Stock Option since the options will be vested and exercised over a period of time.

Note: (i) Post Shareholding pattern have been prepared on the assumption that the entire Warrants shall be converted into equity shares, in one or more tranches and also including the proposed issue of equity shares to the strategic investors under Resolution# 2 of this notice. This may, however, vary depending upon any other corporate action in between.

**Annexure-A**

Sl.No.	Details of Subscriber	Ultimate Beneficiary Name
1	Master. Ramakrishna Paramahansa Kompella S/o Kompella Viswanath Age: 12	As the allottee is minor, Mr. Viswanath Kompella and Madhavi Latha Kompella who are his father and mother are the ultimate Beneficiaries
2	Ms. Lopa Mudra Kompella D/o Kompella Viswanath Age: 15	As the allottee is minor, Mr. Viswanath Kompella and Madhavi Latha Kompella who are her father and mother are the ultimate Beneficiaries
3	Ms. Modini Kompella D/o Kompella Viswanath Age:10	As the allottee is minor, Mr. Viswanath Kompella and Madhavi Latha Kompella who are her father and mother are the ultimate Beneficiaries
4	PKI Solutions Private Ltd	M.V. Murali Krishna, G. Ramesh, Ch. Satish babu, T. Rajesh Gandhi
5	Bharat Megawatts Gen Private Ltd	P. Shri Lakshmi, K. Rama Chandraiah, T. NagarajGoud, K. Ashok Kumar, D.S. Ram Manohar, SSUM Sastry
6	ShriShri Resorts Private Ltd	K. Viswanath, K. Madhavi Latha, PKI Solutions Private Ltd (Already provided the beneficiaries in the PKI Solutions Private Ltd above)

**i. Change in control, if any, in the Company consequent to the preferential issue**

As a result of the proposed issue of Warrants on a preferential basis, and upon conversion of the Warrants, there will be no change in the control of the Company.

**j. Consequential Changes in the Voting Rights**

Voting rights will change in tandem with the shareholding pattern. However, there shall not be any change in the management control of the Company.

**k. (i) Lock-in-period**

The entire pre-preferential shareholding of Warrant Holder, if any, shall also be locked-in as per Regulation 78 of the ICDR Regulations.

(iii) Warrants, being allotted to promoter(s), shall be locked in for a period of 3 (three) years and the Equity Shares allotted pursuant to the conversion of these warrants shall be put under fresh lock in for a period of 3 (three) years from the date of trading approval granted in respect of such equity shares or such other period as may be prescribed by the SEBI (Issue of Capital And Disclosure Requirements) Regulations, 2009.

(iv) Warrants allotted, if any to Non-Promoters shall be locked in for a period of 1 (one) year and the equity shares allotted pursuant to the conversion of these warrants shall be put under fresh lock in for a period of 1 (one) year from the date of trading approval granted in respect of such equity shares or such other period as may be prescribed by the SEBI (Issue of Capital And Disclosure Requirements) Regulations, 2009.

**l. Number of persons to whom allotment on preferential basis has been made in terms of number of securities as well as price Post 31st March, 2017 and up to the date of this Notice, the following preferential allotments have been made:**

Date of Allotment	No. of Securities allotted	Issue Price	No. of Allottees	Type of Security
NIL				

**m. Other Disclosure**

**(i) It is hereby confirmed that neither the Company nor any of its Promoters or Directors are a willful defaulter.**

The Board, in its meeting held on 20<sup>th</sup> November, 2017 has approved the issuance of Warrants on preferential basis to the Warrant Holder in the manner stated hereinabove, subject to the approval of members and other approvals, as may be required.

