



## 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](http://www.moschip.com), Email id: [investorrelations@moschip.com](mailto:investorrelations@moschip.com)

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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 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 17<sup>th</sup> October, 2017**. Your assent / dissent received after 5.00 p.m. of 17<sup>th</sup> October, 2017 would be strictly treated as if a reply from you has not been received.

Members desiring to opt for e-voting as per facilities arranged by the Company are requested to read the notes to the Notice and instructions overleaf the Form. Upon completion of the scrutiny of the Forms, the Scrutinizer will submit his report to the Chairman of the Company. The result of the Postal Ballot would be announced on Wednesday, the **18<sup>th</sup> day of October, 2017** at the Registered Office of the Company. The result would be displayed at the Registered Office of the Company, intimated to the Stock Exchanges where the Company's shares are listed and displayed along with the Scrutinizer's report on the Company's website at [www.moschip.com](http://www.moschip.com).

#### AS A SPECIAL RESOLUTION:

##### Item no. 1:

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), read with Section 42 of the Companies Act, 2013, and other applicable provisions, if any, of the Companies Act, 2013 read with the relevant rules made thereunder (including any 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, (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 (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 1,500,000 (One Million Five Hundred Thousand) warrants exercisable as per its terms and conditions ("Warrants") on a preferential basis to certain persons who are not Promoters or members of the -Promoter Group of the Company ("Proposed Allottees") in such manner and on such terms and conditions as may be determined by the Board in its absolute discretion, and at the minimum allotment price as may be arrived at in accordance with Chapter VII of the ICDR Regulations (the "Issue Price"), provided that each of the Warrants shall, subject to the terms and conditions, entitle the holder(s) thereof to subscribe for and be allotted one equity share of the face value of Rs. 2/- (Rupees Two Only) each of the Company (the "Equity Share")

"RESOLVED FURTHER THAT an amount equivalent to 25% (Twenty Five Percent) of the Issue Price shall be payable at the time of subscription to and allotment of each Warrant. The balance 75% (Seventy Five Percent) of the Issue Price shall be payable by the Proposed Allottees upon exercise of the entitlement attached to the Warrants, to subscribe for Equity Share(s). The amount paid against the 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 Allottee(s)	PAN No.	Nationality	No of Convertible Warrants to be allotted
1.	S. Someswara Rao	BHUPS9905A	Indian	645,000
2.	G. Venu Gopal Reddy	AJRPG7250L	Indian	495,000
3.	A. Ramesh	ANQPA5529H	Indian	360,000
<b>Total</b>				<b>1,500,000</b>

"RESOLVED FURTHER THAT the Board be and is hereby authorized to issue and allot the resultant Equity Shares to be allotted on exercise of the 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 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 Warrants / Equity Shares to be issued as per the terms of the Warrants shall be 17<sup>th</sup> September 2017, being the date 30 (Thirty) 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, 25% (Twenty Five Percent) of the consideration payable against the Warrants, shall be paid by the Proposed Allottees to the Company on or before allotment of the Warrants and the balance consideration i.e. 75% (Seventy Five Percent) 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 18 (Eighteen) months from the date of allotment of the Warrants;
- (iv) The Proposed Allottees 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 exercised along with the aggregate amount thereon, without any further approval from the shareholders of the Company prior to or at the time of conversion. The Company shall accordingly, issue and allot the corresponding number of Equity Shares to the warrant holder(s);
- (v) If the entitlement against the Warrants to apply for the Equity Shares is not exercised within the aforesaid period of 18 (eighteen) months, the entitlement of the Warrant holder(s) 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 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 warrant holder(s), evidence of the credit of the Equity Shares to the depository account warrant holder(s) and entering the name of warrant holder(s) 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 Warrants by itself until exercise of option and Equity Shares allotted, do not give to the warrant holder(s) thereof any rights with respect to that of a shareholder(s) 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 holders within a period of 15 (Fifteen) days from the date of passing of this resolution, provided that where the allotment of the said Warrants is pending on account of pendency of any approval for such allotment by any regulatory authority or the Central Government, the allotment shall be completed within a period of 15 (Fifteen) days from the date of such approval.”

**“RESOLVED FURTHER THAT** for the purpose of giving effect to any offer, issue or allotment of Warrants , 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.”

Hyderabad  
12<sup>th</sup> September, 2017

*by Order of the Board of Directors  
for MosChip Semiconductor Technology Limited*

*CS Suresh Bachalakura  
Company Secretary  
(A39381)*

**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 9.00 a.m. on Monday, 18<sup>th</sup> September, 2017 to 5.00 p.m. on Tuesday, 17<sup>th</sup> October, 2017. A person whose name appears in the register of members/ beneficial owners as on the record date/cut-off date i.e. 08<sup>th</sup> September, 2017 shall only be entitled to avail the facility of voting (physical ballot and e-voting). Any person who is not a member on the record date/cut-off date should treat this notice for information purpose only.

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 M/s. B S S & Associates, Practicing Company Secretaries as Scrutinizer for the purpose of the Postal Ballot and conducting the remote e-voting and Postal Ballot 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. 8<sup>th</sup> September, 2017 only shall be entitled to avail the facility of remote e-voting / Postal Ballot.

