



S.R. INDUSTRIES LIMITED
CIN: L29246PB1989PLC009531
Regd. Office: E- 217, Industrial Area, Phase 8B, Mohali, Punjab- 160071
Ph.: 0172- 4602888
E-mail: info@srfootwears.com Website: www.srfootwears.com

POSTAL BALLOT NOTICE

Pursuant to Section 110 of the Companies Act, 2013, read with the Companies (Management and Administration) Rules, 2014

Dear Members,

Notice is hereby given pursuant to the provisions of Section 110 of the Companies Act, 2013 (the 'Act') and all other applicable provisions, if any, of the Act read together with the Companies (Management and Administration) Rules, 2014 including any statutory modification or re-enactment thereof for the time being in force, applicable provisions of the Securities and Exchange Board of India ('SEBI') including, but not limited to, Securities Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 ('SEBI ICDR'), and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI LODR'), the resolutions set out below are proposed to be passed as Special Resolution by the members of the Company by way of Postal Ballot/electronic voting (e-voting).

The proposed resolutions, along with the explanatory statement setting out the material facts and the reasons thereto are appended below along with a postal ballot form ("Form") for your consideration.

The Board of Directors of the Company has, in compliance with Rule 22(5) of the Rules, appointed Mr. Ramesh Bhatia, (Membership No. FCS 2483; C.P No. 1917), Practicing Company Secretary, having office at SCO-154-155, 1st Floor, Sector 17C, Chandigarh - 160017, as the scrutinizer ("Scrutinizer") for conducting the postal ballot process in a fair and transparent manner and that Mr. Ramesh Bhatia has conveyed his willingness to act as the Scrutinizer in terms of Rule 22(6) of the Rules.

You are requested to carefully read the instructions printed in the Notice/Form including the notes appended herein and record your assent (for) or dissent (against) for the resolutions set out below either through e-voting (as per the instructions in the Notes under the section 'Voting through electronic means' in this Notice) or by filling the necessary details and affixing your signature at the designated place in the Form and return the duly completed original Form in the enclosed self-addressed Business Reply Envelope so as to reach the Scrutinizer not later than 1700 hours (IST) on Saturday, March 10, 2018. The postage will be borne by the Company. However, envelopes containing Form, if sent by courier or registered / speed post at the expense of the Members will also be accepted. The Form may also be deposited personally at the address given on the self-addressed Business Reply Envelope.

For the purpose of e-voting, the Company has engaged the services of Central Depository Services (India) Limited ("CDSL"). In case a member votes through e-voting facility as well as sends his/her vote through submission of Postal Ballot Form, the vote cast through e-voting shall only be considered and the voting through submission of Postal Ballot Form shall not be considered by the Scrutinizer.

The Scrutinizer will submit his report to the Chairman or any other official authorized by the Chairman of the Company, after the completion of the scrutiny of the postal ballot(s) (including e-voting) for declaration of results. The result of the postal ballot shall be declared on Monday, March 12, 2018 at the Registered Office of the Company. The results shall be displayed at the Registered Office of the Company and communicated to the Stock Exchanges, Depository, Registrar and Share Transfer Agent and shall also be displayed on the Company's website, www.srfootwears.com and the website of the e-voting agency i.e. www.cdslindia.com

Pursuant to section 102 of the Companies Act, 2013, the explanatory statement pertaining to the resolutions, stating the material facts and the reasons thereof is set out below for your consideration and the postal ballot form is annexed with this notice.

The date of declaration of the result of the postal ballot and remote e-voting shall be treated as the date on which the appended resolutions would be deemed to have been passed, if approved by requisite majority.

In the event the draft resolutions as set out in the notice are assented by the requisite majority by means of e-voting or Postal Ballot (whichever method the Shareholders opts for), those shall be deemed to have been passed as Special Business at an Extraordinary General Meeting.

SPECIAL BUSINESS:

Item 1. Alteration of Capital Clause in the Memorandum of Association of the Company

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 13, 61 of the Companies Act 2013 (the “Act”) and other applicable provisions, if any, of the Act (including any amendments thereto or re-enactment thereof), Articles of Association of the Company and subject to such other approvals, consents, permissions and sanctions, if any, including approval of Securities and Exchange Board of India (“SEBI”), stock exchange and other appropriate statutory authorities, institution or bodies, as the case may be necessary in this respect, the consent of the members of the Company is hereby accorded to the Board of Directors of the Company for re-classification of the authorized share capital of the Company wherein the authorized share capital of the Company be amended by reclassifying the existing authorised share capital of Rs. 300,000,000 (Rupees Thirty Crore only) divided into 15,000,000 (One Crore Fifty lakhs) Equity Shares of Rs.10 each (Rupees Ten only) and 1,500,000 (Fifteen Lakhs) 8% Non-Cumulative Redeemable Preference Shares of Rs. 100 (Rupees Hundred only) each to Rs. 300,000,000 (Rupees Thirty Crore only) divided into 21,750,000 (Two Crore Seventeen Lakhs Fifty Thousand) Equity Shares of Rs.10 each (Rupees Ten only) and 7,50,000 (Seven Lakhs Fifty Thousand) 0.01% Optionally Convertible Preference Shares of Rs. 100 (Rupees Hundred only) and 75,000 (Seventy-Five Thousand) 8% Non-Cumulative Redeemable Preference Shares of Rs. 100 (Rupees Hundred only) each and consequently the Share Capital Clause of the Memorandum of the Association of the Company stands substituted by the following:-

“The Authorized Share Capital of the Company is Rs. 300,000,000 (Rupees Thirty Crore only) divided into 21,750,000 (Two Crore Seventeen Lakhs Fifty Thousand) Equity Shares of Rs.10 each (Rupees Ten only) and 7,50,000 (Seven Lakhs Fifty Thousand) 0.01% Optionally Convertible Preference Shares of Rs. 100 (Rupees Hundred only) and 75,000 (Seventy-Five Thousand) 8% Non-Cumulative Redeemable Preference Shares of Rs. 100 (Rupees Hundred only) each.”

RESOLVED FURTHER THAT Mr. R. C Mahajan (DIN 00038661), Managing Director, Mr. Amit Mahajan (DIN: 00038593), Director (Commercial), and Ms. Samandeep Kaur, Company Secretary of the Company be and are hereby severally or jointly authorized to execute the relevant documentation and all necessary and ancillary documents, and to do, or cause to be done all such acts, deeds and things, and execute, deliver and/or file all such documents, as may be necessary or desirable, including filing of requisite reports, returns or forms with the Registrar of Companies, SEBI, stock exchange or other concerned regulatory authorities, including to resolve and settle all questions, difficulties or doubts that may arise in regard to the aforesaid transactions and to do all acts, deeds and things in connection therewith and incidental thereto.

RESOLVED FURTHER THAT all actions taken by the Board in connection with any matter(s) referred to or contemplated in any of the foregoing resolutions be and are hereby approved, ratified and confirmed in all respects.”

Item 2: Variation of rights, terms and conditions of the Redeemable Preference Shares and their conversion into Optionally Convertible Preference Shares

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

“RESOLVED THAT, consequent to the consent received from all the 8% Non-Cumulative Redeemable Preference Shareholders, subject to the provisions of Section 48, Section 55, Section 110 of the Companies Act 2013 (the “Act”) and Companies (Share Capital and Debenture) Rules, 2014, Companies (Prospectus and Allotment of Securities) Rules, 2014, Companies (Meeting of Board and its Powers) Rules, 2014 and Companies (Management and Administration) Rules, 2014, and other applicable provisions, if any, made therein (including any amendments thereto or re-enactment thereof), SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 (“SEBI ICDR”), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI LODR”) and relevant rules/regulations, guidelines, if any as prescribed by SEBI, and applicable provisions of the Memorandum of Association of the Company and the Articles of Association of the Company, and subject to such approvals, consents, permissions and sanctions, if any, of SEBI, stock exchange and other appropriate statutory authorities, institution or bodies, as the case may be necessary in this respect, the consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company for varying the rights, terms and conditions of the fully paid up Preference Share Capital of the Company being 14,60,000 8% Non-Cumulative Redeemable Preference Shares (“RPS”) of Rs. 100 (Rupees Hundred only) per share totally amounting to Rs. 14,60,00,000 (Rupees Fourteen Crores Sixty Lakhs only) to upto 750,000 (Seven Lakhs Fifty Thousand) 0.01% Optionally Convertible Preference Shares (“OCPS”) at face value of Rs. 100 each issued at a premium of Rs. 100/- (Rupees Hundred only) each totally amounting to Rs. 14,60,00,000 (Rupees Fourteen Crores Sixty Lakhs only) and allotted as under (“RPS Holders” or “OCPS Allottees”):

Sr. No.	Name of the OCPS Allottees	PAN	Category	Redeemable Preference Shares of Rs. 100/- each	Optionally Convertible Preference Shares of Rs. 100/- each
1.	Amit Y. Mahajan	AAJPM1254D	Promoter	5,69,481	2,84,740
2.	Mr. R C Mahajan	ACPPM6667E	Promoter	87,500	43,750
3.	Universal Cyber Infoway	AACCA4815G	Promoter	4,36,350	2,18,175

	Private Ltd.				
4.	Pride Properties Private Ltd.	AAACP1130D	Promoter	1,42,400	71,200
5.	Beckons Industries Limited	AABCA2425K	Non-Promoter	75,000	37,500
6.	Amit R. Mahajan	ACPPM6633E	Promoter	75,269	37,634
7.	Krishna Garden Private Ltd.	AABCK6007B	Non-Promoter	74,000	37,000
	Total			14,60,000	7,29,999

RESOLVED FURTHER THAT all the RPS Holders of the Company has given their consent to the Company for the varying of the rights, terms and conditions of the RPS.

