



MOSCHIP SEMICONDUCTOR TECHNOLOGY LIMITED

CIN: L31909TG1999PLC032184

Reg Office: Plot No. 83&84, 2nd Floor, Punnaiah Plaza, Road No. 2, Banjara Hills, Hyderabad –
500034

Tel: 040-6622-9292, Fax: 040-6622-9393

Website: www.moschip.com, Email id: investorrelations@moschip.com

To
The Shareholders

**Notice pursuant to Section 110 of the Companies Act, 2013 read with Rule 22 of the Companies
(Management and Administration) Rules, 2014**

Notice is hereby given to the Shareholders, pursuant to Section 110 of the Companies Act, 2013 and other applicable provisions, if any, of the Companies Act, 2013, read together with Rule 22 Companies (Management and Administration) Rules, 2014 (including any statutory modifications, amendments or re-enactments thereof for the time being in force), and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, that the resolution(s) appended below are proposed to be passed by way of Postal Ballot.

The Members' consideration and approval is being sought for the Resolutions annexed hereto. Thus, in terms of Section 110 of the Companies Act, 2013 read with the relevant Rules and Regulations as also to facilitate wider participation in the approval process by the Shareholders residing at different locations, it is proposed to obtain their consent by way of postal ballot. The Resolutions are appended below and the Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 pertaining to the said Resolutions setting out material facts and the reasons for the Resolutions is also annexed.

You are requested to peruse the proposed Resolutions along with their respective Explanatory Statement and thereafter send your assent or dissent by filling-up the necessary details and putting your signature at the marked place in the Postal Ballot Form and returning the Form duly completed, in the enclosed self-addressed postage pre-paid envelope so as to reach the Scrutinizer not later than close of working hours (5.00 p.m.) **on 04th June, 2018**. Your assent / dissent received after 04th June, 2018 would be strictly treated as if a reply from you has not been received.

Item No. 01:

To issue Warrants on preferential basis to Mr. K. Ramachandra Reddy, Promoter 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 62(1)(c), 42 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Share Capital and Debentures) Rules, 2014, Companies (Prospectus and Allotment of Securities) Rules, 2014 (including any amendments, statutory modification(s) or re-enactment thereof for the time being in force) (the **“Act”**), the Memorandum and Articles of Association of the Company, SEBI (Listing Obligations and Disclosure Requirements), 2015 as amended from time to time (the **“Listing Regulations”**), the Securities and

Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended (the “**ICDR Regulations**”), the SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 2011, as amended from time to time (the “**SAST Regulations**”), the Foreign Exchange Management Act, 1999, as amended from time to time, and subject to all other applicable laws, rules, regulations, circulars and guidelines and subject to such approvals, permissions, sanctions and consents as may be necessary or required from regulatory or other appropriate authority, and on such terms and conditions (including any alterations, modifications, corrections, changes and variations, if any, that may be stipulated under such approvals, permissions, sanctions, and consents as the case may be) which may be accepted by the Board of Directors of the Company (herein referred to as “**Board**” which term shall include any duly constituted and authorized committee thereof to exercise its powers under 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 Company be and is hereby accorded to the Board to create, offer, issue and allot from time to time, in one or more tranches, upto **35,55,555** (Thirty Five Lakhs Fifty Five Thousand Five Hundred and Fifty Five only) warrants (the “**Promoter Warrants**”), exercisable as per its terms and conditions, on preferential basis to **Mr. K. Ramachandra Reddy**, Promoter of the Company (“**Warrant Holder**”), in such manner and on such terms and conditions as may be determined by the Board in its absolute discretion, with a right to the Warrant Holder to apply for and get allotted one Equity Share of face value of Rs.2/- (Rupees Two only) each (the “**Equity Shares**”) for each Warrant, within a period of 12 (Twelve) months from the date of allotment of Warrants, at a minimum price of **Rs.45/-** (Rupees Forty Five only) including premium of **Rs.43** (Rupees Forty Three only) per Equity Share, or such higher price as may be arrived at in accordance with the SEBI ICDR Regulations, aggregating up to a minimum of Rs.15,99,99,975/- (Rupees Fifteen Crore Ninety Nine Lakhs Ninety Nine Thousand Nine Hundred and Seventy Five only)), or such higher price as may be arrived at in accordance with the SEBI ICDR Regulations.”

“**RESOLVED FURTHER THAT** an amount equivalent to minimum 25% of the Issue Price shall be payable at the time of subscription and allotment of Promoter warrants and the balance consideration of the Issue Price shall be payable by the Warrant Holder upon exercise of the entitlement attached to Promoter warrants, to subscribe for Equity Share(s). The amount paid against the Promoter warrants shall be adjusted / set off against the Issue Price payable for the resultant Equity Shares.”

Proposed allottee details:

Sl. No	Name of the Proposed Allottee(s)	Category	No of Promoter warrants to be issued
1	Mr. K. Ramachandra Reddy	Promoter	35,55,555

“**RESOLVED FURTHER THAT** the Board be and is hereby authorized to issue and allot such number of Promoter Warrants, including the resultant Equity Shares to be allotted on exercise of the Promoter Warrants in terms of this Resolution shall rank pari passu in all respects with the existing Equity Shares of the Company and shall be subject to Memorandum and Articles of Association of the Company.”

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

RESOLVED FURTHER THAT the aforesaid issue of the Promoter Warrants shall be on the following terms and conditions:

- (i) In accordance with the provisions of ICDR Regulations, the “**Relevant Date**” for the purpose of calculating the price of Warrants / Equity Shares to be issued as per the terms of the Warrants shall be 05th May 2018, being the date 30 days prior to the deemed date of passing of this Resolution by the Members of the Company through Postal Ballot;
- (ii) In accordance with the provisions of Chapter VII of the SEBI (ICDR) Regulations, Minimum 25% (Twenty Five Percent) of the consideration payable against the Warrants shall be paid by the Warrant Holder to the Company on or before allotment of the Warrants, and the balance consideration shall be paid at the time of allotment of Equity Shares pursuant to exercise of option against each such Warrant. The amount paid against Warrants shall be adjusted / set off against the Issue Price of the resultant Equity Shares;
- (iii) The tenure of Warrants shall not exceed 12 (Twelve) months from the date of allotment of the Warrants. The holder of Promoter Warrants will be entitled to apply for and be allotted Equity Shares, in one tranche any time after 01st April, 2019 and till the end of 12 months period from the date of allotment.
- (iv) The Warrant Holder shall be entitled to exercise the option of conversion of any or all of the Warrants in one or more tranches by way of a written notice to the Company, specifying the number of Warrants proposed to be converted along with the aggregate amount thereon, without any further approval from the shareholders of the Company prior to or at the time of conversion. The Company shall accordingly, issue and allot the corresponding number of Equity Shares to the Warrant Holder;
- (v) If the entitlement against the Warrants to apply for the Equity Shares is not exercised within the aforesaid period of 12 (Twelve) months, the entitlement of the Warrant holder to apply for Equity Shares of the Company along with the rights attached thereto shall expire and any amount paid on such Warrants shall stand forfeited;
- (vi) Upon exercise by the Warrant Holder the option to subscribe to Equity Share attached to any or all of the Warrants, the Company shall issue and allot appropriate number of Equity Shares and perform all such actions as are required to give effect to such issue, including but not limited to delivering to the Warrant Holder, evidence of the credit of the Equity Shares to the depository account of the Warrant Holder and entering the name of the Warrant Holder in the records of the Company (including in the Register of Members of the Company) as the registered owner of such Equity Shares;
- (vii) The Warrants by itself until exercise of option and issue and allotment of Equity Shares, does not give to the Warrant Holder thereof any rights with respect to that of a shareholder of the Company and the Warrants and Equity Shares allotted pursuant to conversion of such Warrants shall be subject to lock-in as stipulated under the SEBI (ICDR) Regulations.

“RESOLVED FURTHER THAT the Warrants shall be issued and allotted by the Company to the Warrant Holder within a period of 15 days from the date of passing of this resolution, provided that where the allotment of the said Warrants is pending on account of pendency of any approval for such allotment by any regulatory authority or the Central Government, the allotment shall be completed within a period of 15 days from the date of such approval.”

“RESOLVED FURTHER THAT for the purpose of giving effect to any offer, issue or allotment of Equity Shares or Warrants representing the same, as described above, the Board and such other persons as

may be authorized by the Board, on behalf of the Company be and is hereby authorized to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, desirable or expedient to effect the offer, issue or allotment and listing of the said securities with the Stock Exchanges and to resolve and settle any questions and difficulties that may arise in the proposed issue, offer and allotment of the said Warrants, utilization of issue proceeds, sign all such undertakings and documents as may be required, and any such documents so executed and delivered or acts and things done or caused to be done shall be conclusive evidence of the authority of the Company in so doing and any document so executed and delivered or acts and things done or caused to be done prior to the date thereof are hereby ratified, confirmed and approved as the acts and deeds of the Company, as the case may be and to do all such acts, deeds, matters and things in connection therewith and incidental thereto as the Board may in its absolute discretion deem fit, without being required to seek any further consent or approval of the shareholders.”

“RESOLVED FURTHER THAT the Board be and is hereby also authorised to delegate all or any of its powers to any officer(s) or authorized signatory (ies) of the Company to give effect to this resolution, including execution of any documents on behalf of the Company, and to represent the Company before any governmental authorities, and to appoint any merchant bankers or other professional advisors, consultants and legal advisors to give effect to the aforesaid resolution.”