- (ii) A copy of the certificate from M/s. Chandrababu Naidu & Co., Chartered Accountants, Statutory Auditors of the Company, certifying that the above preferential issue of Warrants is made in accordance with the applicable provisions of the ICDR Regulations, will be open for inspection at the Registered Office of the Company during working hours between 11:00 a.m. and 1:00 p.m. upto 22<sup>nd</sup> December, 2017.
- (iii) Regulation 72(1)(a) of the ICDR Regulations provides that preferential issue of specified securities by a listed company would require approval of its shareholders by way of a Special Resolution. The Board, therefore, recommends the resolution as set out in Item No. 1 above to be passed as a Special Resolution.
- (iv) None of the Directors or Key Managerial Personnel of the Company and/or their relative(s) is in any way concerned or interested, financially or otherwise, in the proposed resolution in Item No. 1 except Mr., Ramakrishna Paramahansa Komeppla, Lopa Mudra Kompella, Modini Kompella proposed allottees of warrants who forms part of the promoter group.
- (v) Other members of promoter and promoter group shall also be deemed to be concerned or interested in the proposed Resolution in Item No. 1, by reason of their being part of the Promoter Group which also includes the Warrant Holder. Apart from the above, no other Director or Key Managerial Personnel of the Company and/or their relative(s) is in any way concerned or interested, financially or otherwise, in the proposed resolution in Item No. 1 except to the extent of their shareholding in the Company.

The Board of Directors of the Company recommends the Resolution to be passed as a Special Resolution as set out in Item No. 1 of the accompanying Notice for approval of the members through postal ballot.

## Item# 2

The Company wants to raise long term funds to finance growth plans of the Company, strengthen financial structure, enhancing liquidity, working capital resources and for general corporate purposes. Hence, the Board of Directors of the company in their meeting held on 20<sup>th</sup> November, 2017 has considered and approved the proposal to issue 14,00,000 (Fourteen Lacs Only) Equity Shares of Rs.10/- each at an issue/exercise price to be determined in accordance with Regulation 76 of the SEBI ICDR Regulations.

The members are requested to note that as per Section 62(1)(c), 42 and other applicable provisions, if any, of the Companies Act, 2013 read with the relevant Rules made thereunder and Chapter VII of the SEBI (ICDR) Regulations, 2009 as amended, prior approval of the shareholders by way of Special Resolution is required to issue equity shares to the strategic investors.

Salient features of the preferential issue of Equity Shares are as under:

The proposed issue and allotment of Equity Shares, on a preferential basis, shall be governed by the applicable provisions of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended (“ICDR Regulations”) and the Companies Act, 2013 read with rules made thereunder (“Act”).

Without generality to the above, the salient features of the preferential issue of Equity Shares are as under:

- The “Relevant Date” as per the ICDR Regulations for determining the minimum price for the preferential issue of Warrants is 23<sup>rd</sup> November, 2017, which is 30 [thirty] days prior to the date of the shareholders’ meeting to be held on 23<sup>rd</sup> December, 2017( Date of Declaration of Results will be considered as Date of Shareholders Meeting)
- The Company has not made any preferential issue of securities in this financial year, other than the proposed issue of Equity Shares/Warrants as stated in this notice.
- The strategic investor has not sold any equity shares during the six months preceding the Relevant Date. The strategic investors has not subscribed to any Equity shares of the Company during last one year.

The other information prescribed under Regulation 73 of the ICDR Regulations is as follows:

### a. Object of the preferential issue of Equity Shares and details of utilization of proceeds:

The proceeds of the preferential issue will be utilized towards augmenting the working capital requirements and meeting other business requirements.

**b. The proposal or intention of the Promoter / Promoter group , Directors or Key Managerial Personnel to subscribe to the proposed preferential issue, if any:**

None of the directors or key managerial personnel intends to subscribe to any shares pursuant to this preferential issue of equity shares.

However, To meet the objects of the issue, the Promoters Mr. Ramakrishna Paramahamsa Kompella, Ms. Lopa Mudra Kompella, Ms. Modini Kompella, M/s. PKI Solutions Private Ltd, M/s. Bharat Megawatts Gen Private Ltd, M/s. Shri Shri Resorts Private Ltd has shown their interest to subscribe 26,00,000 warrants.