RESOLVED FURTHER THAT the OCPS shall have such terms and conditions as may be decided by the Board in its absolute discretion, including the following terms and conditions:

The priority with respect to payment of dividend or repayment of capital vis-à-vis equity shares	OCPS shall carry a preferential right vis-à-vis equity shares of the Company with respect to payment of dividend and repayment in case of a winding up or repayment of capital.
Coupon Rate	The OCPS would carry a coupon rate of 0.01% and payable upon declaration of dividend by the Company
The Participation in surplus fund	OCPS shall be non-participating in surplus funds.
The Participation in surplus assets and profits, on winding-up which may remain after the entire capital has been repaid	OCPS shall be non-participating in surplus assets and profits, on winding up, which may remain after the entire capital has been paid
Conversion of the OCPS	Each OCPS shall at the option of the OCPS Holder would be converted into such number of Equity Shares of the Company arrived by dividing the amount paid by the OCPS Allottee with the Conversion Price, within 18 months from the date of their allotment.
Conversion Price	The conversion price of the OCPS into Equity Shares would be determined in accordance with the applicable Regulation 76 of SEBI ICDR as on the date preceding the Relevant Date
Non-converted portion	Each OCPS not converted on or before the 18 th months of its allotment shall be converted into 8% Non-Cumulative Redeemable Preference Shares of Rs. 100 (Rupees Hundred only) each

RESOLVED FURTHER THAT as per the provisions of Chapter VII of the SEBI ICDR Regulations, for the determination of Conversion Price of the OCPS is Friday, February 9, 2018 i.e. 30 days prior to the date of declaration of postal ballot and e-voting results on Monday, March 12, 2018. The Relevant Date falls on February 10, 2018, Saturday i.e. weekend, hence the Company has taken February 9, 2018 as the Relevant Date, preceding the date of the weekend.

RESOLVED FURTHER THAT in accordance with Regulation 75 of ICDR Regulations and terms of OCPS, the tenure of the OCPS shall not exceed 18 (eighteen) months from the date of their allotment and subject to the approval of all applicable regulatory authorities, as and when the OCPS Allottee exercises the option of conversion, in one or more tranches, which shall not be later than the period specified in Regulation 75 of the SEBI ICDR Regulations, each OCPS shall be compulsorily convertible into 1 (one) Equity Share of Rs. 10/- each fully paid-up, at price as may be arrived in accordance with Regulation 76 of the SEBI ICDR.

RESOLVED FURTHER THAT fraction, if any arising pursuant to conversion of the RPS into OCPS would be ignored and such fraction would be continued as RPS.

RESOLVED FURTHER THAT fraction, if any arising pursuant to conversion of the OCPS into Equity Shares would be converted into a whole number and the OCPS holder would be issued 1 (One) Equity Shares against such fraction subject to the OCPS holder paying for his/its part of the consideration such that the full consideration is received at the time of allotment of Equity Shares.

RESOLVED FURTHER THAT all the OCPS with respect to which the conversion rights are not exercised (Un-exercise Portion), the Un-exercised portion would stand converted into equal number of 8% Non-Cumulative Redeemable Preference Shares of Rs. 100/- each ("New RPS") redeemable within 20 years from the date of issue at a price of Rs. 200/- per RPS.

RESOLVED FURTHER THAT the OCPS and the Equity Shares to be allotted pursuant to conversion of the OCPS shall be in dematerialized form and subject to lock-in as applicable under SEBI ICDR Regulations.

RESOLVED FURTHER THAT the terms of the OCPS do not confer to the OCPS Allottee any rights similar to that of the equity shareholders of the Company, including voting rights unless converted into resultant Equity Shares.

RESOLVED FURTHER THAT in accordance with the Regulation 74(1) of the ICDR Regulations, the OCPS shall be allotted within a period of 15 days from the date of passing this resolution, provided that where the said allotment is pending on account of pendency of any approval for such allotment by any regulatory authority, the allotment shall be completed within a period of 15 days from the date of such approval.

RESOLVED FURTHER THAT the equity shares proposed to be allotted to the OCPS Allottee upon conversion of OCPS, be listed on BSE, and that the Board be and is hereby authorized to make the necessary applications and to take all other steps as may be necessary for and in connection with the listing of the equity shares proposed to be allotted to the OCPS Allottee upon conversion of OCPS and for admission of such OCPS and the equity shares with the depositories, viz National Securities Depositories Limited and/or Central Depository Services (India) Limited, and for the credit of such OCPS and the equity shares to be allotted upon conversion of OCPS to the demat account of the OCPS Allottee.

RESOLVED FURTHER THAT the Board be and is hereby authorised to decide and approve the other terms and conditions of the issue of OCPS and/or the New RPS, and also shall be entitled to vary, modify or alter any of the terms and conditions, as it may deem expedient, subject however to compliance with the Listing Regulations with the Stock Exchange(s), and applicable guidelines, notifications, rules and regulations in this regard and requisite shareholder and/or OCPS Allottee's approval (if applicable)

RESOLVED FURTHER THAT the Equity Shares and/or the New RPS of the Company to be allotted upon conversion of the OCPS, in accordance with its terms thereof, shall be subject to the provisions of the Memorandum and Articles of Association of Company and 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.

RESOLVED FURTHER THAT for the purpose of giving effect to the above, the Board be and is hereby authorized, in its entire discretion, to do all such acts, matters, deeds and things and to take all such steps and to do all such things and give all such directions, as the Board may consider necessary, expedient or desirable, including without limitation, effecting any modification to the foregoing (including any modifications to the terms of the issue), to prescribe the forms of application, allotment, to enter into any agreements or other instruments, and to take such actions or give such directions as may be necessary or desirable and to file applications and obtain any approvals, permissions, sanctions which may be necessary or desirable and to settle any questions or difficulties that may arise and appoint consultants, valuers, legal advisors, advisors and such other agencies as may be required for the Issue of the OCPS without being required to seek any further clarification, consent or approval of the members and that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution

RESOLVED FURTHER THAT subject to applicable laws, the Board be and is hereby also authorized to delegate, all or any of the powers herein conferred, to any Director(s) or officer(s) of the company and to revoke and substitute such delegation from time to time, as deemed fit by the Board, to give effect to the aforesaid resolution.

RESOLVED FURTHER THAT for the purpose of giving effect to the aforesaid resolution, Mr. R. C Mahajan (DIN 00038661), Managing Director, Mr. Amit Mahajan (DIN: 00038593), Director (Commercial), and Ms. Samandeep Kaur, Company Secretary of the Company be and are hereby jointly and severally authorized to do all such acts, deeds, matters and things as they may in their absolute discretion deem necessary and desirable for such purpose, including but not limited to execution of various deeds, documents, writings, agreements, and also to modify, accept and give effect to any modifications therein and the terms and conditions of the issue, as may be required by the statutory, regulatory and other appropriate authorities and to settle all queries or doubts that may arise in the proposed issue, without being required to seek any further consent or approval of the Members.

RESOLVED FURTHER THAT all actions taken by the Board in connection with any matter(s) referred to or contemplated in any of the foregoing resolutions be and are hereby approved, ratified and confirmed in all respects."

Item 3. Issue Equity shares of the Company to the Promoter / Promoter Group against the outstanding unsecured loans received by the Company from its 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 Section 42, 62, and all other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Share Capital and Debentures) Rules 2014 and the Companies (Prospectus and Allotment of Securities) Rules, 2014 (including any re-enactment(s) or modification(s), thereof for the time being in force) (the **“Act”**); and in accordance with the enabling provisions of the Memorandum and Articles of Association of the Company, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended (**“SEBI ICDR Regulations”**); the Securities and Exchange Board of India (Substantial Acquisitions of Shares and Takeovers) Regulations, 2011, as amended (the **“Takeover Regulations”**); Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015, as amended (the **“LODR Regulations”**); the Foreign Exchange Management Act, 1999 (**“FEMA”**), as amended, including the Foreign Exchange Management (Transfer or Issue of Security by a person resident outside India) Regulations, 2000, as amended and in accordance with the Foreign Direct Investment Policy (**“FDI Policy”**) read with the circulars, rules, regulations, notifications and guidelines issued under FEMA (including any reenactment(s) or modification(s), thereof for the time being in force) and any other Rules/ Regulations/ Guidelines, if any, prescribed by the Securities and Exchange Board of India, Reserve Bank of India, Stock Exchanges and/or any other statutory / regulatory authority whether in India or abroad, the Listing Agreements entered into by the Company with the Stock Exchanges where the securities of the Company are listed and subject to the approval(s), consent(s), permission(s) and/or sanction(s), if any, of the appropriate authorities, institutions or bodies as may be required and subject to such conditions as may be prescribed by any of them while granting any such approval(s), consent(s), permission(s), and/or 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 which the Board may have constituted or hereinafter constitute 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, consent of the Members of the Company be and is hereby accorded to the Board to create, offer, issue and allot on a preferential basis, from time to time, in one or more tranches, up to 10,00,000 (Ten Lakh only) fully paid-up equity shares of the Company, having face value of Rs.10/- (Rupees Ten Only) each at a price as may be arrived in accordance with the Regulation 76 of the SEBI ICDR to the below mentioned promoter allottees hereinafter referred to as **“Allottee”**, on a preferential basis by way of conversion of existing unsecured loan of Rs. 5,45,17,678 extended by the promoters:

Sr. No.	Name of Investor	PAN	No. of Equity Share	Category
1.	Amit Y. Mahajan	AAJPM1254D	630,000	Promoter
2.	Mr. R C Mahajan	ACPPM6667E	219,700	Promoter
3.	Amit R Mahajan	ACPPM6633E	150,000	Promoter
	Total		999,700	

RESOLVED FURTHER THAT as per the provisions of Chapter VII of the SEBI ICDR Regulations, for the minimum price of the equity shares being allotted to the Allottees, on a preferential basis, is Friday, February 9, 2018 i.e. 30 days prior to the date of declaration of postal ballot and e-voting results on Monday, March 12, 2018. The Relevant Date falls on February 10, 2018, Saturday i.e. weekend, hence the Company has taken February 9, 2018 as the Relevant Date, preceding the date of the weekend.

RESOLVED FURTHER THAT the equity shares to be allotted in terms of this resolution shall be made fully paid up at the time of allotment and shall rank pari passu with the existing equity shares of the Company in all respects and the same shall be subject to lock-in for such period that may be prescribed under the ICDR Regulations.

RESOLVED FURTHER THAT that the Common Seal of the Company, if required to be affixed on any agreement, undertaking, deed or other document, be affixed in the presence of any two directors of the Company or any one director and secretary or any other person as may be authorised by the Board in accordance with the Articles of Association of the Company.

RESOLVED FURTHER THAT for the purpose of giving effect to the above, the Board be and is hereby authorized, in its entire discretion, to do all such acts, matters, deeds and things and to take all such steps and to do all such things and give all such directions, as the Board may consider necessary, expedient or desirable, including without limitation, effecting any modification to the foregoing (including any modifications to the terms of the issue), to prescribe the forms of application, allotment, to enter into any agreements or other instruments, and to take such actions or give such directions as may be necessary or desirable and to file applications and obtain any approvals, permissions, sanctions which may be necessary or desirable and to settle any questions or difficulties that may arise and appoint consultants, valuers, legal advisors, advisors and such other agencies as may be required for the Preferential Issue of Equity Shares without being required to seek any further clarification, consent or approval of the members and that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution

RESOLVED FURTHER THAT subject to applicable laws, the Board be and is hereby also authorized to delegate, all or any of the powers herein conferred, to any Director(s) or officer(s) of the company and to revoke and substitute such delegation from time to time, as deemed fit by the Board, to give effect to the aforesaid resolution.