“RESOLVED FURTHER THAT 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 No. 02:

To issue Equity Shares on preferential basis to Mr. Damodar Rao Gummadapu (51 % shareholder of Oshin Global Pte Limited, Promoter 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 Section 62(1)(c), 42 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Share Capital and Debentures) Rules, 2014, Companies (Prospectus and Allotment of Securities) Rules, 2014 (including any amendments, statutory modification or re-enactment thereof for the time being in force), the Memorandum and Articles of Association of the Company, SEBI (Listing Obligations and Disclosure Requirements), 2015, as amended from time to time (the **“Listing Regulations”**), the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended from time to time (the **“ICDR Regulations”**), the SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 2011, as amended from time to time (the **“SAST Regulations”**), and subject to all other applicable laws, rules, regulations, circulars and guidelines and subject to such approvals, permissions, sanctions and consents as may be necessary or required from regulatory or other appropriate authority and on such terms and conditions (including any alterations, modifications, corrections, changes and variations, if any, that may be stipulated under such approvals, permissions, sanctions, and consents as the case may be) which may be accepted by the Board of Directors of the Company (herein referred to as **“Board”** which term shall include any duly constituted and authorized committee thereof to exercise its powers under 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 Company be and is hereby accorded to the Board to create, offer, issue and allot, from time to time, in one or more tranches, on preferential basis, **2,04,000** (Two Lakhs Four Thousand only) fully paid-up Equity Shares of the Company, having face value of Rs.2/- (Rupees Two only) each to **Mr. Damodar Rao Gummadapu,**

(51 % shareholder of Oshin Global Pte Limited, Promoter of the Company), at a minimum price of **Rs.45/-** (Rupees Forty Five only) including premium of **Rs.43** (Rupees Forty Three only) per Equity Share, or such higher price as may be arrived at in accordance with the SEBI ICDR Regulations, aggregating up to a minimum of Rs.91,80,000/- (Rupees Ninety One Lakh Eight Thousand only), or such higher price as may be arrived at in accordance with the SEBI ICDR Regulations

Proposed allottee details:

Sl. No	Name of the Proposed Allottees	PAN No.	Nationality	Shares Consideration (No of Shares)
1.	Mr. Damodar Rao Gummadapu	BJEPG7977A	Indian	2,04,000

“RESOLVED FURTHER THAT the Preferential Allotment shall *inter alia* be subject to the following:

(i) The Equity Shares to be offered, issued and allotted to Mr. Damodar Rao Gummadapu shall be in dematerialized form and shall be subject to the provisions of the Memorandum and Articles of Association of the Company;

(ii) The Equity Shares to be offered, issued and allotted shall rank *pari passu* with the existing Equity Shares of the Company in all respects including as to dividend and other corporate benefits;

(iii) The **“Relevant Date”** for the offer, issue and allotment of the Equity Shares by way of a preferential issue, as per the ICDR Regulations, for the determination of minimum price for the issue of Shares is 05th May, 2018, which is the date that is 30 (thirty) days prior to the date on which the results of this postal ballot, which is being conducted for the purpose of seeking the approval of members to the Preferential Allotment, are to be declared, which is deemed to be the date of the postal ballot resolution passed in accordance with Section 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules 2014.

(iv) The Equity Shares to be offered, issued and allotted shall be subject to lock-in as provided under Chapter VII of the ICDR Regulations; and

(v) The Equity Shares so offered, issued and allotted will be listed and traded subject to the receipt of necessary regulatory permissions and approval, if any.”

“RESOLVED FURTHER THAT subject to the provisions of ICDR Regulations and other applicable laws, the Board be and is hereby authorized to decide and approve terms and conditions of the offer, issue and allotment of Shares and vary, modify or alter any relevant terms and conditions, including size of the preferential issue to the Investor, as it may deem expedient.”

“RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorized on behalf of the Company to do all such acts, deeds, matters and things as the Board may, in its absolute discretion, deem necessary, desirable or expedient for the purpose of the issue or allotment of the shares and listing thereof with the Stock Exchange and to resolve and settle any questions and difficulties that may arise in the proposed issue, offer and allotment of the said securities, sign all such documents and undertakings as may be required and to do all such acts, deeds, matters and things in connection therewith and incidental thereto as the Board may in its absolute discretion deem fit and to effect any modification to the foregoing in the best interest of the Company and its shareholders.”

“RESOLVED FURTHER THAT the Board be and is hereby also authorised to delegate all or any of its powers to any officer(s) or authorized signatory (ies) of the Company to give effect to this resolution including execution of any documents on behalf of the Company and to represent the Company before any governmental authorities and to appoint any merchant bankers or other professional advisors, consultants and legal advisors to give effect to the aforesaid resolution.”

“RESOLVED FURTHER THAT 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 No. 03:

To issue Equity Shares on preferential basis to M/s Eiji Holdings Pte Ltd (49 % shareholder of Oshin Global Pte Limited, Promoter 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 Section 62(1)(c), 42 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Share Capital and Debentures) Rules, 2014, Companies (Prospectus and Allotment of Securities) Rules, 2014 (including any amendments, statutory modification or re-enactment thereof for the time being in force), the Memorandum and Articles of Association of the Company, SEBI (Listing Obligations and Disclosure Requirements), 2015, as amended from time to time (the **“Listing Regulations”**), the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended from time to time (the **“ICDR Regulations”**), the SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 2011, as amended from time to time (the **“SAST Regulations”**), the Foreign Exchange Management Act, 1999, as amended from time to time, and subject to all other applicable laws, rules, regulations, circulars and guidelines and subject to such approvals, permissions, sanctions and consents as may be necessary or required from regulatory or other appropriate authority and on such terms and conditions (including any alterations, modifications, corrections, changes and variations, if any, that maybe stipulated under such approvals, permissions, sanctions, and consents as the case may be) which may be accepted by the Board of Directors of the Company (herein referred to as **“Board”** which term shall include any duly constituted and authorized committee thereof to exercise its powers under 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 Company be and is hereby accorded to the Board to create, offer, issue and allot, from time to time, in one or more tranches, on preferential basis, **1,96,000** (One Lakh Ninety Six Thousand only) fully paid-up Equity Shares of the Company, having face value of Rs. 2/- (Rupees Two only) each to M/s **Eiji Holdings Pte Ltd**, (49 % shareholder of Oshin Global Pte Limited, Promoter of the Company), at a minimum price of **Rs. 45/-** (Rupees Forty-Five only) including premium of **Rs.43** (Rupees Forty Three only) per Equity Share, or such higher price as may be arrived at in accordance with the SEBI ICDR Regulations , aggregating up to a minimum of Rs. 88,20,000/- (Rupees Eighty Eight Lakh Twenty Thousand only), or such higher price as may be arrived at in accordance with the SEBI ICDR Regulations.

Proposed allottee details:

Sl. No	Name of the Proposed Allottees	Category	No of Shares
1.	M/s Eiji Holdings Pte Ltd	Foreign Body Corporate	1,96,000

“RESOLVED FURTHER THAT the Preferential Allotment shall *inter alia* be subject to the following:

(i) The Equity Shares to be offered, issued and allotted to Eiji Holdings Pte Ltd shall be in dematerialized form and shall be subject to the provisions of the Memorandum and Articles of Association of the Company;

(ii) The Equity Shares to be offered, issued and allotted shall rank *pari passu* with the existing Equity Shares of the Company in all respects including as to dividend and other corporate benefits;

(iii) The **“Relevant Date”** for the offer, issue and allotment of the Equity Shares by way of a preferential issue, as per the ICDR Regulations, for the determination of minimum price for the issue of Shares is 05th May, 2018, which is the date that is 30 (thirty) days prior to the date on which the results of this postal ballot, which is being conducted for the purpose of seeking the approval of members to the Preferential Allotment, are to be declared, which is deemed to be the date of the postal ballot resolution passed in accordance with Section 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules 2014.

(iv) The Equity Shares to be offered, issued and allotted shall be subject to lock-in as provided under Chapter VII of the ICDR Regulations; and

(v) The Equity Shares so offered, issued and allotted will be listed and traded subject to the receipt of necessary regulatory permissions and approval, if any.”

“RESOLVED FURTHER THAT subject to the provisions of ICDR Regulations and other applicable laws, the Board be and is hereby authorized to decide and approve terms and conditions of the offer, issue and allotment of Shares and vary, modify or alter any relevant terms and conditions, including size of the preferential issue to the Investor, as it may deem expedient.”

“RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorized on behalf of the Company to do all such acts, deeds, matters and things as the Board may, in its absolute discretion, deem necessary, desirable or expedient for the purpose of the issue or allotment of the shares and listing thereof with the Stock Exchange and to resolve and settle any questions and difficulties that may arise in the proposed issue, offer and allotment of the said securities, sign all such documents and undertakings as may be required and to do all such acts, deeds, matters and things in connection therewith and incidental thereto as the Board may in its absolute discretion deem fit and to effect any modification to the foregoing in the best interest of the Company and its shareholders.”

“RESOLVED FURTHER THAT the Board be and is hereby also authorised to delegate all or any of its powers to any officer(s) or authorized signatory (ies) of the Company to give effect to this resolution including execution of any documents on behalf of the Company and to represent the Company before any governmental authorities and to appoint any merchant bankers or other professional advisors, consultants and legal advisors to give effect to the aforesaid resolution.”