**c. Relevant Date:**

The Relevant Date for the purpose of determining the pricing of shares in accordance with Chapter VII of SEBI (ICDR) Regulations, 2009 is 23<sup>rd</sup> November, 2017 (i.e., 30 days prior to the declaration of results of Postal Ballot, i.e., 23<sup>rd</sup> December, 2017). The Warrants will be allotted in accordance with the price determined in terms of Regulation 76 of the SEBI (ICDR) Regulations, 2009.

**d. Pricing of the Issue:**

The issue of equity shares will be at a price not less than higher of following:

- a) The average of the weekly high and low of the Volume weighted average price of the Company's Shares quoted on the Stock Exchange during the twenty six weeks preceding the 'relevant date'.
- b) The average of the weekly high and low of the Volume weighted average price of the Company's Shares quoted on a Stock Exchange during the two weeks preceding the 'relevant date'. The price above is determined on the basis of the quotes available on the BSE Limited, wherein the Company shares are traded highest in volume, during the preceding 26 weeks prior to the relevant date.

The issue price is at a minimum exercise price as may be arrived at in accordance with the ICDR Regulations ("Issue Price"), at the relevant date in on 23<sup>rd</sup> November, 2017

**e. The Company hereby undertakes that:**

- a) It would re-compute the price of the Securities specified above in terms of the provisions of the SEBI (ICDR) Regulations, 2009 if it is required to do so.
- b) If the amount payable on account of re-computation of price is not paid within the time stipulated in the SEBI (ICDR) Regulations, 2009, the above specified securities shall continue to be locked in till the time such amount is paid by allottees. f. The shareholding pattern of the Company before and after the preferential issue of Warrants: Shareholding pattern before and after the proposed preferential issue of Warrants is as follows:

**f. The shareholding pattern of the company before and after the preferential issue of warrants:**

Shareholding pattern before and after the proposed preferential issue of warrants is as follows:

Category	Pre issue shareholding as on 11 <sup>th</sup> November, 2017		Post issue shareholding*	
	Number of shares held	% of Share holding	Number of shares held	% of Share holding
A. Promoter Holding				
1.Indian-Individual				
Viswanath Kompella	68,07,975	25.39	68,07,975	22.01
Madhavi Latha Kompella	11,18,050	4.17	11,18,050	3.63
Lopa Mudra Kompella	10,70,625	3.99	15,70,625	5.09
Ramakrishna Paramahamsa Kompella	10,70,625	3.99	15,70,625	5.09

Category	Pre issue shareholding as on 11 <sup>th</sup> November, 2017		Post issue shareholding*	
	Number of shares held	% of Share holding	Number of shares held	% of Share holding
Modini Kompella	10,70,625	3.99	15,70,625	5.09
Srinath Kompella	200	0	200	0.00
Anil Kumar Pinapala	1,00,000	0.37	1,00,000	0.32
Shema Renny Abraham	50,000	0.19	50,000	0.16
Deepa Reji Abraham	25,000	0.09	25,000	0.08
<b>Body Corporate</b>				
PKI Solutions Private Ltd	4,05,605	1.51	10,05,605	3.26
BHARAT MEGAWATTS GEN PRIVATE LIMITED	2,50,000	0.93	4,50,000	1.46
Shri Shri Resorts Private Ltd	4,01,137	1.50	7,01,137	2.28
<b>2. Foreign</b>				
Individuals and corporate bodies	10,55,458	3.94	10,55,458	3.42
<b>Sub-Total (A)</b>	<b>1,34,25,300</b>	<b>50.06</b>	<b>1,60,25,300</b>	<b>52.00</b>
<b>C. Non Promoters Holding</b>				
<b>3. Institutions</b>				
Foreign Portfolio Investors	70,000	0.26	70,000	0.23
<b>4. Non-Institutions</b>				
Individuals - i. Individual shareholders holding nominal share capital up to Rs. 2 lakhs.	64,93,897	24.21	64,93,897	21.07
Individuals - ii. Individual shareholders holding nominal share capital in excess of Rs. 2 lakhs.	34,60,305	12.90	41,10,305	13.34
Employee Trusts	1375	0.01	1375	0.00
Non-Resident Indian-Non Repatriable	3,05,830	1.14	3,05,830	0.99
Non-Resident Indian- Repatriable	4,42,606	1.65	4,42,606	1.44
<b>Corporate Bodies</b>	<b>18,32,406</b>	<b>6.83</b>	<b>25,82,406</b>	<b>8.38</b>
<b>Clearing Member</b>	<b>2,61,331</b>	<b>0.97</b>	<b>2,61,331</b>	<b>0.85</b>
<b>Corporate BodiesOCB</b>	<b>5,00,000</b>	<b>1.86</b>	<b>5,00,000</b>	<b>1.62</b>
<b>Total Public Shareholding-B</b>	<b>1,33,67,750</b>	<b>49.85</b>	<b>1,47,67,750</b>	<b>47.92</b>
Employee Benefit Trust (under SEBI (Sharebased Employee Benefit)				
Regulations, 2014)-C	25,000	0.09	25,000	0.08
Sub-Total-C	25,000	0.09	25,000	0.08
<b>TOTAL( A+B+C)</b>	<b>2,68,18,050</b>	<b>100.00</b>	<b>3,08,18,050</b>	<b>100.00</b>