RESOLVED FURTHER THAT for the purpose of giving effect to the aforesaid resolution, Mr. R. C Mahajan (DIN 00038661), Managing Director, Mr. Amit Mahajan (DIN: 00038593), Director (Commercial), and Ms. Samandeep Kaur, Company Secretary of the Company be and are hereby jointly and severally authorized to do all such acts, deeds, matters and things as they may in their absolute discretion deem necessary and desirable for such purpose, including but not limited to execution of various deeds, documents, writings, agreements, and also to modify, accept and give effect to any modifications therein and the terms and conditions of the issue, as may be required by the statutory, regulatory and other appropriate authorities and to settle all queries or doubts that may arise in the proposed issue, without being required to seek any further consent or approval of the Members.

RESOLVED FURTHER THAT all actions taken by the Board in connection with any matter(s) referred to or contemplated in any of the foregoing resolutions be and are hereby approved, ratified and confirmed in all respects.”

PLACE: MOHALI
DATE: February 2, 2018

By order of the Board
For an on behalf of **S.R. INDUSTRIES LIMITED**
Sd/-
R. C. Mahajan
Managing Director

EXPLANATORY STATEMENT
(Pursuant to Sections 102(1) and 110 of the Companies Act, 2013)

Item No.1

TO CONSIDER ALTERATION OF CAPITAL CLAUSE IN THE MEMORANDUM OF ASSOCIATION OF THE COMPANY

The Company has considered reclassification of the present authorized share capital of the Company from Rs. 300,000,000 (Rupees Thirty Crore only) divided into 15,000,000 (One Crore Fifty Lakhs) Equity Shares of Rs.10 each (Rupees Ten only) and 1,500,000 (Fifteen Lakhs) 8% Non-Cumulative Redeemable Preference Shares of Rs. 100 (Rupees Hundred only) each to Rs. 300,000,000 (Rupees Thirty Crore only) divided into 21,750,000 (Two Crore Seventeen Lakhs Fifty Thousand) Equity Shares of Rs.10 each (Rupees Ten only) and 7,50,000 (Seven Lakhs Fifty Thousand) 0.01% Optionally Convertible Preference Shares of Rs. 100 (Rupees Hundred only) and 75,000 (Seventy-Five Thousand) 8% Non-Cumulative Redeemable Preference Shares of Rs. 100 (Rupees Hundred only) each.

Such reclassification is necessary as the Company does not have adequate funds for the redemption of such Preference Shares. Further, the Company has incurred losses during the earlier financial years and the networth of the Company is eroded. The conversion would increase the equity capital of the Company and therefore improving the networth of the Company, which has inevitably led the Board of Directors of the Company to approach the members of the Company for reclassification and vary the nature and terms and conditions of the 8 % Non-Cumulative Redeemable Preference Shares (RPS) to 0.01% Optionally Convertible Preference Shares (OCPS). For such reclassification of the authorised share capital as aforesaid and making the necessary amendments thereto in the Capital Clause of the Memorandum of Association of the Company, the Company is required to obtain the approval of its members of the Company by way of special resolution u/s 13 of the Companies Act, 2013. The Board after detailed discussion believes that there is no other better possible alternative to the above proposal and it would serve the long-term interests of the Company and the members of the Company.

The Share Capital Clause of the Memorandum of Association shall be altered by deletion of the existing clause and by substitution thereof with the following:

“The Authorized Share Capital of the Company is Rs. 300,000,000 (Rupees Thirty Crore only) divided into 21,750,000 (Two Crore Seventeen Lakhs Fifty Thousand) Equity Shares of Rs.10 each (Rupees Ten only) and 7,50,000 (Seven Lakhs Fifty Thousand) 0.01% Optionally Convertible Preference Shares of Rs. 100 (Rupees Hundred only) and 75,000 (Seventy-Five Thousand) 8% Non-Cumulative Redeemable Preference Shares of Rs. 100 (Rupees Hundred only) each with the rights, privileges and conditions attached thereto as are provided by the Articles of Association of the Company for the time being with power to increase and reduce the capital of the Company and divide the shares in the capital for the time being into several classes and to attach therein respectively such preferential, qualified or special rights, privileges or conditions as may be determined by or in accordance with the Articles of Association of the Company and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may for the times being be provided by the Articles of Association of the Company.”

At the meeting of the Board of Directors of the Company held on February 02, 2018, the Directors have approved the alteration of the Capital Clause in the Memorandum of Association of the Company.

The Board of Directors therefore recommends the special resolution as set out in Item 1 for approval of the members of the Company.

The Memorandum of Association of the Company, after such aforesaid alteration in the Share Capital Clause, is open for inspection by the members at the registered office of the Company at E- 217, Industrial Area, Mohali, Punjab – 160071, on all working days, except Saturdays and Sundays, during business hours upto the last date of the Postal Ballot, i.e. March 10, 2018.

None of the Directors / Key Managerial Personnel of the Company or their relatives are concerned or interested in the resolution except to the extent of their shareholding in the Company, if any.

Item No.2

Variation of rights, terms and conditions of the Redeemable Preference Shares and their conversion into 0.01% Optionally Convertible Preference Shares

The Company has issued 14,60,000 8% Non-cumulative Redeemable Preference Shares (“RPS”) to the Promoter and Non-Promoter Group aggregating to Rs. 14,60,00,000 (Rupees Fourteen Crore Sixty Lakhs only).

The Company has considered varying the rights, terms and conditions of such Preference Shares of the Company being 14,60,000 (Fourteen Lakhs Sixty Thousand only) 8% Non-Cumulative Redeemable Preference Shares of Rs. 100 (Rupees hundred only) per share totally amounting to Rs. 14,60,00,000 (Rupees Fourteen Crore Sixty Lakhs only) to upto 750,000 (Seven Lakhs Fifty Thousand) 0.01% Optionally Convertible Preference Shares (“OCPS”) at face value of Rs. 100 each issued at a premium of Rs. 100/- (Rupees Hundred only) each totally amounting to Rs. 14,60,00,000 (Rupees Fourteen Crores Sixty Lakhs only) and allotted as under (“RPS Holders” or “OCPS Allottees”) by way of preferential allotment:

Sr. No.	Name of the OCPS Allottees	PAN	Category	Redeemable Preference Shares of Rs. 100/- each	Optionally Convertible Preference Shares of Rs. 100/- each
1.	Amit Y. Mahajan	AAJPM1254D	Promoter	5,69,481	2,84,740
2.	Mr. R C Mahajan	ACPPM6667E	Promoter	87,500	43,750
3.	Universal Cyber Infoway Private Ltd.	AACCA4815G	Promoter	4,36,350	2,18,175
4.	Pride Properties Private Ltd.	AAACP1130D	promoter	1,42,400	71,200
5.	Beckons Industries Limited	AABCA2425K	Non-Promoter	75,000	37,500
6.	Amit R. Mahajan	ACPPM6633E	promoter	75,269	37,634
7.	Krishna Garden Private Ltd.	AABCK6007B	Non-Promoter	74,000	37,000
	Total			14,60,000	7,29,999

Such reclassification is necessary as the Company does not have adequate funds for the redemption of such Preference Shares. Further, the Company has incurred losses during the earlier financial years and the networth of the Company is eroded. The conversion would increase the equity capital of the Company and their by improving the networth of the Company, which has inevitably led the Board of Directors to approach the members of the Company for varying the nature and terms and conditions of the 8% Non-Cumulative Redeemable Preference Shares to OCPS so that the OCPS may be converted to Equity Shares.

The Board after detailed discussion believes that there is no other better possible alternative to the above proposal and it would serve the long term interests of the Company and its members.

Section 55 of the Companies Act, 2013 read with Rule 9 of the Companies (Share Capital and Debentures) Rules, 2014 framed there under, inter alia, requires the Company to obtain the prior approval of the members of the Company, by way of a special resolution for conversion of Preference Shares to Equity Shares.

Section 48 of the Companies Act, 2013 states that the rights attached to the shares of any class may be varied with the consent in writing of the holders of not less than three-fourths of the issued shares of that class or by means of a special resolution passed at a separate meeting of the holders of the issued shares of that class and if such variation by one class of shareholders affects the rights of any other class of shareholders, the consent of three-fourths of such other class of shareholders shall also be obtained.

Section 110 read alongwith Rule 22 (16) (f) of the Companies (Management and Administration) Rules 2014, states that a variation in the rights attached to a class of shares or debentures or other securities as specified under Section 48, have to be transacted only by means of voting through a Postal Ballot. Therefore, the special resolution by Postal Ballot of the Equity Shareholders of the Company is being obtained.

All the RPS holders of the Company has already given their consent and approval for the varying of the rights, terms and conditions and the subsequent conversion of the Optionally Convertible Preference Share Capital to Equity Shares, upon exercise of the conversion rights by the RPS holders.

The proposed offer/ invitation of the subscription of the said Equity Shares is being made to the existing member of the Company, and therefore, the provisions of Rule 14 (1) and the proviso to Rule 14(3) of the Companies (Prospectus and Allotment of Securities) Rules, 2014 shall not be applicable to such private placement.

In terms of Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014, for the proposed offer/ invitation of the subscription of the said equity shares, the approval of the members of the Company shall be required to be obtained by way of special resolution and thus the present resolution is presented for obtaining the approval of the members of the Company.

Further, as per Rule 14 (2) (c) of the Companies (Prospectus and Allotment of Securities) Rules, 2014, "the value of such offer shall or invitation per person shall be with an investment size of not less than Rs. 20,000/- of face value of the securities". The proposed offer fulfills the requirement of the said Rule.