“RESOLVED FURTHER THAT 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 No. 04:

To issue Warrants on preferential basis to M/s J.B.M Resorts Private Limited, a Non-Promoter(s)/Non-Promoter Group 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 Section 62(1)(c), 42 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Share Capital and Debentures) Rules, 2014, Companies (Prospectus and Allotment of Securities) Rules, 2014 (including any amendments, statutory modification or re-enactment thereof for the time being in force), the Memorandum and Articles of Association of the Company, SEBI (Listing Obligations and Disclosure Requirements), 2015, as amended from time to time (the **“Listing Regulations”**), the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended from time to time (the **“ICDR Regulations”**), the SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 2011, as amended from time to time (the **“SAST Regulations”**), the Foreign Exchange Management Act, 1999, as amended, and subject to all other applicable laws, rules, regulations, circulars and guidelines, and subject to such approvals, permissions, sanctions and consents as may be necessary or required from regulatory or other appropriate authority, and on such terms and conditions (including any alterations, modifications, corrections, changes and variations, if any, that may be stipulated under such approvals, permissions, sanctions, and consents as the case may be) which may be accepted by the Board of Directors of the Company (herein referred to as **“Board”** which term shall include any duly constituted and authorized committee thereof to exercise its powers under 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 Company be and is hereby accorded to the Board to create, offer, issue and allot **44,44,444** (Forty Four Lakhs Forty Four Thousand Four Hundred and Forty Four only) warrants (the **“Non-Promoter Warrants”**), exercisable as per its terms and conditions, on a preferential basis to **M/s J.B.M Resorts Private Limited**, being members of the Non-Promoter Group of the Company (**“Non-Promoter Warrant Holder”**) in such manner and on such terms and conditions as may be determined by the Board in its absolute discretion, with a right to the Non-Promoter Warrant Holder to apply for and get allotted one equity share of face value of Rs.2/- (Rupees Two only) each (the **“Equity Shares”**) for each Warrant, within a period of 12 (Twelve) months from the date of allotment of Warrants, at a minimum price of **Rs.45/-** (Rupees Forty Five only) including premium of **Rs.43** (Rupees Forty Three only) per Equity Share, or such higher price as may be arrived at in accordance with the SEBI ICDR Regulations, aggregating up to Rs.19,99,99,980/- (Rupees Nineteen Crore Ninety Nine Lakhs Ninety Nine Thousand Nine Hundred and Eighty only)), or such higher price as may be arrived at in accordance with the SEBI ICDR Regulations.

“RESOLVED FURTHER THAT an amount equivalent to minimum 25% of the Issue Price shall be payable at the time of subscription and allotment of Non-Promoter Warrants, and the balance consideration of the Issue Price shall be payable by the Non-Promoter Warrant Holder upon exercise of the entitlement attached to the warrant, to subscribe for Equity Share(s). The amount paid against the Non-Promoter Warrants shall be adjusted / set off against the Issue Price payable for the resultant Equity Shares.”

Proposed allottees details:

Sl. No	Name of the Proposed Allottees	Category	No of Non-Promoter Warrants to be allotted
1.	M/s J.B.M Resorts Private Limited	Indian Company	44,44,444

“RESOLVED FURTHER THAT the Board be and is hereby authorized to issue and allot such number of Non-Promoter Warrants, including the resultant Equity Shares to be allotted on exercise of the Non-Promoter Warrants in terms of this Resolution shall rank pari passu in all respects with the existing Equity Shares of the Company and shall be subject to the Memorandum and Articles of Association of the Company.”

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

“RESOLVED FURTHER THAT the aforesaid issue of Non-Promoter Warrants on preferential basis shall be on the following terms and conditions:

- (i) In accordance with the provisions of ICDR Regulations, the **“Relevant Date”** for the purpose of calculating the price of Non-Promoter Warrants / Equity Shares to be issued as per the terms of the Non-Promoter Warrants shall be 05th May, 2018, being the date 30 days prior to the deemed date of passing of this Resolution by the Members of the Company through Postal Ballot;
- (ii) In accordance with the provisions of Chapter VII of the SEBI (ICDR) Regulations), minimum 25% (Twenty Five Percent) of the consideration payable against the Non-Promoter Warrants, shall be paid by the Non-Promoter Warrant Holder to the Company on or before allotment of the Non-Promoter Warrants and the balance consideration shall be paid at the time of allotment of Equity Shares pursuant to exercise of option against each such Non-Promoter Warrant. The amount paid against Warrants shall be adjusted / set off against the issue price of the resultant Equity Shares;
- (iii) The tenure of Non-Promoter Warrants shall not exceed 12 (Twelve) months from the date of allotment of the Non-Promoter Warrants. The holder of Non-Promoter Warrants will be entitled to apply for and be allotted Equity Shares, in one or more tranches till the end of 12 months period from the date of allotment.
- (iv) The Non-Promoter Warrant Holder shall be entitled to exercise the option of conversion of any or all of the Non-Promoter Warrants in one or more tranches by way of a written notice to the Company, specifying the number of Non-Promoter Warrants proposed to be converted along with the aggregate amount thereon, without any further approval from the shareholders of the Company prior to or at the time of conversion. The Company shall accordingly, issue and allot the corresponding number of Equity Shares to the Non-Promoter Warrant Holder;
- (v) If the entitlement against the Non-Promoter Warrants to apply for the Equity Shares is not exercised within the aforesaid period of 12 (Twelve) months, the entitlement of the Non-Promoter Warrant holder to apply for Equity Shares of the Company along with the rights attached thereto shall expire and any amount paid on such Non-Promoter Warrants shall stand forfeited;

- (vi) Upon exercise by the Non-Promoter Warrant Holder the option to subscribe to Equity Share attached to any or all of the Warrants, the Company shall issue and allot appropriate number of Equity Shares and perform all such actions as are required to give effect to such issue, including but not limited to delivering to the Non-Promoter Warrant Holder, evidence of the credit of the Equity Shares to the depository account of the Non-Promoter Warrant Holder and entering the name of Non-Promoter Warrant Holder in the records of the Company (including in the Register of Members of the Company) as the registered owner of such Equity Shares; and
- (vii) The Non-Promoter Warrants by itself until exercise of option and issue and allotment of Equity Shares, does not give to the Non-Promoter Warrant Holder thereof any rights with respect to that of a shareholders of the Company, and the Non-Promoter Warrants and Equity Shares allotted pursuant to conversion of such Non-Promoter Warrants shall be subject to lock-in as stipulated under the ICDR) Regulations.

“RESOLVED FURTHER THAT the Non-Promoter Warrants shall be issued and allotted by the Company to the Warrant Holder within a period of 15 days from the date of passing of this resolution, provided that where the allotment of the said Non-Promoter Warrants is pending on account of pendency of any approval for such allotment by any regulatory authority or the Central Government, the allotment shall be completed within a period of 15 days from the date of such approval.”

“RESOLVED FURTHER THAT for the purpose of giving effect to any offer, issue or allotment of Equity Shares or Non-Promoter Warrants representing the same, as described above, the Board and such other persons as may be authorized by the Board, on behalf of the Company be and is hereby authorized to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, desirable or expedient to effect the offer, issue or allotment and listing of the said securities with the Stock Exchange and to resolve and settle any questions and difficulties that may arise in the proposed issue, offer and allotment of the said Non-Promoter Warrants, utilization of issue proceeds, sign all such undertakings and documents as may be required, and any such documents so executed and delivered or acts and things done or caused to be done shall be conclusive evidence of the authority of the Company in so doing, and any document so executed and delivered or acts and things done or caused to be done prior to the date thereof are hereby ratified, confirmed and approved as the acts and deeds of the Company, as the case may be, and to do all such acts, deeds, matters and things in connection therewith and incidental thereto as the Board may in its absolute discretion deem fit, without being required to seek any further consent or approval of the shareholders.”

“RESOLVED FURTHER THAT the Board be and is hereby also authorised to delegate all or any of its powers to any officer(s) or authorized signatory (ies) of the Company to give effect to this resolution, including execution of any documents on behalf of the Company and to represent the Company before any governmental authorities and to appoint any merchant bankers or other professional advisors, consultants and legal advisors to give effect to the aforesaid resolution.”

“RESOLVED FURTHER THAT 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 No. 05:

To issue Warrants on preferential basis to M/s Mouri Tech LLC, a Non-Promoter(s)/Non-Promoter Group 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 Section 62(1)(c), 42 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Share Capital and Debentures) Rules, 2014, Companies (Prospectus and Allotment of Securities) Rules, 2014 (including any amendments, statutory modification(s) or re-enactment thereof for the time being in force) (the **“Act”**), the Memorandum and Articles of Association of the Company, SEBI (Listing Obligations and Disclosure Requirements), 2015, as amended from time to time (the **“Listing Regulations”**), the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended from time to time (the **“ICDR Regulations”**), the SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 2011, as amended from time to time (the **“SAST Regulations”**), the Foreign Exchange Management Act, 1999, as amended from time to time, and subject to all other applicable laws, rules, regulations, circulars and guidelines, and subject to such approvals, permissions, sanctions and consents as may be necessary or required from regulatory or other appropriate authority, and on such terms and conditions (including any alterations, modifications, corrections, changes and variations, if any, that may be stipulated under such approvals, permissions, sanctions, and consents as the case may be) which may be accepted by the Board of Directors of the Company (herein referred to as **“Board”** which term shall include any duly constituted and authorized committee thereof to exercise its powers under 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 Company be and is hereby accorded to the Board to create, offer, issue and allot **22,22,222** (Twenty Two Lakhs Twenty Two Thousand Two Hundred and Twenty Two only) warrants (**“Non-Promoter Warrants”**), exercisable as per its terms and conditions, on a preferential basis to M/s **Mouri Tech LLC**, being members of the Non-Promoter Group of the Company in such manner and on such terms and conditions as may be determined by the Board in its absolute discretion, with a right to Non Promoter Warrant Holder to apply for and get allotted one equity share of face value of Rs.2/- (Rupees Two only) each (the **“Equity Shares”**) for each Warrant, within a period of 12 (Twelve) months from the date of allotment of Warrants, at a minimum price of **Rs. 45/-** (Rupees Forty Five only) including premium of **Rs.43** (Rupees Forty Three only) per Equity Share, or such higher price as may be arrived at in accordance with the SEBI ICDR Regulations, , aggregating up to a minimum of **Rs.9,99,99,990/-** (Rupees Nine Crore Ninety Nine Lakhs Ninety Nine Thousand Nine Hundred and Ninety only) or such higher price as may be arrived at in accordance with the SEBI ICDR Regulations.

“RESOLVED FURTHER THAT an amount equivalent to minimum 25% of the Issue Price shall be payable at the time of subscription and allotment of Non-Promoter Warrants, and the balance consideration of the Issue Price shall be payable by the Non-Promoter Warrant Holder upon exercise of the entitlement attached to the warrant, to subscribe for Equity Share(s). The amount paid against the Non-Promoter Warrants shall be adjusted / set off against the Issue Price payable for the resultant Equity Shares.”