\* The above post-issue shareholding pattern has been prepared on the assumption the entire Warrants Proposed under Resolution# 1 shall be converted into equity shares, in one or more tranches. This may, however, vary depending upon any other corporate action in between.

**g. Proposed time within which preferential issue of Equity Shares shall be completed.**

As required under the ICDR Regulations the preferential issue/allotment of Equity Shares shall be completed, within a period of 15 [Fifteen] days from the date of passing of the special resolution contained in this Notice. Provided that where the allotment on preferential basis is pending on account of pendency of any approval of such allotment from any regulatory authority or the Central Government, the allotment shall be completed within a period of 15 days from the date of receipt of last such approvals.

**h. The Identity of the natural persons who are the ultimate beneficial owners of the shares/ Warrants proposed to be allotted and/or who ultimately control the proposed allottees, the percentage of pre and post preferential issue capital that may be held by them**

The identity of the natural persons who are the ultimate beneficial owners of the shares/Warrants proposed to be allotted and /or who ultimately control the proposed allottees and the percentage of the pre and post preferential issue capital that may be held by them on a fully diluted basis is given in the following table:

S.No	Details of Subscriber	Category of Subscriber	Pre-issue shareholding	Number of Equity warrants proposed to be allotted	Post Issue Share holding after conversion of the Warrants	Beneficial Ownership
1	Mallemkonda Realities Private Ltd	Non Promoter	NIL	5,00,000	5,00,000	1. V.Narender Reddy 2. V.Lahari Reddy
2	Mohan Kumar Tayel	Non Promoter	NIL	5,00,000	5,00,000	-
3	Magadha Infracon Private Ltd	Non Promoter	NIL	2,50,000	2,50,000	1. M.Anuradha 2. M. Veera Venkata Rao
4	D.Pavan Kumar	Non Promoter	NIL	50,000	50,000	-
5	Prem Kumar Bajan	Non Promoter	NIL	50,000	50,000	-
6	Vasudha Marwah	Non Promoter	NIL	50,000	50,000	-

\*Assuming 100% conversion of warrants

The post shareholding details does not include the shares pursuant to conversion of Employees Stock Option since the options will be vested and exercised over a period of time.

Note: (i) Post Shareholding pattern have been prepared on the assumption that the entire Warrants proposed under Resolution# 1 shall be converted into equity shares, in one or more tranches. This may, however, vary depending upon any other corporate action in between.

**i. Change in control, if any, in the Company consequent to the preferential issue**

As a result of the proposed issue of equity shares on a preferential basis there will be no change in the control of the Company.

**j. Consequential Changes in the Voting Rights**

Voting rights will change in tandem with the shareholding pattern. However, there shall not be any change in the management control of the Company.