The Board of Directors of the Company, at their meeting held on February 2, 2018, the Board of Directors of the Company have approved such variation of the rights, terms and conditions of the fully paid up Preference Share Capital of the Company being 14,60,000 14,60,000 (Fourteen Lakhs Sixty Thousand only) 8% Non-Cumulative Redeemable Preference Shares of Rs. 100 (Rupees hundred only) per share totally amounting to Rs. 14,60,00,000 (Rupees Fourteen Crore Sixty Lakhs only) to upto 750,000 (Seven Lakhs Fifty Thousand) 0.01% Optionally Convertible Preference Shares ("OCPS") at face value of Rs. 100 each issued at a premium of Rs. 100/- (Rupees Hundred only) each totally amounting to Rs. 14,60,00,000 (Rupees Fourteen Crores Sixty Lakhs only) and such converted Preference Share Capital of the Company i.e. the OCPS shall be converted upon exercise of the option by the OCPS holder into such number of equity arrived by dividing the amount paid toward the OCPS with the Conversion Price totally amounting to Rs. 14,60,00,000 (Rupees Fourteen Crore Sixty Lakhs only) by preferential allotment to the Preference Shareholder of the Company, who exercise the rights of conversion on such terms and conditions as the Board of Directors of the Company at its absolute discretion may, from time to time determine.

For the limited purpose of computation of the pre and post issue shareholding pattern for disclosure in this notice, the fair market value of the equity shares of the Company is determined at approximately Rs. 30 (Rupees Thirty only) which is higher of the two weeks and twenty-six weeks volume weighted average price ("Tentative Conversion Price"). The Conversion Price would vary and accordingly, the number of equity shares to be issued upon conversion of the OCPS into equity shares.

The Company has placed the certificate of its statutory auditor dated February 2, 2018 certifying that the issue is being made in accordance with the requirements of the ICDR Regulations, which is duly submitted with the BSE Limited, where the Equity Shares of the Company are listed.

The Board of Directors therefore recommends the special resolution as set out in Item No.2 for approval of the members of the Company.

As per the applicable laws, the consent of the members for the above purpose is required to be obtained through Postal Ballot, hence the consent of the members of the Company is sought through Postal Ballot, for the aforesaid Item.

In terms of Regulation 73 Chapter VII of SEBI (Issue of Capital and Disclosure Requirements), 2009 read with Rule 9(3) of the Companies (Share Capital and Debentures) Rules, 2014 read with Rule 13 of the Companies (Share Capital and Debentures) Rules, 2014 read with Rule 15 of Companies (Meeting of Board and its Powers) Rules, 2014, certain particulars to be disclosed in the explanatory statement for issue of Equity Shares on preferential basis, are as follows:

a. Object(s) of the conversion and subsequent issue and the nature of such shares i.e. equity shares/ manner of issue:

The Board of Directors of the Company plans to convert 14,60,000 8% Non-Cumulative Redeemable Preference Shares ("RPS") of Rs. 100 (Rupees Hundred only) per share totally amounting to Rs. 14,60,00,000 (Rupees Fourteen Crores Sixty Lakhs only) to upto 750,000 (Seven Lakhs Fifty Thousand) 0.01% Optionally Convertible Preference Shares ("OCPS") at face value of Rs. 100 each issued at a premium of Rs. 100/- (Rupees Hundred only) each totally amounting to Rs. 14,60,00,000 (Rupees Fourteen Crores Sixty Lakhs only).

The object for the conversion is to do away with the obligation of the Company to redeem the Preference Shares, increase the paid-up equity capital base of the Company, improve the networth of Company, which has inevitably led the Board of Directors to approach the members of the Company to convert the 8% Non-Cumulative Redeemable Preference Shares of the Company

to 0.01% OCPS and such OCPS shall be converted, upon exercise of the conversion option by the OCPS Allottee, into Equity Shares as aforesaid.

The consent of all the preference shareholder of the Company has been obtained.

The total paid up preference share capital of the Company to be converted to Optionally Convertible Preference Shares amount of Rs. 14,59,99,800 (Rupees Fourteen Crores Fifty Nine Lakhs Ninety Nine Thousand Eight Hundred only), ignoring fraction arising on conversion and such amount has already been received by the Company at the time of the allotment of such preference shares and no separate consideration (by cash or otherwise) is to be received by the Company under this preferential allotment.

b. The total number of shares or other Securities to be issued, the price or price band at/within which the allotment is proposed, basis on which the price has been arrived:

The Board of Directors of the Company plans to convert 14,60,000 (Fourteen Lakhs Sixty Thousand only) 8% Non-cumulative Redeemable Preference Shares into 0.01% Optionally Convertible Preference Shares ("OCPS") of Rs.100/- (Rupees hundred only) at a premium of Rs. 100/- each. Further, upon exercise of the option by the OCPS Allottee the said OCPS would get converted into Equity Shares of the Company at a price determined in accordance with Regulation 76 of SEBI ICDR as on the Relevant Date being February 9, 2018 as per Regulation 71 of SEBI ICDR ("Conversion Price").

The Company would obtain valuation report from a Chartered Accountant computing the Conversion Price as on February 8, 2018 (being the day preceding the Relevant Date) and intimate the same to all the stakeholders, including BSE Limited. However, for the limited purpose of determining the pre and post shareholding of the Company, the Company has considered a price of Rs. 30 per share which higher than the 2 weeks and the 26 weeks volume weighted average price.

c. Proposal of the Promoters/Directors/Key Management persons to subscribe to the offer/ Intention of promoters, directors or key management persons to subscribe to the offer/ The class or classes of persons to whom the allotment is proposed to be made:

The 8% Non-cumulative Redeemable Preference share (RPS) issued by the Company is held by the promoter and non-promoter entities. The Resolution provide for varying the terms of the RPS and the consequent issue of the 8% Optionally Convertible Preference Shares (OCPS) of the Company to all the RPS holders.

The OCPS holders can at their instant exercise the right to convert the OCPS into such number of Equity Shares as would be determined by the amount paid towards the OCPS with the Conversion Price. The details of proposed holding of the RPS, OCPS and the Equity Shares that would be issued assuming full conversion of the OCPS is as under:

Sr. No.	Name	Category	RPS	OCPS*	Equity (assuming full conversion)**
1.	Amit Y Mahajan	Promoter	5,69,481	2,84,740	18,98,267
2.	Mr. R C Mahajan	Promoter	87,500	43,750	291,667
3.	Universal Cyber Infoway Private Ltd.	Promoter	4,36,350	2,18,175	14,54,500
4.	Pride Properties Private Ltd.	Promoter	1,42,400	71,200	4,74,667
5.	Beckons Industries Limited	Non-Promoter	75,000	37,500	250,000
6.	Amit R. Mahajan	Promoter	75,269	37,634	250,894
7.	Krishna Garden Private Ltd.	Non-Promoter	74,000	37,000	246,667
	Total		14,60,000	7,29,999	48,66,662

*Assuming fractional entitlement of the RPS holders continue to retain RPS

**Fraction, if any would be rounded off to a whole number.

None of the other promoters, directors or key management personnel of the Company intends to apply/subscribe to any of the Equity Shares of the Company.

d. Shareholding pattern before and after issue of Equity Shares/the pre-issue and post issue shareholding pattern of the company:

Category of Shareholders		Pre-Preferential Allotment*		Post Allotment**		Post conversion ***	
		No of Shares	% of shareholding	No of Shares	% of shareholding	No of Shares	% of shareholding
(A)	Promoter and Promoter Group						
1	Indian						
(a)	Individuals/ Hindu Undivided Family	29,23,913	21.01	39,23,613	26.31	6364441	23.44
(b)	Bodies Corporate	965,352	6.94	965,352	6.47	2894519	10.66
	Sub Total(A)(1)	38,89,265	27.95	48,88,965	32.78	9258960	34.10
2	Foreign						
a	Individuals (Non-Residents Individuals / Foreign Individuals)	--	--	--	--	--	--
b	Bodies Corporate	--	--	--	--	--	--
	Sub Total(A)(2)	--	--	--	--	--	--
	Total Shareholding of Promoter and Promoter Group (A)	38,89,265	27.95	48,89,365	32.78	92,59,360	33.94
(B)	Public Shareholding						
1	Institutions						
(a)	Mutual Funds/ UTI						
(b)	Financial Institutions / Banks	--	--	--	--	--	--
(c)	Central Government/ State Government(s)	--	--	--	--	--	--
(d)	Venture Capital Funds	--	--	--	--	--	--
(e)	Insurance Companies	--	--	--	--	--	--
(f)	Foreign Institutional Investors	--	--	--	--	--	--

(g)	Foreign Venture Capital Investors	--	--	--	--	--	--
(h)	Qualified Foreign Investor	--	--	--	--	--	--
(i)	Any Other (specify)	--	--	--	--	--	--
	Sub-Total (B)(1)	--	--	--	--	--	--
2.	Non-Institutions						
(a)	Bodies Corporate	11,83,811	8.51	11,83,811	7.94	32,42,978	11.94
(b)	Individuals						
I	Individual shareholders holding nominal share capital of Rs. 2 lakhs	48,36,591	34.75	48,36,591	32.42	48,36,591	17.81
II	Individual shareholders holding nominal share capital in excess of Rs. 2 lakhs.	30,12,758	21.65	30,12,758	20.2	75,12,758	27.66
(c)	Any Other (specify)						
	(i) Non- Residents Indians	26,921	0.19	26,921	0.18	26,921	0.10
	(ii) Clearing Members	326,059	2.34	326,059	2.19	326,059	1.20
	(iii) HUF	640,595	4.60	640,595	4.29	953,095	3.51
	(iv) Others (Partnership)					10,00,000	3.68
	Sub-Total (B)(2)	1,00,26,735	72.05	1,00,26,735	67.22	1,78,98,402	65.90
(B)	Total Public Shareholding	1,00,26,735	72.05	1,00,26,735	67.22	1,78,98,402	65.90
	TOTAL (A)+(B)	1,39,16,000	100	1,49,15,700	100	2,71,57,362	100
(C)	Shares held by Custodians and against which Depository Receipts have been issued						
1	Promoter and Promoter Group	--	--	--	--	--	--

2	Public	--	--	--	--	--	--
	Total (C)	--	--	--	--	--	--
	TOTAL (A)+(B)+(C)	1,39,16,000	100	1,49,15,700	100	2,71,57,362	100

*The pre issue-shareholding pattern as set out hereinabove is as on February 2, 2018 (being the date of the Board Meeting)

** The post issue shareholding pattern as set-out herein above considers the equity shares issued to the Promoters / Promoter Group as per Item No. 3 of this Notice.