Proposed allottees details:

Sl. No	Name of the Proposed Allottees	Category	No of Non-Promoter Warrants to be allotted
1.	M/s Mouri Tech LLC	Foreign Body Corporate	22,22,222

“RESOLVED FURTHER THAT the Board be and is hereby authorized to issue and allot such number of Non-Promoter Warrants, including the resultant Equity Shares to be allotted on exercise of the Non-Promoter Warrants in terms of this Resolution shall rank pari passu in all respects with the existing Equity Shares of the Company and shall be subject to the Memorandum and Articles of Association of the Company.”

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

“RESOLVED FURTHER THAT the aforesaid issue of Non-Promoter Warrants on preferential basis shall be on the following terms and conditions:

- (i) In accordance with the provisions of ICDR Regulations, the **“Relevant Date”** for the purpose of calculating the price of Non-Promoter Warrants / Equity Shares to be issued as per the terms of the Non-Promoter Warrants shall be 05th May, 2018, being the date 30 days prior to the deemed date of passing of this Resolution by the Members of the Company through Postal Ballot;
- (ii) In accordance with the provisions of Chapter VII of the SEBI (ICDR) Regulations), minimum 25% (Twenty Five Percent) of the consideration payable against the Non-Promoter Warrants, shall be paid by the Non-Promoter Warrant Holder to the Company on or before allotment of the Non-Promoter Warrants and the balance consideration shall be paid at the time of allotment of Equity Shares pursuant to exercise of option against each such Non-Promoter Warrant. The amount paid against Warrants shall be adjusted / set off against the issue price of the resultant Equity Shares;
- (iii) The tenure of Non-Promoter Warrants shall not exceed 12 (Twelve) months from the date of allotment of the Non-Promoter Warrants. The holder of Non-Promoter Warrants will be entitled to apply for and be allotted Equity Shares, in one or more tranches till the end of 12 months period from the date of allotment.
- (iv) The Non-Promoter Warrant Holder shall be entitled to exercise the option of conversion of any or all of the Non-Promoter Warrants in one or more tranches by way of a written notice to the Company, specifying the number of Non-Promoter Warrants proposed to be converted along with the aggregate amount thereon, without any further approval from the shareholders of the Company prior to or at the time of conversion. The Company shall accordingly, issue and allot the corresponding number of Equity Shares to the Non-Promoter Warrant Holder;
- (v) If the entitlement against the Non-Promoter Warrants to apply for the Equity Shares is not exercised within the aforesaid period of 12 (Twelve) months, the entitlement of the Non-Promoter Warrant holder to apply for Equity Shares of the Company along with the rights

attached thereto shall expire and any amount paid on such Non-Promoter Warrants shall stand forfeited;

- (vi) Upon exercise by the Non-Promoter Warrant Holder the option to subscribe to Equity Share attached to any or all of the Warrants, the Company shall issue and allot appropriate number of Equity Shares and perform all such actions as are required to give effect to such issue, including but not limited to delivering to the Non-Promoter Warrant Holder, evidence of the credit of the Equity Shares to the depository account of the Non-Promoter Warrant Holder and entering the name of the Non-Promoter Warrant Holder in the records of the Company (including in the Register of Members of the Company) as the registered owner of such Equity Shares; and
- (vii) The Non-Promoter Warrants by itself until exercise of option and issue and allotment of Equity Shares, does not give to the Non-Promoter Warrant Holder thereof any rights with respect to that of a shareholders of the Company, and the Non-Promoter Warrants and Equity Shares allotted pursuant to conversion of such Non-Promoter Warrants shall be subject to lock-in as stipulated under the ICDR) Regulations.

“RESOLVED FURTHER THAT the Non-Promoter Warrants shall be issued and allotted by the Company to the Warrant Holder within a period of 15 days from the date of passing of this resolution, provided that where the allotment of the said Non-Promoter Warrants is pending on account of pendency of any approval for such allotment by any regulatory authority or the Central Government, the allotment shall be completed within a period of 15 days from the date of such approval.”

“RESOLVED FURTHER THAT for the purpose of giving effect to any offer, issue or allotment of Equity Shares or Non-Promoter Warrants representing the same, as described above, the Board and such other persons as may be authorized by the Board, on behalf of the Company be and is hereby authorized to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, desirable or expedient to effect the offer, issue or allotment and listing of the said securities with the Stock Exchange and to resolve and settle any questions and difficulties that may arise in the proposed issue, offer and allotment of the said Non-Promoter Warrants, utilization of issue proceeds, sign all such undertakings and documents as may be required, and any such documents so executed and delivered or acts and things done or caused to be done shall be conclusive evidence of the authority of the Company in so doing, and any document so executed and delivered or acts and things done or caused to be done prior to the date thereof are hereby ratified, confirmed and approved as the acts and deeds of the Company, as the case may be, and to do all such acts, deeds, matters and things in connection therewith and incidental thereto as the Board may in its absolute discretion deem fit, without being required to seek any further consent or approval of the shareholders.”

“RESOLVED FURTHER THAT the Board be and is hereby also authorised to delegate all or any of its powers to any officer(s) or authorized signatory (ies) of the Company to give effect to this resolution, including execution of any documents on behalf of the Company and to represent the Company before any governmental authorities and to appoint any merchant bankers or other professional advisors, consultants and legal advisors to give effect to the aforesaid resolution.”

“RESOLVED FURTHER THAT 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 No. 06:

Appointment of Mr. Singa Rao Gottipati (DIN - 07730448) as an Executive Director (“Manager” under the provisions of Companies Act, 2013) 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 196, 197 and 203 and any other applicable provisions of the Companies Act, 2013 (“the Act”) and the rules made there under, including the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Act and the Articles of Association of the Company and subject to such other approvals as may be necessary, consent of the members be and is hereby accorded to the appointment of Mr. Singa Rao Gottipati (DIN - 07730448) as an Executive Director (“Manager” under the provisions of Companies Act, 2013) of the Company for a period of 5 years whose office is liable to retire by rotation and upon the following terms and conditions including remuneration payable to him for a period of 3(Three) years as recommended by the Nomination and Remuneration Committee and approved by the Board of Directors, with liberty to the Board of Directors from time to time to alter the said terms and conditions, in such manner as may be agreed to between the Board and Mr. Singa Rao Gottipati and as may be permissible at law:

a. Period

Five years w.e.f. 27th April, 2018 to 26th April, 2023 with the liberty to either party to terminate the appointment on three months’ notice in writing to the other.

b. Remuneration

Remuneration is only for a period of Three years i.e. from 27th April, 2018 to 26th April, 2021 .

i) Fixed Salary: Monthly salary of Rs.7,00,000 /- (Rupees Seven Lakhs only) on a CTC basis by way of Salary, Dearness Allowance and any other allowances and perquisites with annual or mid-term increments as approved by the Board/Committee of the Board.

ii) Variable Pay: variable pay not exceeding Rs. 2,00,000 /- (Rupees Two Lakhs only) on a CTC basis per month, which shall be paid Half yearly as determined by Nomination & Remuneration Committee

c. Commission

Where the Company has sufficient profits, such percentage of Commission on the net profits of the company be paid in addition to salary and perquisites as may be determined by the Board of Directors of the Company at the end of each financial year; subject to stipulations in this behalf under the Companies Act, 2013.

d. Employ benefits:

During the term of your employment, you will be entitled to participate in the employee benefit plans of the Company including medical insurance, personal accidental insurance, and contribution

to Gratuity at a rate not exceeding half a month's salary for each completed year of service which shall not be part of CTC specified above, .”

The aggregate of the remuneration and perquisites in any financial year, shall not exceed the limit set out under Sections 197 and 198 read with Schedule V and other applicable provisions of the Companies Act, 2013 or any statutory modifications or re-enactments thereof for the time being in force, or otherwise as may be permissible at law.

Provided that where, in any financial year, the Company has no profits, or its profits are inadequate, the Company shall pay the above salary and allowances and provide the perquisites and other amenities as aforesaid to you as and by way of minimum remuneration, subject to the applicable provisions of Schedule V of the Act and the approval of the Central Government, if required, or any other approvals as may be required under law.

“RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

**Hyderabad
27th April, 2018**

By Order of the Board of Directors

**CS Suresh Bachalakura
Company Secretary**

NOTES:

1. The statement pursuant to Section 102(1) of the Companies Act, 2013 in respect of the special business set out in the Notice, is annexed hereto.
2. Members are requested to notify immediately any change in their address to the company or to the Share Transfer Agents and in case their shares are held in dematerialized form, this information should be passed onto their respective Depository Participants without any delay.
3. In all correspondence with the company, members are requested to quote their folio numbers and in case their shares are held in dematerialized form they must quote their Client ID Number and their DP ID Number.
4. Trading in the equity shares of the company is in the compulsory Demat form. Those members who have not demated their shares are requested to open the Demat accounts with the depositories and get the shares demated at the earliest.
5. In compliance with provisions of Section 110 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules 2014, the Company is offering e-voting facility to all the members of the Company and will be facilitating e-voting to enable the members to cast their votes electronically instead of dispatching the Postal Ballot Form.
6. The business may be transacted through e-voting services provided by Karvy Computershare Private Limited (“Karvy”).

It may be noted that this e-voting facility is optional. The e-voting facility will be available at the link <http://evoting.karvy.com>. Shareholders can cast their vote online from 9 a.m. on 06th May, 2018 to 5 p.m. on 04th June, 2018. During the period, shareholders of the company holding shares either in dematerialized or physical form as on the cut-off date of 27th April, 2018, may cast their vote electronically

7. The login ID and password for e-voting along with process, manner and instructions for e-voting is being sent to the members who have not registered their e-mail IDs with the Company / their respective Depository Participants along with physical copy of the Notice. Those members who have registered their e-mail IDs with the Company / their respective Depository Participants are being forwarded the login ID and password for e-voting along with process, manner and instructions by e-mail.