**k. Lock-in-period**

The entire pre-preferential shareholding of Proposed strategic investors, if any, shall also be locked-in as per Regulation 78 of the ICDR Regulations.

Equity Shares allotted, if any to Non-Promoters shall be locked in for a period of 1 (one) year from the date of trading approval granted in respect of such equity shares or such other period as may be prescribed by the SEBI (Issue of Capital And Disclosure Requirements) Regulations, 2009.

- I. Number of persons to whom allotment on preferential basis has been made in terms of number of securities as well as price Post 31st March, 2017 and up to the date of this Notice, the following preferential allotments have been made:

Date of Allotment	No. of Securities allotted	Issue Price	No. of Allottees	Type of Security
NIL				

m. Other Disclosure

- (i) It is hereby confirmed that neither the Company nor any of its Promoters or Directors are a willful defaulter. The Board, in its meeting held on 20<sup>th</sup> November, 2017 has approved the issuance of Equity Shares on preferential basis to the strategic investors in the manner stated hereinabove, subject to the approval of members and other approvals, as may be required.
- (ii) A copy of the certificate from M/s. Chandrababu Naidu & Co., Chartered Accountants, Statutory Auditors of the Company, certifying that the above preferential issue of Equity Shares is made in accordance with the applicable provisions of the ICDR Regulations, will be open for inspection at the Registered Office and registered Office of the Company during working hours between 11:00 a.m. and 1:00 p.m. upto 22<sup>nd</sup> December, 2017.
- (iii) Regulation 72(1)(a) of the ICDR Regulations provides that preferential issue of specified securities by a listed company would require approval of its shareholders by way of a Special Resolution. The Board, therefore, recommends the resolution as set out in Item No. 2 above to be passed as a Special Resolution.
- (iv) None of the Directors or Key Managerial Personnel of the Company and/or their relative(s) is in any way concerned or interested, financially or otherwise, in the proposed resolution in Item No. 2.
- (v) The Board of Directors of the Company recommends the Resolution to be passed as a Special Resolution as set out in Item No. 2 of the accompanying Notice for approval of the members through postal ballot.

**By Order of the Board of Directors  
For Virinchi Ltd.**

**K. Ravindranath Tagore  
Company Secretary  
M.No: A18894**

Place: Hyderabad  
Date: 20/11/2017

**The instructions for shareholders voting electronically are as under:**

- (i) The voting period begins on 23<sup>rd</sup> November, 2017 at 9.00 am and ends on 22<sup>nd</sup> December, 2017 at 5.00 pm. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e 17<sup>th</sup> November, 2017 , may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iii) Click on Shareholders.
- (iv) 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.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.

**If you are a first time user follow the steps given below:**

PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department(Applicable for both demat shareholders as well as physical shareholders)• Members who have not updated their PAN with the Company/DepositoryParticipant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. • In case the sequence number is less than 8 digits enter the applicable numberof 0's before the number after the first two characters of the name in CAPITALletters. Eg. If your name is Ramesh Kumar with sequence number 1 then enterRA00000001(Which is printed on address label) in the PAN field.
DOB	Enter the Date of Birth as recorded in your demat account or in the companyrecords for the said demat account or folio in dd/mm/yyyy format
DIVIDEND BANK ACCOUNT DETAILS	Enter the Dividend Bank Details as recorded in your demat account or in theBank company records for the said demat account or folio. Please enter the DOBoR Details Dividend Bank Details in order to login. If the details are not recordedwith the depository or company please enter the folio/client id.

- (vii) After entering these details appropriately, click on “SUBMIT” tab.
- (viii) Members holding shares in physical form will then directly reach the Company selection screen.
- (ix) 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.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for Virinchi Ltd
- (xii) 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.

- (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiv) 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.
- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (ix) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xvi) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvii) Note for Non – Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto: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 should be mailed to [helpdesk.evoting@cdslindia.com](mailto: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 (POA) 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.
- 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.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