*** The post issue shareholding pattern as set-out herein above considers the equity shares issued to the Non-promoter entities (assuming full conversion) as per the resolution approved by the Shareholders in the AGM held on September 18, 2017 and the shares issued on conversion of OCPS (assuming full conversion) into equity shares to the Non-promoter entities and the Promoters / Promoter Group as per Item No. 2 of this Notice and the equity shares issued to the Promoters / Promoter Group as per Item No. 3 of this Notice

**The number of equity shares to be issued under Item No. 2 and Item No. 3 of this Notice is assumed at a price of Rs. 30 per equity shares. This price may change when computed in accordance with Regulation 76 as per SEBI ICDR on the Relevant Date and accordingly, the number of equity shares.

e. Proposed time within which the allotment shall be completed:

As per Regulation 74 of SEBI (Issue of Capital and Disclosure Requirements), 2009 the allotment of such Equity Shares is to be made within 15 days from the date of the holding of the meeting for passing such special resolution. As per clause 16.6.3 of the Secretarial Standard-2, issued by the Institute of Company Secretaries of India (ICSI), in case of special resolution to be approved through Postal Ballot, the date of passing of such special resolution shall be deemed to be the last date specified by the company for receipt of duly completed postal ballot forms.

Provided that where the allotment on preferential basis is pending on account of pendency of any approval of such allotment by SEBI or the other exchanges, any regulatory authority or the Central Government, the allotment shall be completed within 15 days from the date of such approval.

f. The identity of the natural persons who are the ultimate beneficial owners of the shares proposed to be allotted and/or who ultimately control the proposed allottees, the percentage of post preferential issue capital that may be held by them and change in control, if any, in the issuer consequent to the preferential issue:

Sr. No.	Name of OCPS Allottee	Pre-Issue		Post-Issue*		The identity of the natural persons who are the ultimate beneficial owners of the shares proposed to be allotted and/or who ultimately control the proposed allottees														
		Shares	%	Shares	%															
1.	Amit Y Mahajan PAN: AAJPM1254D	13,50,313	9.70	3878580	14.22	Not Applicable														
2.	Mr. R C Mahajan PAN: ACPMP6667E	5,10,800	3.67	1022167	3.75	Not Applicable														
3.	Universal Cyber Infoway Private Ltd. PAN: AACCA4815G	3,93,177	2.83	1847677	6.77	Amit Mahajan- 23.95 % Anuj Mahajan- 23.95 % Suman- 24.06 % R. C. Mahajan- 24.06 % R. C. Mahajan & Sons HUF- 3.76% Abha Mahajan- 0.11 % Neha Mahajan- 0.11 %														
4.	Pride Properties Private Ltd. PAN: AAACP1130D	3,12,675	2.25	787342	2.89	<table border="1"> <tr> <td>Amit Mahajan</td> <td>7.03%</td> </tr> <tr> <td>Sangeeta Mahajan</td> <td>5.43%</td> </tr> <tr> <td>Munish Mahajan</td> <td>10.46%</td> </tr> <tr> <td>Skylight Distributors Pvt. Ltd</td> <td>19.47%</td> </tr> <tr> <td>Pushapanjali Commotrade Pvt. Ltd</td> <td>8.34%</td> </tr> <tr> <td>Empire Advisory Services Pvt. Ltd</td> <td>8.34%</td> </tr> <tr> <td>Mod Dealers Pvt. Ltd</td> <td>10.71%</td> </tr> </table>	Amit Mahajan	7.03%	Sangeeta Mahajan	5.43%	Munish Mahajan	10.46%	Skylight Distributors Pvt. Ltd	19.47%	Pushapanjali Commotrade Pvt. Ltd	8.34%	Empire Advisory Services Pvt. Ltd	8.34%	Mod Dealers Pvt. Ltd	10.71%
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Pushapanjali Commotrade Pvt. Ltd	8.34%																			
Empire Advisory Services Pvt. Ltd	8.34%																			
Mod Dealers Pvt. Ltd	10.71%																			
5.	Beckons Industries Limited PAN: AABCA2425K	NIL	NA	250,000	0.92	Beckons Industries Ltd is a listed company promoter by Mr. Kawaljeet Singh holding 2.64%. Balance is held by public														

6.	Amit R. Mahajan PAN: ACPPM6633E	411,450	2.96	812,344	2.98	Not Applicable		
7.	Krishna Garden Private Ltd. PAN: AABCK6007B	NIL	NA	246,667	0.91	S. K. Arora	7.66%	
						Anu Arora	0.17%	
						Vineet Arora	0.17%	
						Uma Arora	1.73%	
						Krishan Kansal	1.73%	
						Beckons Industries Ltd	49.31%	
						Genius Buildtech P Ltd	24.22%	
						Rana Watts	7.50%	
						Rani Mondal	7.50%	

* After considering the share issued pursuant to Item 2 and Item 3 of this Notice (assuming full conversion of OCPS) and the issue of equity shares (assuming full conversion) upon conversion of the Compulsory Convertible Debentures and Warrants issued by the Company in accordance with the Resolution approved by the Shareholders of the Company in the AGM held on September 18, 2017.

g. Undertaking for re-computation of price:

The Company undertakes that it shall re-compute the price of the specified securities in terms of the provision of the SEBI (Issue of Capital and Disclosure Requirements), 2009, where it is required to do so.

h. Lock-in and Undertaking for Lock-in:

The Equity Shares to be offered, issued and allotted shall be subject to lock-in as provided under the provisions of SEBI (Issue of Capital and Disclosure Requirements), 2009.

The Company undertakes that if the amount payable on account of the re-computation of price is not paid within the time stipulated in the SEBI (Issue of Capital and Disclosure Requirements), 2009 the specified securities shall continue to be locked-in till the time such amount is paid by the allottees.

i. The total number of shares or other securities to be issued/the price or price band at/within which the allotment is proposed:

The 14,60,000 (Fourteen Lakhs Sixty Thousand) 8% Non-cumulative Redeemable Preference Shares would be converted into upto 7,50,000 0.01% Optionally Convertible Preference Shares of Rs. 100/- each at a premium of Rs. 100/- each.

Each OCPS, upon exercise of the conversion rights, would be converted into such number of equity share determined by dividing the amount paid toward the OCPS with the Conversion Price determined in accordance with Regulations 76 of the SEBI ICDR.

j. Basis on which the price has been arrived at along with report of the registered valuer/the terms of issue, including terms and rate of dividend on each share, etc./ the expected difference in equity share capital upon conversion of preference shares to equity shares:

The conversion of the RPS into OCPS is based on an appropriate capital ratio and as per the report obtained from M/s. M/s. **N J & Associates**, Chartered Accountants, (FRN 023083N).

The valuation of the equity shares of the Company to be issued upon conversion of the OCPS would be determined in accordance with the SEBI approved formulas in compliance with Regulations 76 of the SEBI ICDR as on the Relevant Date.

The equity shares of the Company are listed on BSE Limited. The equity shares of the Company are frequently traded in accordance with Regulation 71A of the ICDR Regulation.

In terms of the ICDR Regulations, the equity shares shall be allotted at a price to be determined by the issuer in accordance with Regulation 76 of SEBI ICDR. Accordingly, the Company would determine the issue price which shall not be less than the higher of:

- The average of the weekly high and low of the volume weighted average price of the related equity shares quoted on the recognised stock exchange during the twenty-six weeks preceding the relevant date; or
- The average of the weekly high and low of the volume weighted average prices of the related equity shares quoted on a recognised stock exchange during the two weeks preceding the relevant date.

Since, the day preceding the Relevant Date fall after the date of this notice, the Company would intimate the issue price to BSE Limited and obtain the report from the Statutory Auditor of the Company as required.

The Relevant Date in accordance with Regulation 71 of the SEBI ICDR is February 9, 2018. The Company would obtain Pricing report from Statutory Auditor of the Company to ascertain the value as on the Relevant Date.

k. The relevant date with reference to which the price has been arrived at:

The relevant date is **February 9, 2018**.

In accordance with Regulation 71(a) of SEBI ICDR Regulations, the “Relevant Date” for the purpose of calculating the price of the Equity Shares upon exercising the conversion rights will be Friday, February 09, 2018, i.e. the date 30 days prior to Monday, March 12, 2018, the date of declaration of results on the Postal Ballot to consider the proposed preferential allotment. The Relevant Date falls on February 10, 2018, Saturday i.e. weekend, hence the Company has taken February 9, 2018 as the Relevant Date, preceding the date of the weekend.

l. Change in control in the Company that would occur consequent to the preferential offer:

There will be no change in the control in the Company consequent to the preferential offer.

m. The number of persons to whom allotment on preferential basis have already been made during the year, in terms of number of securities as well as price:

The Company has made preferential allotment of Compulsorily Convertible Debentures and Warrants convertible into equity shares of the Company at a price of Rs. 10/- each at par pursuant to the resolution of the shareholders passed at the Annual General Meeting of the Company held on September 18, 2017.

Sr. No.	Name of the Allottee	PAN	Compulsorily Convertible Debentures	Warrants
1	Moolibai M Rakhecha	AHOPR5093F	62,500	--
2	Rohit R Golecha	AKKPG5765G	125,000	--
3	V Rajkumari	AACPR9845G	312,500	--
4	V Namratha	AQZPN8519L	125,000	--
5	Manju Bansal	AENPB6442A	93,750	--
6	N Sudhir	AGPG2493M	93,750	--
7	C Saravanan	AMJPS6518G	93,750	--
8	Abhijit Chokshi	AILPC7935K	93,750	--
9	S S Seema	AAFPP5124K	125,000	--
10	Harish Pande & Usha Pande	AAFPP1715J	62,500	--
11	Amit Gunchandra Mehta	AAAMP6965A	93,750	--
12	Om Prakash Bhagat	AEXPB6910P	62,500	--
13	Payal T Shrivastava	AUBPS8749M	125,000	--
14	Nikhil Jain	AIPPJ6040G	93,750	--
15	The Coronation Castles Pvt Ltd	AAECT1660Q	62,500	--
16	Rakesh Chudhari HUF	AARHR9976B	125,000	--
17	Anita H Jain	ANUPJ0283H	312,500	--
18	Deepak Kumar Badalia	AETPB3126M	62,500	--
19	Shashi Khattar	AAPPK3538E	125,000	--
20	Anurag Atal	APCPA0423K	62,500	--
21	Rakesh Shah	AAOPS2644G	62,500	--
22	Shah Manish Mangilal HUF	AAIHS4412G	187,500	--
23	Gita Kirti Ambani	AADPA5911H	1,125,000	--
24	Preetal Nimesh Dedhia	AMSPS3738D	62,500	--
25	Rachana Mitesh Gala	ACVPV1008N	125,000	--
26	Aum Sarvagya Partners	ABJFA1604Q	1,000,000	--
27	Arati J Parmar	AFEPS0982E	187,500	--
28	Om Prakash Chugh	AAIPC3316K	187,500	--
29	Urvi Nimesh Chitalia	AGNPC4062D	187,500	--
30	Urvi Hemal Shah	BNUPS8839M	125,000	--
31	Aartie Sunil Anandpara	AFKPA2971B	125,000	--
32	Kamini Jayesh Shah	ABHPS5213M	62,500	--
33	Nimesh Kampani	AHCPK8759R	62,500	--
34	Kunal Vakharia	AEFPV8725A	62,500	--
35	KDA Corporate Advisors LLP	AAPFK5048P	NIL	15,00,000
	Total		58,75,000	15,00,000

**One of the Allottee, M/s Ajinkya Mercantile P. Ltd. have not accepted the offer. Hence, the equity shares that would be issued on the conversion of Compulsorily Convertible Debentures would stand reduced by 125,000.*

n. The justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer:

The issue of Equity Shares is by the conversion of the fully paid up OCPS of the Company. The total paid up preference share capital of the Company to be converted to equity shares (assuming full conversion) amounts to Rs. 14,60,00,000 (Rupees Fourteen Crore Sixty Lakhs only) and such amount has already been received by the Company at the time of the allotment of such preference shares.