8. The Company has appointed B S S& Associates, Practicing Company Secretary as Scrutinizer for conducting the postal ballot and e-voting process in a fair and transparent manner. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date, i.e. 27thApril, 2018 only shall be entitled to avail the facility of e-voting/ Postal Ballot.

9. Any person who becomes a member of the Company after dispatch of the Notice of the Postal Ballot and holding shares as on the cut-off date i.e. 27thApril, 2018 may obtain the User ID and password in the manner as mentioned below.

10. If the mobile number of the member is registered against Folio No. / DP ID Client ID, the member may send SMS: MYEPWD <space> E-Voting Event Number + Folio No. or DP ID Client ID to 9212993399

Example for NSDL:

MYEPWD <SPACE> IN12345612345678

Example for CDSL:

MYEPWD <SPACE> 1402345612345678

Example for Physical:

MYEPWD <SPACE> XXXX1234567890

a. If e-mail address or mobile number of the member is registered against Folio No. / DP ID Client ID, then on the home page of <https://evoting.karvy.com>, the member may click "Forgot Password" and enter Folio No. or DP ID Client ID and PAN to generate a password.

b. Member may call Karvy's toll free number 1-800-3454-001

c. Member may send an e-mail request to evoting.msctl@karvy.com.

If the member is already registered with Karvy e-voting platform then he can use his existing User ID and password for casting the vote through e-voting.

1. The e-voting facility will be available during the following period:

Commencement of e-voting: From 9.00 a.m. (IST) on 06thMay, 2018

End of e-voting: Up to 5.00 p.m. (IST) on 04th June, 2018

The e-voting will not be allowed beyond the aforesaid date and time and the e-voting module shall be disabled by Karvy upon expiry of aforesaid period.

2. The Scrutinizer, after scrutinizing the votes cast by postal ballot (physical forms) and through e-voting, will, on 05th June, 2018, make a consolidated scrutinizer's report and submit the same to the Chairman. The results declared along with the consolidated scrutinizer's report shall be placed on the website Karvy <https://evoting.karvy.com>. The results shall simultaneously be communicated to the Stock Exchanges.

3. Subject to receipt of requisite number of votes, the Resolutions shall be deemed to have been passed on the last date of voting, i.e. 04th June, 2018

4. Instructions and other information relating to e-voting:

A. (i) In case a member receives an e-mail from Karvy for members whose e-mail addresses are registered with the Company / Depository Participant(s):

(a) Launch internet browser by typing the URL: <https://evoting.karvy.com>

(b) Enter the login credentials (i.e. User ID and password) which will be sent separately. The E-Voting Event Number + Folio No. or DP ID Client ID will be your User ID.

However, if you are already registered with Karvy for e-voting, you can use your existing User ID and password for casting your vote. If required, please visit <https://evoting.karvy.com> or contact toll free number 1-800-3454-001 for your existing password.

(c) After entering these details appropriately, click on "LOGIN".

(d) You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric (0-9) and a special character (@,#,\$,etc.). The system will prompt you to change your password and update your contact details like mobile number, email address, etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.

(e) You need to login again with the new credentials.

(f) On successful login, the system will prompt you to select the E-Voting Event Number for MosChip Semiconductor Technology Limited.

(g) On the voting page enter the number of shares (which represents the number of votes) as on the cut-off date under "FOR/ AGAINST" or alternatively, you may partially enter any number in "FOR" and partially in "AGAINST" but the total number in "FOR/ AGAINST" taken together should not exceed your total shareholding as on the cut-off date. You may also choose the option "ABSTAIN" and the shares held will not be counted under either head.

(h) Members holding shares under multiple folios / Demat accounts shall choose the voting process separately for each of the folios / Demat accounts.

(i) Voting has to be done for each item of the Notice separately. In case you do not desire to cast your vote on any specific item it will be treated as abstained.

(j) You may then cast your vote by selecting an appropriate option and click on "Submit".

(k) A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you confirm, you will not be allowed to modify your vote. During the voting period, members can login any number of times till they have voted on the Resolution(s).

(l) Corporate / Institutional Members (i.e. other than Individuals, HUF, NRI, etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution / Power of Attorney / Authority Letter, etc., together with attested specimen signature(s) of the duly authorized representative(s), to the Scrutinizer at e-mail ID: srkpcs99@gmail.com. They may also upload the same in the e-voting module in their login. The scanned image of the above mentioned documents should be in the naming format "Corporate Name_EVENT NO."

(ii) In case a member receives physical copy of the Notice by Post [for members whose e-mail addresses are not registered with the Company / Depository Participant(s):

a) User ID and initial password - These will be sent separately.

b) Please follow all steps from Sr. No. (a) to (l) as mentioned in (A) above, to cast your vote.

B. Once the vote on a resolution is cast by a member, the member shall not be allowed to change it subsequently or cast the vote again.

C. In case of any query pertaining to e-voting, please visit Help & FAQ's section available at Karvy's website <https://evoting.karvy.com>.

D. Kindly note that the Shareholders can opt only one mode of voting, i.e. either by Physical Ballot or e-voting. If you are opting for e-voting, then do not vote by Physical Ballot also and vice versa. However, in case the Shareholders cast their vote by Physical Ballot and e-voting, then voting done by e-voting shall prevail and voting done through valid Physical Ballot will be treated as invalid.

E. Shareholders desiring to exercise vote by Physical Postal Ballot are requested to carefully read the instructions printed in the Postal Ballot Form and return the Form duly completed and signed in the enclosed self-addressed business reply envelope to the Scrutinizer. The postage cost will be borne by the Company. However, envelopes containing Postal Ballots, if sent by courier or registered / speed post at the expense of the Shareholders will also be accepted.

F. As required by Rule 22 of the Companies (Management and Administration) Rules, 2014, details of dispatch of Notice and Postal Ballot Form to the Shareholders will be published in at least one English language and one vernacular language newspaper circulating in Hyderabad, Telangana

G. All documents proposed for approval, if any, in the above Notice and documents specifically stated to be open for inspection in the Explanatory Statement are open for inspection at the Registered Office of the Company between 2.00 p.m. and 5.00 p.m. on all working days (except Saturdays, Sundays and Holidays) up to the date of announcement of the results of this Postal Ballot.

Explanatory Statement pursuant to Section 102 of the Companies Act, 2013

The following Explanatory Statement sets out material facts relating to the business under Item No. 01, 02, 03, 04, 05 and 06 accompanying Notice dated on 27thApril, 2018

Item No.1:

Material Facts Relating to the issue warrants on preferential basis to Mr. K. Ramachandra Reddy, Promoter of the Company.

The Board of Directors at its meeting held on 27thApril, 2018, subject to necessary approval(s), has approved the proposal for raising fund by way of issue of Securities through Preferential Allotment of Promoter warrants to Promoter to enable the Company to mobilize funds for funding Current/future expansion plans/activities by the Company.

The Preferential Allotment of Promoter warrants to Mr. K. Ramachandra Reddy would be strictly in accordance with Chapter VII of the SEBI (ICDR) Regulations, 2009. The preferential issue would comprise of upto 35,55,555 Promoter Warrants with a right exercisable by the warrant holder to subscribe for One Equity share per warrant, in accordance with their respective terms and conditions, with maximum tenure of 12 months of its allotment, howsoever that the conversion of warrants will occur only after 1st April, 2019.,

The relevant disclosures as required in terms of the Act and SEBI (ICDR) Regulations are as under:

The allotment of the Warrants is subject to the Proposed allottee not having sold any Equity Shares of the Company during the 6 (six) months preceding the 'relevant date'. The proposed allottee has represented that he has not sold any equity shares of the Company during the 6 (six) months preceding the relevant date.

1. Object(s) of the issue through preferential issue:

The object of raising the equity share capital by issuing Promoter Warrants to the Warrant Holder / proposed allottee is to mobilize funds for funding current/future expansion plans/activities by the Company, general corporate purpose, and repayment of part of the debt. It is therefore proposed to issue and allot upto 35,55,555 Promoter Warrants exercisable as per its terms and conditions to Mr. K. Ramachandra Reddy, Promoter of the Company on a preferential basis.

2. Proposal of the Promoters / Directors / Key Management Persons of the Company to subscribe to the preferential issue:

The preferential issues of Warrants are being made to the Promoter and Director of the Company. Mr. K. Ramachandra Reddy, Promoter and Director of the Company has conveyed his intention to subscribe to the offer. None of the key management personnel intend to subscribe to the Preferential Allotment.

3. Identity of the proposed allottees:

S. No	Proposed Allottees	Present Holding, if any	% of Pre-issue Capital	Present issue	Post issue Shareholding*	
				(Equity on Conversion of Warrants)	No of Equity Shares	%
01	K. Ramachandra Reddy	39,43,037	2.864	35,55,555	74,98,592	5.05

Note: *The above post issue shareholding is prepared assuming the full conversion of 10,222,221 warrants issued as on 27th April, 2018 into equity shares of the Company. However, at the time of conversion of warrants into equity shares, the percentage is likely to be changed.

4. Shareholding Pattern of the Company before and after the Preferential Issue:

Please refer the "Annexure -1" for the consolidated shareholding pattern given at the end of Postal Ballot Notice.

The proposed preferential allotment will not result in any change in management control of the Company as the proposed allottees belong to promoter / promoter group.

5. The time within which the preferential allotment shall be completed:

The allotment of Warrants will be completed within a period of 15 (fifteen) days from the date of passing of the Resolution by the Shareholders of the Company provided where the allotment is pending on account of any approval from any regulatory authority / Central Government the allotment shall be completed by the Company within a period of 15 days from the date of such approval.

6. Issue Price and Relevant Date

The issue of equity shares arising out of exercise of Promoter warrants issued on preferential basis shall be at a minimum price of Rs. 45/- each (Rupees Forty Five Only) including premium or such higher price as may be arrived at in accordance with the SEBI ICDR Regulations.