The Company would obtain pricing report from the Statutory Auditor of the Company as per the provisions of ICDR Regulations and Companies Act 2013 and the same shall be available for inspection.

o. Ranking of equity shares arising on conversion:

The Equity Shares to be issued on conversion of the CCPS shall rank pari passu in all respects with the then existing Equity Shares of the Company, and shall be subject to the Memorandum and Articles of Association of the Company.

p. Terms of issue, including terms and rate of dividend on each equity share, etc:

The Redeemable Preference Shares of the Company have been varied to Optionally Convertible Preference Shares as per the variation of rights more detailed in the resolution. Apart from such variation of right of the Preference Shares, all other terms of the Preference Shares shall remain the same up-till the conversion of the OCPS into Equity Shares. The non-converted portion of the OCPS would be treated as redeemable after the expiry of 18 months from the date of allotment of the OCPS.

The Equity Shares to be issued on conversion of the OCPS shall rank pari passu in all respects, including terms and rate of dividend, with the then existing Equity Shares of the Company, and shall be subject to the Memorandum and Articles of Association of the Company

q. Disclosure of Interest

The Directors or Key Managerial Personnel of the Company and/or their relative(s) would be considered as concerned or interested, financially or otherwise, in the proposed resolution in Item No. 2, to the extent of their shareholding in the Company

All the documents related to the preferential offer is open for inspection by the members at the registered office of the Company at E- 217, Industrial Area, Phase 8B, Mohali, Punjab- 160071, on all working days, except Saturdays and Sundays, during business hours upto last date of the Postal Ballot, i.e. March 10, 2018.

The Board of Directors of the Company recommends the Special Resolution set out in **Item no. 2** for your approval.

Item No.3.

Issue of Equity shares of the Company to the Promoter / Promoter Group against the outstanding unsecured loans received by the Company from its promoter/promoter group.

The Company has incurred losses in the business during last couple of years however, the Company is now experiencing growth with new opportunities by virtue of change in business environment. Capital Commitment is the essential driver for growth in the dynamic environment but the Company is facing liquidity crunch. To augment the growth and improve financial performance, The Board of Directors of the Company ("**Board**") in its meeting held on February 02, 2018 approved upto 10,00,000 (Ten Lakh only) fully paid-up equity shares of the Company, having face value of Rs.10/- (Rupees Ten Only) each at a price as may be arrived in accordance with the Regulation 76 of the SEBI ICDR to the promoter hereinafter referred to as "Allottee", on a preferential basis by way of conversion of existing unsecured loan of Rs. 5,45,17,678 extended by the promoters:

As per section 42 and 62 of the Companies Act, 201, the Companies (Prospectus and Allotment of Securities) Rules, 2014 and the Companies (Share Capital and Debentures) Rule, 2014 (collectively, the "**CA 2013**") and Regulation 72 and other applicable regulations of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 ("**ICDR Regulations**"), a listed issuer may make a preferential issue of specified securities, if a special resolution has been passed by its shareholders. Accordingly, the approval of the members of the Company is being sought, by way of a Special Resolution, to offer and issue, fully paid-up equity shares, by way of private placement and preferential allotment to the Investor.

1. The object of the issue through preferential offer: The conversion of the unsecured loans into equity shares would facilitate the Company to improve its network and improve its financial position. This would help the Company to expand its business and seek new clients and increased orders.

2. The proposal of the promoters, Directors or Key Managerial Personnel's of the Issuer to subscribe to the offer: The Promoter would subscribe to 9,99,700 (Nine Lakhs Ninety Nine Thousand and Seven Hundred only) of Rs. 10/- each fully paid-up at a price as may be arrived in accordance with the Regulation 76 of the SEBI ICDR.

3. The proposed time within which the preferential issue shall be completed: As required under the ICDR Regulations, the Company shall complete the allotment of equity shares as aforesaid within a period of 15 days from the date of passing of resolution by the shareholders provided that where the allotment is pending on account of pendency of any approval from any regulatory authority / body, the allotment shall be completed by the Company within a period of 15 days from the date of such approval, as the case may be.

4. Shareholding Pattern before Issue and After the Issue:

Category of Shareholders		Pre-Preferential Allotment*		Post Allotment**		Post conversion ***	
		No of Shares	% of shareholding	No of Shares	% of shareholding	No of Shares	% of shareholding
(A)	Promoter and Promoter Group						
1	Indian						
(a)	Individuals/ Hindu Undivided Family	29,23,913	21.01	39,23,613	26.31	6364441	23.44
(b)	Bodies Corporate	965,352	6.94	965,352	6.47	2894519	10.66
	Sub Total(A)(1)	38,89,265	27.95	48,88,965	32.78	9258960	34.10
2	Foreign						
a	Individuals (Non-Residents Individuals / Foreign Individuals)	--	--	--	--	--	--
b	Bodies Corporate	--	--	--	--	--	--
	Sub Total(A)(2)	--	--	--	--	--	--
	Total Shareholding of Promoter and Promoter Group (A)	38,89,265	27.95	48,89,365	32.78	92,59,360	33.94
(B)	Public Shareholding						
1	Institutions						
(a)	Mutual Funds/ UTI	--	--	--	--	--	--
(b)	Financial Institutions / Banks	--	--	--	--	--	--
(c)	Central Government/ State Government(s)	--	--	--	--	--	--

(d)	Venture Capital Funds	--	--	--	--	--	--
(e)	Insurance Companies	--	--	--	--	--	--
(f)	Foreign Institutional Investors	--	--	--	--	--	--
(g)	Foreign Venture Capital Investors	--	--	--	--	--	--
(h)	Qualified Foreign Investor	--	--	--	--	--	--
(i)	Any Other (specify)	--	--	--	--	--	--
	Sub-Total (B)(1)	--	--	--	--	--	--
2.	Non-Institutions						
(a)	Bodies Corporate	11,83,811	8.51	11,83,811	7.94	32,42,978	11.94
(b)	Individuals						
I	Individual shareholders holding nominal share capital of Rs. 2 lakhs	48,36,591	34.75	48,36,591	32.42	48,36,591	17.81
II	Individual shareholders holding nominal share capital in excess of Rs. 2 lakhs.	30,12,758	21.65	30,12,758	20.20	75,12,758	27.66
(c)	Any Other (specify)						
	(i) Non- Residents Indians	26,921	0.19	26,921	0.18	26,921	0.10
	(ii) Clearing Members	326,059	2.34	326,059	2.19	326,059	1.20
	(iii) HUF	640,595	4.60	640,595	4.29	953,095	3.51
	(iv) Others (Partnership)					10,00,000	3.68
	Sub-Total (B)(2)	1,00,26,335	72.05	1,00,26,335	67.22	1,78,98,002	65.90
(B)	Total Public Shareholding	1,00,26,335	72.05	1,00,26,335	67.22	1,78,98,002	65.90
	TOTAL (A)+(B)	1,39,16,000	100	1,49,15,700	100	2,71,57,362	100
(C)	Shares held by Custodians and against which Depository Receipts have been issued						
1	Promoter and Promoter Group	--	--	--	--	--	--
2	Public	--	--	--	--	--	--
	Total (C)	--	--	--	--	--	--
	TOTAL (A)+(B)+(C)	1,39,16,000	100	1,49,15,700	100	2,71,57,362	100

*The pre issue-shareholding pattern as set out hereinabove is as on February 2, 2018 (being the date of the Board Meeting)

****** The post issue shareholding pattern as set-out herein above considers the equity shares issued to the Promoters / Promoter Group as per Item No. 3 of this Notice.

******* The post issue shareholding pattern as set-out herein above considers the equity shares issued to the Non-promoter entities (assuming full conversion) as per the resolution approved by the Shareholders in the AGM held on September 18, 2017 and the shares issued on conversion of OCPS (assuming full conversion) into equity shares to the Non-promoter entities and the Promoters / Promoter Group as per Item No. 2 of this Notice and the equity shares issued to the Promoters / Promoter Group as per Item No. 3 of this Notice

******The number of equity shares to be issued under Item No. 2 and Item No. 3 of this Notice is assumed at a price of Rs. 30 per equity shares. This price may change when computed in accordance with Regulation 76 as per SEBI ICDR on the Relevant Date and accordingly, the number of equity shares.

5. Total number of Securities to be issued and Basis of Price:

9,99,700 (Nine Lakhs Ninety Nine Thousand and Seven Hundred only).

6. Relevant Date:

The “Relevant Date” as per ICDR Regulations for determination of minimum price is February 09, 2018, being a date, which is 30 (Thirty) days prior to the date of declaration of postal ballot and e-voting results on Monday, March 12, 2018. The Relevant Date falls on February 10, 2018, Saturday i.e. weekend, hence the Company has taken February 9, 2018 as the Relevant Date, preceding the date of the weekend.

7. Pricing of Preferential Issue:

The issue price for the Equity Shares would be arrived in accordance with the Regulation 76 of the SEBI ICDR Regulation.

Basis on which the price has been arrived at:

The equity shares of the Company are listed on BSE Limited. The equity shares of the Company are frequently traded in accordance with Regulation 71A of the ICDR Regulation.

In terms of the ICDR Regulations, the equity shares shall be allotted at a price to be determined by the issuer in accordance with Regulation 76 of SEBI ICDR. Accordingly, the Company would determine the issue price which shall not be less than the higher of:

- c) The average of the weekly high and low of the volume weighted average price of the related equity shares quoted on the recognised stock exchange during the twenty-six weeks preceding the relevant date; or
- d) The average of the weekly high and low of the volume weighted average prices of the related equity shares quoted on a recognised stock exchange during the two weeks preceding the relevant date.

Since, the day preceding the Relevant Date fall after the date of this notice, the Company would intimate the issue price to BSE Limited and obtain the pricing report from the statutory auditor of the Company as required.

Since, the equity shares of the Company have been listed on the recognized stock exchange for a period of more than 26 weeks prior to the Relevant Date, the Company is not required to re-compute the price per equity share.

8. Class or classes of persons to whom allotment is proposed to be made:

The allotment is proposed to be made to the Promoter/Promoter Group.

9. No. of persons to whom allotment on preferential basis has already been mad during the year, in terms of no. of securities as well as price:

Sr. No.	Name of the Allottee*	PAN	Compulsorily Convertible Debentures	Warrants
1	Moolibai M Rakhecha	AHOPR5093F	62,500	--
2	Rohit R Golecha	AKKPG5765G	125,000	--
3	V Rajkumari	AACPR9845G	312,500	--
4	V Namratha	AQZPN8519L	125,000	--
5	Manju Bansal	AENPB6442A	93,750	--
6	N Sudhir	AGPG2493M	93,750	--
7	C Saravanan	AMJPS6518G	93,750	--
8	Abhijit Chokshi	AILPC7935K	93,750	--
9	S S Seema	AAFPP5124K	125,000	--
10	Harish Pande & Usha Pande	AAFPP1715J	62,500	--

11	Amit Gunchandra Mehta	AAAPM6965A	93,750	--
12	Om Prakash Bhagat	AEXPB6910P	62,500	--
13	Payal T Shrivastava	AUBPS8749M	125,000	--
14	Nikhil Jain	AIPPJ6040G	93,750	--
15	The Coronation Castles Pvt Ltd	AAECT1660Q	62,500	--
16	Rakesh Chudhari HUF	AARHR9976B	125,000	--
17	Anita H Jain	ANUPJ0283H	312,500	--
18	Deepak Kumar Badalia	AETPB3126M	62,500	--
19	Shashi Khattar	AAPPK3538E	125,000	--
20	Anurag Atal	APCPA0423K	62,500	--
21	Rakesh Shah	AAOPS2644G	62,500	--
22	Shah Manish Mangilal HUF	AAIHS4412G	187,500	--
23	Gita Kirti Ambani	AADPA5911H	1,125,000	--
24	Preetal Nimesh Dedhia	AMSPS3738D	62,500	--
25	Rachana Mitesh Gala	ACVPV1008N	125,000	--
26	Aum Sarvagya Partners	ABJFA1604Q	1,000,000	--
27	Arati J Parmar	AFEPS0982E	187,500	--
28	Om Prakash Chugh	AAIPC3316K	187,500	--
29	Urvi Nimesh Chitalia	AGNPC4062D	187,500	--
30	Urvi Hemal Shah	BNUPS8839M	125,000	--
31	Aartie Sunil Anandpara	AFKPA2971B	125,000	--
32	Kamini Jayesh Shah	ABHPS5213M	62,500	--
33	Nimesh Kampani	AHCPK8759R	62,500	--
34	Kunal Vakharia	AEPV8725A	62,500	--
35	KDA Corporate Advisors LLP	AAPFK5048P	NIL	15,00,000
	Total		58,75,000	15,00,000

*One of the Allottee, M/s Ajinkya Mercantile P. Ltd. have not accepted the offer. Hence, the equity shares that would be issued on the conversion of Compulsorily Convertible Debentures would stand reduced by 125,000.

10. Particulars of proposed allottees and identity of natural person who are the ultimate beneficial owner of Equity Shares proposed to be allotted and/or who ultimately control the proposed allottee, the percentage of the post preferential issue capital that may be held by them and the changes in control, if any, in the issuer consequent to the preferential issue:

Sr. No.	Name of OCPs Allottee	Pre-Issue		Post-Issue*		The identity of the natural persons who are the ultimate beneficial owners of the shares proposed to be allotted and/or who ultimately control the proposed allottees														
		Shares	%	Shares	%															
1.	Amit Y Mahajan PAN: AAJPM1254D	13,50,313	9.70	3878580	14.22	Not Applicable														
2.	Mr. R C Mahajan PAN: ACPPM6667E	5,10,800	3.67	1022167	3.75	Not Applicable														
3.	Universal Cyber Infoway Private Ltd. PAN: AACCA4815G	3,93,177	2.83	1847677	6.77	Amit Mahajan- 23.95 % Anuj Mahajan- 23.95 % Suman- 24.06 % R. C. Mahajan- 24.06 % R. C. Mahajan & Sons HUF- 3.76% Abha Mahajan- 0.11 % Neha Mahajan- 0.11 %														
4.	Pride Properties Private Ltd. PAN: AAACP1130D	3,12,675	2.25	787342	2.89	<table border="1"> <tr><td>Amit Mahajan</td><td>7.03%</td></tr> <tr><td>Sangeeta Mahajan</td><td>5.43%</td></tr> <tr><td>Munish Mahajan</td><td>10.46%</td></tr> <tr><td>Skylight Distributors Pvt. Ltd</td><td>19.47%</td></tr> <tr><td>Pushapanjali Commotrade Pvt. Ltd</td><td>8.34%</td></tr> <tr><td>Empire Advisory Services Pvt. Ltd</td><td>8.34%</td></tr> <tr><td>Mod Dealers Pvt. Ltd</td><td>10.71%</td></tr> </table>	Amit Mahajan	7.03%	Sangeeta Mahajan	5.43%	Munish Mahajan	10.46%	Skylight Distributors Pvt. Ltd	19.47%	Pushapanjali Commotrade Pvt. Ltd	8.34%	Empire Advisory Services Pvt. Ltd	8.34%	Mod Dealers Pvt. Ltd	10.71%
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Empire Advisory Services Pvt. Ltd	8.34%																			
Mod Dealers Pvt. Ltd	10.71%																			
5.	Beckons Industries Limited	NIL	NA	250,000	0.92	Beckons Industries Ltd is a listed company promoter by Mr. Kawaljeet Singh holding 2.64%. Balance is														

	PAN: AABCA2425K					held by public																		
6.	Amit R. Mahajan PAN: ACPPM6633E	411,450	2.96	812,344	2.98	Not Applicable																		
7.	Krishna Garden Private Ltd. PAN: AABCK6007B	NIL	NA	246,667	0.91	<table border="1"> <tr> <td>S. K. Arora</td> <td>7.66%</td> </tr> <tr> <td>Anu Arora</td> <td>0.17%</td> </tr> <tr> <td>Vineet Arora</td> <td>0.17%</td> </tr> <tr> <td>Uma Arora</td> <td>1.73%</td> </tr> <tr> <td>Krishan Kansal</td> <td>1.73%</td> </tr> <tr> <td>Beckons Industries Ltd</td> <td>49.31%</td> </tr> <tr> <td>Genius Buildtech P Ltd</td> <td>24.22%</td> </tr> <tr> <td>Rana_Watts</td> <td>7.50%</td> </tr> <tr> <td>Rani Mondal</td> <td>7.50%</td> </tr> </table>	S. K. Arora	7.66%	Anu Arora	0.17%	Vineet Arora	0.17%	Uma Arora	1.73%	Krishan Kansal	1.73%	Beckons Industries Ltd	49.31%	Genius Buildtech P Ltd	24.22%	Rana_Watts	7.50%	Rani Mondal	7.50%
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Rana_Watts	7.50%																							
Rani Mondal	7.50%																							

* After considering the share issued pursuant to Item 2 and Item 3 of this Notice (assuming full conversion of OCPS) and the issue of equity shares (assuming full conversion) upon conversion of the Compulsory Convertible Debentures and Warrants issued by the Company in accordance with the Resolution approved by the Shareholders of the Company in the AGM held on September 18, 2017.

11. Auditor Certificate:

M/s. **N J & Associates**, Chartered Accountants, (FRN 023083N) have issued a certificate above issue of Equity Shares is being made in accordance with the SEBI ICDR Regulations.

12. Lock-in:

- i) The Equity Shares allotted shall be subject to lock-in as per the SEBI ICDR Regulation.
- ii) The entire pre-preferential shareholding of the above allottee, if any, shall be locked-in from the Relevant Date up to the period of 6 months from the date of trading approval as per Regulation 78(6) of the SEBI ICDR Regulations.

13. Terms of Issue of the Equity Shares, if any

The Equity Shares allotted in terms of this resolutions shall rank pari passu with the existing equity shares of the Company in all respects.

14. The justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer.

Not Applicable

15. The Board at its meeting held on February 02, 2018 has approved the issue and allotment of Equity Shares on preferential basis in the manner stated here in above to the Equity Shareholders, subject to the approval of members and other approvals, as may be required.

The Board of Directors believes that the proposed preferential issue is in the best interest of the Company and its members. Pursuant to the provisions of Section 62 of the Companies Act, 2013 and Regulation 72(1)(a) of SEBI ICDR Regulations, the above preferential issue requires the approval of shareholders by way of Special Resolution. The Board recommends the resolution as set out in the accompanying notice for the approval of members as a Special Resolution.

The Directors or Key Managerial Personnel of the Company and/or their relative(s) would be considered as concerned or interested, financially or otherwise, in the proposed resolution in Item No. 3, to the extent of their shareholding in the Company.

NOTES:

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, stating all material facts has been annexed with this Postal Ballot Notice.
2. In compliance with Regulation 44 of SEBI (LODR) Regulations, 2015, Sections 108 and 110 and other applicable provisions of the Act, read with the Companies (Management and Administration) Rules, 2014, the company is pleased to provide remote e-voting facility to all its members, to enable them to cast their votes electronically instead of dispatching the ballot form by post. The company has engaged the services of CDSL for the purpose of providing remote e-voting facility to all its members. Please note that the remote e-voting is an alternate mode to cast votes and is optional.
3. Postal Ballot period commences on Friday, February 9, 2018 (0900 hours) (IST) and ends on Saturday, March 10, 2018 at 1700 hours (IST). Resolutions passed by the shareholders through postal ballot and remote E-voting is deemed to have been passed at a general meeting of the shareholders of the company.