7. Relevant Date:

The relevant date for the purpose of pricing shall be 05th May, 2018 being the date which is 30 (thirty) days prior to the deemed date of passing of special resolution by the Members of the Company through Postal Ballot to approve the proposed preferential issue, in accordance with the SEBI (ICDR) Regulations.

8. Auditors' Certificate:

The certificate from M/s. S. T. Mohite & Co, Chartered Accountants certifying that the preferential issue is being made in accordance with the requirements contained in SEBI ICDR Regulations shall be available for inspection at the Registered Office of the Company during 02:00 p.m. to 5:00 p.m. (office hours) on all the working days except (Public holidays and Saturdays) upto the date of declaration of results of postal ballot.

9. Lock-in Period:

The Warrants allotted on a preferential basis and the Equity Shares to be allotted pursuant to exercise of option attached to Warrants shall be subject to lock-in as per SEBI (ICDR) Regulations.

As per Regulation 78(6) of the SEBI (ICDR) Regulations, the entire pre-preferential allotment shareholding of the above proposed allottee(s) shall be locked-in from the Relevant Date up to the period of 6 months from the date of preferential allotment.

10. The change in control, if any, in the Company that would occur consequent to the preferential offer

As a result of the proposed preferential issue of Promoter warrants, there will be no change in the control or management of the Company. However, voting rights will change in accordance with the shareholding pattern.

11. Undertakings

In terms of SEBI (ICDR) Regulations, 2009, the Company hereby undertakes that:

- a) It shall re-compute the price of the Warrants / Equity Shares issued on conversion of Warrants in terms of the provisions of SEBI (ICDR) Regulations, where it is required to do so.
- b) If the amount payable on account of the re-computation of price is not paid within the time stipulated in the SEBI (ICDR) Regulations, the underlying Warrants / Equity Shares shall continue to be locked- in till the time such amount is paid by the proposed allottees.

12. Report of Registered Valuer

No report of registered valuer is required for the offer, issue and allotment of the equity shares under the provisions of first proviso to Rule 13(1) of the Companies (Share Capital and Debentures) Rules, 2014.

The Board recommends the resolution as set out at Item No. 1 for approval of the shareholders as a Special Resolution.

The Board at its meeting held on 27th April, 2018 has approved the issue of Promoter Warrants on preferential basis and of Equity Shares on conversion of such Warrants on a preferential basis in the manner stated above subject to approval of the shareholders by way of Special Resolution.

None of the directors, Key managerial personnel or any relative of any of the directors or key managerial personnel of the Company is, in anyway, concerned or interested in the above resolution except Mr. K. Ramachandra Reddy and his relatives who are deemed to be concerned since proposed resolution pertains to the preferential issue of Warrants to Promoter(s) / Promoter Group.

Item No. 02**Material Facts Relating to issue of equity shares on preferential basis to Mr. Damodar Rao Gummadapu, (51 % shareholder of Oshin Global Pte Limited, Promoter of the Company).**

The Board of Directors at its meeting held on 27thApril, 2018, subject to necessary approval(s), has approved the proposal for raising fund by way of issue of Securities through Preferential Allotment of Warrants to Mr. Damodar Rao Gummadapu, (51 % shareholder of Oshin Global Pte Limited, Promoter of the Company) to enable the Company to mobilize funds for funding Current/future expansion plans/activities by the Company.

The Preferential Allotment of equity shares to Mr. Damodar Rao Gummadapu, would be strictly in accordance with Chapter VII of the SEBI (ICDR) Regulations, 2009. The preferential issue would comprise of upto 2,04,000 equity shares

The relevant disclosures as required in terms of the Act and SEBI (ICDR) Regulations are as under:

The allotment of equity shares is subject to the Proposed allottee not having sold any Equity Shares of the Company during the 6 (six) months preceding the 'relevant date'. The proposed allottee has represented that he has not sold any equity shares of the Company during the 6 (six) months preceding the relevant date.

01 Object(s) of the issue through preferential issue:

The object of raising the equity share capital to proposed allottee is to mobilize funds for funding current/future expansion plans/activities by the Company and general corporate purpose. It is therefore proposed to issue and allot upto 2,04,000 equity shares to Mr. Damodar Rao Gummadapu, (51 % shareholder of M/s Oshin Global Pte Limited, Promoter of the Company) on a preferential basis.

02 Proposal of the Promoters / Directors / Key Management Persons of the Company to subscribe to the preferential issue:

The preferential issues of equity shares are being made to the Promoter Group of the Company. Mr. Damodar Rao Gummadapu (51 % shareholder of M/s Oshin Global Pte Limited, Promoter of the Company) has conveyed his intention to subscribe to the offer.

Mr. Damodar Rao Gummadapu is Promoter and Director of the Company. None of the key management personnel intend to subscribe to the Preferential Allotment.

03 The names of the proposed allottee and the percentage of post preferential offer capital that may be held by them

S. No	Proposed Allottees	Present Holding, if any	% of Pre-issue Capital	Present issue of Equity Shares	Post issue Shareholding	
					No of Equity Shares	%
01	Damodar Rao Gummadapu	Nil	Nil	2,04,000	2,04,000	0.147

4. Shareholding Pattern of the Company before and after the Preferential Issue:

Please refer the "Annexure -1" for the consolidated shareholding pattern given at the end of Postal Ballot Notice.

The proposed preferential allotment will not result in any change in management control of the Company, as the proposed allottees belong to promoter / promoter group.

5. The time within which the preferential allotment shall be completed:

The allotment of Equity Shares will be completed within a period of 15 (fifteen) days from the date of passing of the Resolution by the Shareholders of the Company provided where the allotment is pending on account of any approval from any regulatory authority / Central Government the allotment shall be completed by the Company within a period of 15 days from the date of such approval.

6. Issue Price and Relevant Date

The price of equity shares issued on preferential basis shall be a minimum of Rs. 45/- each (Rupees Forty Five Only) including premium or such higher price as may be arrived at in accordance with the SEBI ICDR Regulations.

7. Relevant Date:

The relevant date for the purpose of pricing shall be 05th May, 2018 being the date which is 30 (thirty) days prior to the deemed date of passing of special resolution by the Members of the Company through Postal Ballot to approve the proposed preferential issue, in accordance with the SEBI (ICDR) Regulations.

8. Auditors' Certificate:

The certificate from M/s. S. T. Mohite & Co, Chartered Accountants certifying that the preferential issue is being made in accordance with the requirements contained in SEBI ICDR Regulations shall be available for inspection at the Registered Office of the Company during 02:00 p.m. to 5:00 p.m. (office hours) on all the working days except (Public holidays and Saturdays) upto the date of declaration of results of postal ballot.

9. Lock-in Period:

The equity shares allotted on a preferential basis shall be subject to lock-in as per SEBI (ICDR) Regulations.

The Equity Shares to be allotted on a preferential basis to the Promoter shall be locked-in for a period of three years from the date of trading granted for the Equity Shares in accordance with Regulation 78(1) of the SEBI ICDR Regulations.

As per Regulation 78(6) of the SEBI (ICDR) Regulations, the entire pre-preferential allotment shareholding of the above proposed allottee(s) shall be locked-in from the Relevant Date up to the period of 6 months from the date of preferential allotment.

10. The change in control, if any, in the Company that would occur consequent to the preferential offer

As a result of the proposed preferential issue of Equity Shares, there will be no change in the control or management of the Company. However, voting rights will change in accordance with the shareholding pattern.

11. Undertakings

In terms of SEBI (ICDR) Regulations, 2009, the Company hereby undertakes that:

- c) It shall re-compute the price of the Equity Shares in terms of the provisions of SEBI (ICDR) Regulations, where it is required to do so.
- d) If the amount payable on account of the re-computation of price is not paid within the time stipulated in the SEBI (ICDR) Regulations, the underlying Equity Shares shall continue to be locked-in till the time such amount is paid by the proposed allottees.

12. Report of Registered Valuer

No report of registered valuer is required for the offer, issue and allotment of the equity shares under the provisions of first proviso to Rule 13(1) of the Companies (Share Capital and Debentures) Rules, 2014.

The Board recommends the resolution as set out at Item No. 2 for approval of the shareholders as a Special Resolution.

The Board at its meeting held on 27th April, 2018 has approved the issue of Equity Shares on preferential basis in the manner stated above subject to approval of the shareholders by way of Special Resolution.

None of the directors, Key managerial personnel or any relative of any of the directors or key managerial personnel of the Company is, in anyway, concerned or interested in the above resolution except Mr. Damodar Rao Gummadapu and his relatives who are deemed to be concerned since proposed resolution pertains to the preferential issue of Equity Shares to Promoter(s)/ Promoter Group.

Item No. 03

Material Facts Relating to issue of equity shares on preferential basis to M/s Eiji Holdings Pte Limited, (49 % shareholder of Oshin Global Pte Limited, Promoter of the Company).

The Board of Directors at its meeting held on 27th April, 2018, subject to necessary approval(s), has approved the proposal for raising fund by way of issue of Securities through Preferential Allotment of equity shares to M/s Eiji Holdings Pte Limited, (49 % shareholder of M/s Oshin Global Pte Limited, Promoter of the Company) to enable the Company to mobilize funds for funding Current/future expansion plans/activities by the Company.

The Preferential Allotment of equity shares to M/s Eiji Holdings Pte Limited, would be strictly in accordance with Chapter VII of the SEBI (ICDR) Regulations, 2009. The preferential issue would comprise of upto 1,96,000 equity shares

The relevant disclosures as required in terms of the Act and SEBI (ICDR) Regulations are as under:

The allotment of equity shares is subject to the Proposed allottee not having sold any Equity Shares of the Company during the 6 (six) months preceding the 'relevant date'. The proposed allottee has represented that he has not sold any equity shares of the Company during the 6 (six) months preceding the relevant date.