4. In accordance with the provisions of Section 101 and other applicable provisions of the Companies Act, 2013, read with rules 18 and 22 of the Companies (Management and Administration) Rules, 2014, the postal ballot notice is being sent by permitted mode, along with a postage prepaid self-addressed business reply envelope. Members who have registered their e-mail ID's with the depositories/Company/Registrar and Share Transfer Agent are being sent the Notice along with Postal Ballot Form by e-mail and the members who have not registered their e-mail ID's will receive the Notice along with the Postal Ballot Form through permitted mode of dispatch. Members who have received the Notice and Form by e-mail and who wish to vote through ballot form can obtain the form from the Company by sending an email request to the Company at info@srfootwears.com or S. R. Industries Limited, E-217, Industrial Area, Phase 8B, Mohali, Punjab-160071. Thereupon, the company shall forward the same along with postage-prepaid self-addressed Business Reply Envelope to the member.

5. The postal ballot notice are being sent to all the eligible shareholders of the company whose names appear in the register of members/list of Beneficial Owners as received from Registrar and Share Transfer Agent (RTA) as on the closing business hours of February 02, 2018(cut-off date). The notice will be displayed on the website of the Company www.srfootwears.com and website of CDSL.

6. Voting rights shall be reckoned on the paid-up value of the shares registered in the names of the members as on end of day of Friday February 02, 2018. A Member cannot exercise his/her vote by proxy on postal ballot.

7. Mr. Ramesh Bhatia, Practicing Company Secretary (Membership No. FCS2483 and CP No. 1917) has been appointed as the Scrutinizer to conduct the postal ballot and remote E-voting process in fair and transparent manner.

8. Postal ballot form can also be downloaded from the website of the company i.e. www.srfootwears.com.

9. Members shall fill in the requisite details and send the duly completed and signed postal ballot form in the enclosed self-addressed pre-paid business reply envelope to the scrutinizer so as to reach on or before 1700 hours (IST) on Saturday, March 10, 2018. Any postal ballot form received after the said date and time period shall be treated Invalid.

10. Incomplete, unsigned, incorrect, defaced and/or mutilated marked postal ballot forms will be rejected. The Scrutinizer's decision on the validity of a Postal Ballot Form will be final and binding. There will be only 1 (one) postal ballot form for every registered folio / client ID irrespective of the number of joint members.

11. The postal ballot form should be completed and signed by the shareholder (as per specimen signature registered with the Company and / or furnished to CDSL). In case, shares are jointly held, this form should be completed and signed by the first named member and, in his/her absence, by the next named member. Holder(s) of Power of Attorney ("PoA") on behalf of a Shareholder may vote on the postal ballot mentioning the registration number of the PoA with the Company or enclosing a copy of the PoA authenticated by a notary. In case of shares held by companies, trusts, societies etc., the duly completed postal ballot form should be accompanied by the relevant Board Resolution/Authority Letter duly certified/ attested by Authorised Signatory(ies).

12. All the documents referred to in accompanying notice and explanatory statement shall be open for inspection at the Registered Office of the Company without any fee on all working days between 1100 hours (IST) to 1300 hours (IST) from the date of dispatch of notice upto the date of declaration of results of postal ballot.

13. Members having any queries relevant to voting via postal ballot/ E-Voting may mail to Company Secretary at saman@srfootwears.com or Call at 0172-4602888

14. Members who have not registered their e-mail addresses so far are requested to register their e-mail addresses with:

- i) Our Registrar Link Intime India Pvt. Ltd. or mail at delhi@linkintime.co.in (Registrar) (If having shares in Physical Form)
- ii) their respective depository Participant (If having shares in Demat Form) for receiving all future communications including Annual Report, Notices, Circular, etc. from the Company in electronic mode.

iii) The procedure and instructions for remote e-voting are as under:

A. (i) The voting period begins on Friday, February 09, 2018 at 0900 hours (IST) and end on Saturday, March 10, 2018 at 1700 hours (IST). 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. February 2, 2018 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.

(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 and voted on an earlier voting of any company, then your existing password is to be used.

(vii) 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 10digit 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/Depository Participant are requested to use the sequence number which is printed on Postal Ballot / Attendance Slip indicated in the PAN field.
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. 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 (iv).

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

(ix) 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.

(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 the relevant Company i.e. (S.R. Industries Limited) on which you choose to vote.

(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.

(xvi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

(xvii) If a demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xviii) 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. Apple and Windows Phone users can download the app from the App store or Windows Phone store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.

(xix) 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 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.
- 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 mailed 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 (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.

(xx) 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, under help section or write an email to helpdesk.evoting@cdslindia.com.

B. For members desiring to vote through Postal Ballot:

1. Members holding shares either in demat or physical mode who are in receipt of Notice in physical form, may cast their votes. Please refer instructions below for more details.

- A) A member desiring to exercise his/her vote through Postal Ballot shall complete the enclosed Postal Ballot Form with the assent (For) or dissent (Against) and send it to the Scrutinizer in the enclosed self-addressed postage Business reply envelope. Postage will be borne and paid by the company. The Envelopes may also be deposited personally at the address given thereon. The Postal Ballot form, duly completed and signed should be returned in the enclosed self-addressed postage business reply envelope directly to the Scrutinizer so as to reach the Scrutinizer before the closing of working hours on or before 1700 hours on March 10, 2018
 - B) The members are requested to exercise their voting rights by using the attached postal Ballot form only. No other form or photocopy of the form is permitted.
2. Members may opt for e-voting. Please follow all steps from Sl. No. A (i) To Sl. No. (xx) above, to cast vote. In the event, a member casts his votes through both the processes i.e. e-voting and ballot form, the votes in the electronic system would be considered and the ballot form would be ignored.

S. R. INDUSTRIES LIMITED

(CIN: L29246PB1989PLC009531)

Regd. Office: E- 217, Industrial Area, Phase 8B, Mohali, Punjab- 160071

Ph.: 0172- 4602888 E-mail: info@srfootwears.com Website: www.srfootwears.com

POSTAL BALLOT FORM

Please read the instructions printed overleaf carefully before completing this Postal Ballot Form)

Serial No.

Name & Address of the Sole/ First :
named Shareholder as registered with the Company

Name(s) of the joint Shareholders :
if any, registered with the Company

Registered Folio No./DP ID No/ :
Client ID NO*

(*Applicable to shareholders holding shares in electronic form)

Number of Shares held :

I/We hereby exercise my/our vote in respect of the Resolutions to be passed through Postal Ballot for the Business stated in the Notice dated February 02, 2018 of the Company by recording my/our assent or dissent or otherwise to the said Resolution by placing the tick (☑) mark in the appropriate box below:

Item No.	Description of Resolution	No of shares for which votes cast	Mark (☑) for voting	
			Assent	Dissent
1.	Alteration of Capital Clause in the Memorandum of Association of the Company.			
2.	Variation of rights, terms and conditions of the Redeemable Preference Shares and their conversion into 0.01% Optionally Convertible Preference Shares.			
3.	Issue of Equity shares of the Company to the Promoter / Promoter Group against the outstanding unsecured loans received by the Company from its promoter/promoter group.			

Place :

Date :

Signature of the Shareholder(s)

ELECTRONIC VOTING PARTICULARS

EVEN (Electronic Voting Event Number)	USER ID	PASSWORD

Note: 1. If the voting rights are exercised electronically, there is no need to use this Postal Ballot Form.

2. Last date for receipt of this Postal Ballot Form is Sunday, March 10, 2018 until 1700 hours (IST).

INSTRUCTIONS

GENERAL INFORMATION

- a) Members can opt for only one mode of voting i.e. either by physical Postal Ballot Form (“Postal Ballot Form”) or through e-voting. In case you are opting for voting by Postal Ballot Form, then please do not cast your vote by e-voting and vice-versa. In case Members cast their votes both by Postal Ballot Form and e-voting, the votes cast through e-voting shall prevail and the votes cast through Postal Ballot Form shall be considered invalid.
- b) Voting rights in the Postal Ballot (including e-voting) cannot be exercised by Proxy.

PROCESS FOR MEMBERS OPTING FOR VOTING BY POSTAL BALLOT FORM

- a) There will be one Postal Ballot Form for every Client ID No. / Folio No., irrespective of the number of joint holders.
- b) Members desiring to cast their vote by Postal Ballot Form should complete and sign this Postal Ballot Form and send it to the Scrutinizer, Mr. Ramesh Bhatia at SCO 154-155, First Floor, Sector 17C, Chandigarh, in the enclosed postage-prepaid self-addressed business reply envelope. Postal Ballot Forms deposited in person or sent by post or courier at the expense of the member will also be accepted.
- c) In case of joint holding, this Postal Ballot Form should be completed and signed by the first named member and in his absence by the next member.
- d) In respect of shares held by corporate and institutional shareholders (companies, societies, trusts etc.), the completed Postal Ballot Form should be accompanied by a certified copy of the relevant Board Resolution/appropriate authorization, with the specimen signature(s) of the authorized signatory(ies) duly attested.
- e) The signature of the member on this Postal Ballot Form should appear as per the specimen signature furnished by National Securities Depository Limited (NSDL), Central Depository Services (India) Limited (CDSL) or registered with the Company, in respect of shares held in dematerialized form or in physical form, respectively.
- f) Completed Postal Ballot Forms should reach the Scrutinizer not later than the close of working hours i.e. at 1700 hours (IST) on Saturday, March 10, 2018. Postal Ballot Forms received after this date will be considered invalid.
- g) Postal Ballot Forms which are incomplete, unsigned, defaced, mutilated or incorrectly tick marked or defective in any manner are liable to be rejected. The Scrutinizer's decision in this regard shall be final and binding.
- h) A member seeking duplicate Postal Ballot Form or having any grievance pertaining to the Postal Ballot process can write/email to the Company(info@sfootwears.com) or S. R. Industries Limited, E-217, Industrial Area, Phase 8B, Mohali, Punjab – 160071.
- i) Members are requested not to send any paper (other than the resolution/authority as mentioned under “Process for members opting for voting by postal ballot” above) along with the Postal Ballot Form in the enclosed self-addressed postage pre-paid business reply envelope as all such envelopes will be sent to the scrutinizer and if any extraneous paper is found in such envelope the same would not be considered and would be destroyed.

PROCESS FOR MEMBERS OPTING FOR E-VOTING

The Company is providing e-voting facility for its members to enable them to cast their votes electronically instead of dispatching Postal Ballot Form. For the procedure to be followed for e-voting, kindly refer to Note No. 15 of the Postal Ballot Notice dated February 02, 2018.