1.Object(s) of the issue through preferential issue:

The object of raising the equity share capital to proposed allottee is to mobilize funds for funding current/future expansion plans/activities by the Company and general corporate purpose. It is therefore proposed to issue and allot upto 1,96,000 equity shares to M/s Eiji Holdings Pte Limited, (49 % shareholder of M/s Oshin Global Pte Limited, Promoter of the Company) on a preferential basis.

2.Proposal of the Promoters / Directors / Key Management Persons of the Company to subscribe to the preferential issue:

The preferential issues of equity shares are being made to M/s Eiji Holdings Pte Limited, (49 % shareholder of M/s Oshin Global Pte Limited, Promoter of the Company) has conveyed its intention to subscribe to the offer.

No Equity Shares are being offered to the directors, key managerial personnel or relatives of directors / key managerial personnel of the Company.

3. The names of the proposed allottee and the percentage of post preferential offer capital that may be held by them

S. No	Proposed Allottees	Present Holding, if any	% of Pre-issue Capital	Present issue (Equity Shares)	Post issue Shareholding	
					No of Equity Shares	%
01	Eiji Holdings Pte Limited	Nil	Nil	1,96,000	1,96,000	0.141

4. Shareholding Pattern of the Company before and after the Preferential Issue:

Please refer the "Annexure -1" for the consolidated shareholding pattern given at the end of Postal Ballot Notice.

The proposed preferential allotment will not result in any change in management control of the Company, as the proposed allottees belong to promoter / promoter group.

5. The time within which the preferential allotment shall be completed:

The allotment of Equity Shares will be completed within a period of 15 (fifteen) days from the date of passing of the Resolution by the Shareholders of the Company provided where the allotment is pending on account of any approval from any regulatory authority / Central

Government the allotment shall be completed by the Company within a period of 15 days from the date of such approval.

6. **The identity of the natural persons who are the ultimate beneficial owners of the equity shares proposed to be allotted and/or who ultimately control the proposed allottee is as follows:**

Name and address of the proposed allottee	Category (Promoter/ Non - Promoter)	Names of Ultimate Beneficial Owners of the proposed allottee(s)
Eiji Holdings Pte Ltd	Promoter Group	Ms. Swathi Reddy Gunupati

7. Issue Price and Relevant Date

The price of equity shares issued on preferential basis shall be a minimum of Rs. 45/- each (Rupees Forty Five Only) including premium or such higher price as may be arrived at in accordance with the SEBI ICDR Regulations.

8. Relevant Date:

The relevant date for the purpose of pricing shall be 05th May, 2018 being the date which is 30 (thirty) days prior to the deemed date of passing of special resolution by the Members of the Company through Postal Ballot to approve the proposed preferential issue, in accordance with the SEBI (ICDR) Regulations.

9. Auditors' Certificate:

The certificate from M/s. S. T. Mohite & Co, Chartered Accountants certifying that the preferential issue is being made in accordance with the requirements contained in SEBI ICDR Regulations shall be available for inspection at the Registered Office of the Company during 02:00 p.m. to 5:00 p.m. (office hours) on all the working days except (Public holidays and Saturdays) upto the date of declaration of results of postal ballot.

10. Lock-in Period:

The equity shares allotted on a preferential basis shall be subject to lock-in as per SEBI (ICDR) Regulations.

As per Regulation 78(6) of the SEBI (ICDR) Regulations, the entire pre-preferential allotment shareholding of the above proposed allottee(s) shall be locked-in from the Relevant Date up to the period of 6 months from the date of preferential allotment.

11. The change in control, if any, in the Company that would occur consequent to the preferential offer

As a result of the proposed preferential issue of Equity Shares, there will be no change in the control or management of the Company. However, voting rights will change in accordance with the shareholding pattern.

12. Undertakings

In terms of SEBI (ICDR) Regulations, 2009, the Company hereby undertakes that:

- e) It shall re-compute the price of the Equity Shares in terms of the provisions of SEBI (ICDR) Regulations, where it is required to do so.
- f) If the amount payable on account of the re-computation of price is not paid within the time stipulated in the SEBI (ICDR) Regulations, the underlying Equity Shares shall continue to be locked-in till the time such amount is paid by the proposed allottees.

13. Report of Registered Valuer

No report of registered valuer is required for the offer, issue and allotment of the equity shares under the provisions of first proviso to Rule 13(1) of the Companies (Share Capital and Debentures) Rules, 2014.

The Board recommends the resolution as set out at Item No 3 for approval of the shareholders as a Special Resolution.

The Board at its meeting held on 27th April, 2018 has approved the issue of Equity Shares on preferential basis in the manner stated above subject to approval of the shareholders by way of Special Resolution.

None of the directors, Key managerial personnel or any relative of any of the directors or key managerial personnel of the Company is, in anyway, concerned or interested in the above resolution. No one is concerned since proposed resolution pertains to the preferential issue of Equity Shares to Promoter(s)/ Promoter Group.

Item No.4 & 05:

Material Facts Relating to the issue of Non-Promoter warrants on preferential basis to M/s J.B.M Resorts Private Limited & M/s Mouri Tech, LLC Non-Promoter(s)/Non-Promoter Group of the Company.

The Board of Directors at its meeting held on 27th April, 2018, subject to necessary approval(s), has approved the proposal for raising fund by way of issue of Securities through Preferential Allotment of Non Promoter Warrants to Non-Promoter(s)/Non-Promoter Group of the Company, to enable the Company to mobilize funds for funding Current/future expansion plans/activities by the Company.

The Preferential Allotment of Non Promoter Warrants to M/s J.B.M Resorts Private Limited & M/s Mouri Tech, LLC would be strictly in accordance with Chapter VII of the SEBI (ICDR) Regulations, 2009. The preferential issue would comprise of upto 44,44,444 & 22,22,222 Non-Promoter Warrants respectively with a right exercisable by the warrant holder to subscribe for One Equity share per warrant, in accordance with their respective terms and conditions, with maximum tenure of 12 months of its allotment.,

The relevant disclosures as required in terms of the Act and SEBI (ICDR) Regulations are as under:

The allotment of the Warrants is subject to the Proposed allottees not having sold any Equity Shares of the Company during the 6 (six) months preceding the 'relevant date'. The proposed allottee has

represented that they have not sold any equity shares of the Company during the 6 (six) months preceding the relevant date.

1. Object(s) of the issue through preferential issue:

The object of raising the equity share capital by issuing Non-Promoter Warrants to the Warrant Holders / proposed allottees is to mobilize funds for funding current/future expansion plans/activities by the Company and general corporate purpose. It is therefore proposed to issue and allot upto 44,44,444 and 22,22,222 Non-Promoter Warrants respectively exercisable as per its terms and conditions to M/s J.B.M Resorts Private Limited & M/s Mouri Tech, LLC, Non-Promoter(s)/Non-Promoter Group of the Company.

2. Proposal of the Promoters / Directors / Key Management Persons of the Company to subscribe to the preferential issue:

The preferential issues of Non-Promoter Warrants are being made to the 'Non-Promoter/Non-promoter group of the Company. The proposed allottees have conveyed their intention to subscribe to the offer.

No Warrants are being offered to the Promoters, directors, key managerial personnel or relatives of directors / key managerial personnel of the Company.

3. The names of the proposed allottee and the percentage of post preferential offer capital that may be held by them

S. No	Proposed Allottees	Present Holding, if any	% of Pre-issue Capital	Present issue	Post issue Shareholding*	
				(Equity on Conversion of Warrants)	No of Equity Shares	%
01	JBM Resorts Private Limited	Nil	Nil	44,44,444	44,44,444	2.997
02	Mouri Tech LLC	NIL	NIL	22,22,222	22,22,222	1.498

Note: *The above post issue shareholding is prepared assuming the full conversion of 10,222,221 warrants issued as on 27th April, 2018 into equity shares of the Company. However, at the time of conversion of warrants into equity shares, the percentage is likely to be changed.

4. Shareholding Pattern of the Company before and after the Preferential Issue:

Please refer the “Annexure -1” for the consolidated shareholding pattern given at the end of Postal Ballot Notice.

The proposed preferential allotment will not result in any change in management control of the Company.

5. The time within which the preferential allotment shall be completed:

The allotment of Warrants will be completed within a period of 15 (fifteen) days from the date of passing of the Resolution by the Shareholders of the Company provided where the allotment is pending on account of any approval from any regulatory authority / Central Government the allotment shall be completed by the Company within a period of 15 days from the date of such approval.

6. Identity of the proposed allottees:

a)

Name and address of the proposed allottee	Names of Ultimate Beneficial Owners of the proposed allottee(s)
J.B.M Resorts Private Limited	Dr. Rameswara Rao Jupally
	Mrs. Jupally Sri Kumari
	Mr. Jupally Vinod
	Mr. Jupally Ranjit Rao
	Mr. Jupally Ramu Rao
	Mr. Jupally Shyam Rao

b)

Name and address of the proposed allottee	Names of Ultimate Beneficial Owners of the proposed allottee(s)
Mouri Tech LLC	Ms. Sujai Paturu
	Mr. Anil Yerramreddy
	Mr. Srinivasu Sandaka

7. Issue Price and Relevant Date

The issue of equity shares arising out of exercise of Non-Promoter Warrants issued on preferential basis shall be at a minimum price of Rs.45/- each (Rupees Forty Five only) including premium or such higher price as may be arrived at in accordance with the SEBI ICDR Regulations.

8. Relevant Date:

The relevant date for the purpose of pricing shall be 05th May, 2018 being the date which is 30 (thirty) days prior to the deemed date of passing of special resolution by the Members of the Company through Postal Ballot to approve the proposed preferential issue, in accordance with the SEBI (ICDR) Regulations.

9. Auditors' Certificate:

The certificate from M/s. S. T. Mohite & Co, Chartered Accountants certifying that the preferential issue is being made in accordance with the requirements contained in SEBI ICDR Regulations shall be available for inspection at the Registered Office of the Company during

02:00 p.m. to 5:00 p.m. (office hours) on all the working days except (Public holidays and Saturdays) upto the date of declaration of results of postal ballot.

10. Lock-in Period:

The Warrants allotted on a preferential basis and the Equity Shares to be allotted pursuant to exercise of option attached to Warrants shall be subject to lock-in as per SEBI (ICDR) Regulations.

As per Regulation 78(6) of the SEBI (ICDR) Regulations, the entire pre-preferential allotment shareholding of the above proposed allottee(s) shall be locked-in from the Relevant Date up to the period of 6 months from the date of preferential allotment.

11. The change in control, if any, in the Company that would occur consequent to the preferential offer

As a result of the proposed preferential issue of Promoter warrants, there will be no change in the control or management of the Company. However, voting rights will change in accordance with the shareholding pattern.

12. Undertakings

In terms of SEBI (ICDR) Regulations, 2009, the Company hereby undertakes that:

- g) It shall re-compute the price of the Warrants / Equity Shares issued on conversion of Warrants in terms of the provisions of SEBI (ICDR) Regulations, where it is required to do so.
- h) If the amount payable on account of the re-computation of price is not paid within the time stipulated in the SEBI (ICDR) Regulations, the underlying Warrants / Equity Shares shall continue to be locked- in till the time such amount is paid by the proposed allottees.

13. Report of Registered Valuer

No report of registered valuer is required for the offer, issue and allotment of the equity shares under the provisions of first proviso to Rule 13(1) of the Companies (Share Capital and Debentures) Rules, 2014.

The Board recommends the resolution as set out at Item No. 04 & 05 for approval of the shareholders as a Special Resolution.

The Board at its meeting held on 27th April, 2018 has approved the issue of Non Promoter warrants on preferential basis and of Equity Shares on conversion of such Warrants on a preferential basis in the manner stated above subject to approval of the shareholders by way of Special Resolution.

None of the directors, Key managerial personnel or any relative of any of the directors or key managerial personnel of the Company is, in anyway, concerned or interested in the above.

Item No. 06

The Board, upon the recommendations of the Nomination and Remuneration Committee, at its meeting held on 29th September, 2017, appointed Mr. Singa Rao Gottipati, as an Additional Director. With a view to avail his services, the Board, on the recommendation of its Nomination and Remuneration Committee, in its Meeting held on 27th April, 2018 has appointed him as Executive Director (“Manager” under the Companies Act) in the Board, for a period of five (5) years with effect from 27th April, 2018, to 26th April, 2023.

The statement containing information required to be furnished under Section II of Part II of Schedule V to the Companies Act, 2013 is given below:

I				
General Information				
(1)	Nature of Industry	Semiconductor Technology		
(2)	Date or expected date of commencement of commercial production	N.A. since the Company has already commenced its business activities		
(3)	In case of new companies, expected date of commencement activities as per project approved by financial institutions appearing in the prospectus	Not Applicable		
(4)	Financial performance based on given indicators	Description	Rs. in Lakhs	
			2016-17	2015-16
		Income	1,859.13	524.44
		Total Expenses	1,962.08	1,595.30
		Profit before Tax	(102.94)	(1,118.10)
	Profit after Tax	(102.94)	(1,118.10)	
(5)	Foreign investments or collaborators, if any	The Company has substantial amount of foreign investment in its wholly owned subsidiary MosChip Semiconductor Technology, Inc USA		

II			
Information about the appointee			
(1)	Background details	Mr. Singa Rao Gottipati is a Post Graduate in Economics from Andhra University. He has over 25 years of professional experience spread across journalism, business analysis, corporate communications, investor relations, mergers & acquisitions and corporate management services.	
(2)	Past remuneration	Not Applicable, since earlier he is a Non-Executive Director of the Company	
(3)	Recognition or awards	-----	
(4)	Job profile and suitability	Executive Director	
(5)	Remuneration proposed	a. Period Three years w.e.f. 27 th April, 2018 to 26 th April, 2021 .	

		<p>b. Remuneration</p> <p>i) Fixed Salary: Monthly salary of Rs.7,00,000 /- (Rupees Seven Lakhs only) on a CTC basis by way of Salary, Dearness Allowance and any other allowances and perquisites with annual or mid-term increments as approved by the Board/Committee of the Board.</p> <p>ii) Variable Pay: variable pay not exceeding Rs. 2,00,000 /- (Rupees Two Lakhs only) on a CTC basis per month, which shall be paid Half yearly as determined by Nomination & Remuneration Committee</p> <p>c. Commission Where the Company has sufficient profits, such percentage of Commission on the net profits of the company be paid in addition to salary and perquisites as may be determined by the Board of Directors of the Company at the end of each financial year; subject to stipulations in this behalf under the Companies Act, 2013.</p> <p>d. Employ benefits: During the term of your employment, you will be entitled to participate in the employee benefit plans of the Company including medical insurance, personal accidental insurance, and contribution to Gratuity at a rate not exceeding half a month's salary for each completed year of service which shall not be part of CTC specified above, ."</p>	
	(6)	<p>Comparative remuneration profile with respect to Industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin)</p>	<p>The remuneration being proposed to be paid to Mr. Singa Rao Gottipati is on par with the remuneration prevailing in the company of similar size in the same industry and the remuneration to be paid would be restricted to the ceiling prescribed under Schedule V of the Companies Act, 2013.</p>
	(7)	<p>Pecuniary relationship directly or indirectly with the company or relationship with the managerial personnel, if any</p>	<p>Nil</p>

III	Other Information	
	(1)	<p>Reasons for loss or inadequate profits</p> <p>The Company has invested considerable amounts in new business areas including IOT. In view of the gestation period involved in</p>

		these initiatives, the Company incurred losses.
(2)	Steps taken or proposed to be taken for improvement	The Company has taken several steps to increase the revenues and profitability. The Company has streamlined the operations and optimized the costs. A self-reliant CCMS (smart lighting) assembly facility is established which can also support other IOT initiatives. Adequate resources are planned to support working capital requirements.
(3)	Expected increase in productivity and profits	The Company is working to increase the revenue with emphasis on CCMS and improve the margins in current year.

IV	Additional information as required under Secretarial Standard-2 notified under Section 118 (10) of the Companies Act, 2013	
(1)	Age	55
(2)	Qualification	Post Graduate in Economics
(3)	Experience	26 years
(4)	Date of first appointment on the Board	29-09-2017
(5)	Shareholding in the company	NIL
(6)	Relationship with other Directors	NONE
(7)	Number of meetings of the Board attended during the year	04
(8)	Other Directorships	NIL
(9)	Membership/Chairmanship of Committees of other Boards	NIL

The resolution seeks the approval of the members in terms of Sections 196 and 197 read with Schedule V and other applicable provisions of the Companies Act, 2013, and the Rules made thereunder (including any statutory modifications or re-enactment(s) thereof, for the time being in force) for the appointment of Mr. Singa Rao Gottipati as Executive Director of the Company.

No director, key managerial personnel or their relatives, except Mr. Singa Rao Gottipati, to whom the resolution relates, is interested or concerned in the resolution.

Hyderabad
27th April, 2018

By Order of the Board of Directors

CS Suresh Bachalakura
Company Secretary

ANNEXURE -I
Shareholding pattern of the Company before and after the preferential issue:

Category	Pre-Issue Equity Shareholding		After Allotment of Equity Shares		After Allotment of Warrants	
	No. of shares	% of Holding	No. of shares	% of Holding	No. of shares	% of Holding
(A) Shareholding of Promoter & Promoter Group						
1.Indian						
Individuals/Hindu Undivided Family (Including Persons Acting in concert)	4,697,197	3.412	4,901,197	3.55	8,456,752	5.70
Body Corporate	-	-	-	-		
Sub- Total (A) (1)	4,697,197	3.412	4,901,197	3.55	8,456,752	5.70
2.Foreign						
Individuals (NRI's/Foreign individuals) (Including Persons Acting in Concert)	2,895,801	2.103	2,895,801	2.09	2,895,801	1.95
Foreign Body Corporate	81,531,739	59.23	81,727,739	59.20	81,727,739	55.11
Sub- Total (A) (2)	84,427,540	61.334	84,623,540	61.30	84,623,540	57.07
Total Shareholding of Promoter & Promoter Group(A)=(A)(1) + (A) (2)	89,124,737	64.746	89,524,737	64.85	93,080,292	62.77
(B) Public Share Holdings						
1.Institutions						
Financial Institutions/Banks	150	0.00	150	0.00	150	0.00
Sub- Total (B) (1)	150	0.00	150	0.00	150	0.00
2.Non-Institutions						
Foreign Nationals	912,133	0.66	912,133	0.66	912,133	0.61
Foreign Bodies Corporate	2,721,473	1.98	2,721,473	1.97	4,943,695	3.33
Individuals						
<i>Individuals- Shareholders holding nominal share capital up to Rs. 2 Lakh</i>	23,892,563	17.36	23,892,563	17.30	23,892,563	16.11
<i>Shareholders holding nominal share capital in excess of Rs. 2 Lakh</i>	14,178,336	10.30	14,178,336	10.27	14,178,336	9.56
Any Other (specify)-NRI	982,081	0.71	982,081	0.71	982,081	0.66
Clearing Member	58,224	0.04	58,224	0.04	58,224	0.03
NBFC Registered with RBI	50,000	0.03	50,000	0.03	50,000	0.03
Bodies Corporate	5,731,358	4.16	5,731,358	4.15	10,175,802	6.86
Sub- Total (B) (2)	48,526,168	35.25	48,526,168	35.15	55,192,834	37.22
(B). Total Public Shareholding (B)=(B)(1) + (B) (2)	48,526,318	35.25	48,526,318	35.15	55,192,984	37.22
GRAND TOTAL (A+B)	137,651,055	100	138,051,055	100	148,273,276	100