9. Any person who became a member of the Company and holding shares as on the cut-off date i.e. Friday, 08<sup>th</sup> September, 2017 may obtain the User ID and password in the manner as mentioned below:

- (i) 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
- (ii) 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.
- (iii) Member may call Karvy's toll free number 1-800-3454-001
- (iv) Member may send an e-mail request to [evoting.msctl@karvy.com](mailto:evoting.msctl@karvy.com).

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

- (1) The remote e-voting facility will be available during the following period:

Commencement of remote e-voting: From 9.00 a.m. (IST) on Monday, 18<sup>th</sup> September, 2017

End of remote e-voting: Up to 5.00 p.m. (IST) on Tuesday, 17<sup>th</sup> October, 2017

The remote 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 remote e-voting, will, on 18<sup>th</sup> October, 2017, 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 be passed on 18<sup>th</sup> October, 2017 i.e. the date on which the result of the Postal Ballot is declared, which is also deemed to be the date of the Postal Ballot resolution.
- (4) Instructions and other information relating to remote e-voting:

1. (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 cutoff 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: [bssass99@gmail.com](mailto:bssass99@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 (i) above, to cast your vote.
2. 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.
  3. In case of any query pertaining to e-voting, please visit Help & FAQ's section available at Karvy's website <https://evoting.karvy.com>.
  4. 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.
  5. 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.
  6. 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.
  7. 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. 1, of the accompanying Notice dated on 12<sup>th</sup> September, 2017

### ITEM NO. 1:

#### MATERIAL FACTS RELATING TO THE PREFERENTIAL ALLOTMENT

The Board of Directors in its meeting held on 12<sup>th</sup> September, 2017, subject to necessary approval(s), has approved the proposal for the Company making capital contribution to Next Gen Avarokin Technologies India LLP, a LLP incorporated under the laws of India, whose registered office is at P. No: 176, Flat No: G2, Road No. 2, P & T Colony Medipally (V), Ghatkesar (M), Ghatkesar, Rangareddy, Telangana – 501301 (“Next Gen”) and being admitted as a new partner of the LLP. Accordingly Company has entered into an agreement with Next Gen and its existing partners whereby the Company and its nominee(s) will be admitted to Next Gen as new partners, and thereafter, the existing partners will retire from the partnership of Next Gen and be paid consideration in lieu of cessation of their interest in Next Gen, in accordance with the terms of the agreement and applicable laws. However, to ensure continuity of business, the existing partners may be retained as employees of Next Gen or the Company on mutually agreed terms. Therefore, in effect, the Company and its nominee(s) will be the only partners of Next Gen and will be entitled to 100% (One Hundred Percent) interest in Next Gen.

The retiring partners of Next Gen separately intend to subscribe to Warrants of the Company, pursuant to a preferential issuance of securities under applicable laws.

The Preferential Issue and Allotment of Securities to Proposed Allottees would be strictly in accordance with Chapter VII of the SEBI (ICDR) Regulations, 2009. The preferential issue would comprise of upto 1,500,000 (One Million Five Hundred Thousand) Warrants with a right exercisable by the warrant holder to subscribe for one Equity share per Warrant within eighteen 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 of the Company not having sold any Equity Shares of the Company during the 6 (six) months preceding the ‘relevant date’. The Proposed Allottees of the Company 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 capital by issuing Warrants to the Warrant Holder is to mobilize funds for funding Current/future expansion plans/activities by the Company and general corporate purpose. This will also improve Company's debt-equity ratio. It is therefore proposed to issue and offer upto 1,500,000 Warrants of the face value of Rs. 2/- each respectively to the Proposed Allottees on a preferential basis.

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

The preferential issue of Warrants is being made to persons who are not promoters of the Company. No Warrants or Equity Shares are being offered to the promoters, directors, key managerial personnel or relatives of Promoters / directors / key managerial personnel of the Company.

#### **3. Identity of the Proposed Allottees and the total number of shares to be issued:**



Below are the particulars of Proposed Allottees, and, the percentage of post preferential issue capital that maybe held by them in the issuer Company (MosChip) consequent to the preferential issue:

Sl. No	Proposed Allottees	Category	Present Holding, if any	% of Pre-issue Capital	No. of Equity Shares to be issued	% to post issue Capital (approx)
1.	S. Someswara Rao	Non-Promoter	-	-	645,000	0.51
2.	G. Venu Gopal Reddy	Non-Promoter	-	-	495,000	0.39
3.	A. Ramesh	Non-Promoter	-	-	360,000	0.28
			-	-	<b>1,500,000</b>	<b>1.18</b>

Note: The % of post issue capital is arrived after considering the proposed allotment of Share Warrants.

#### 4. Consequential Changes in the Voting Rights and Changes in Management

There will not be any change in the composition of the Board of Directors and control of the Company on account of the proposed preferential allotment however there will be a corresponding change in the Shareholding pattern as well as voting rights consequent to the preferential allotment.

#### 5. 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 warrant holders does not belong to Promoter Group.

#### 6. 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.

#### 7. Pricing of the preferential issue:

The pricing of the Equity Shares to be allotted on conversion of Warrants to the Proposed Allottees of the Company on preferential basis shall not be lower than the price determined in accordance with the Chapter VII of SEBI (ICDR) Regulations.

The issue of equity shares arising out of exercise of Warrants issued on preferential basis shall be made at a price not less than the higher of the following or as per the law prevailing at the time of allotment of Warrants:

- a) The average of the weekly high and low of the volume weighted average price of the related equity shares quoted on the recognized stock exchange during the 26 (twenty six) weeks preceding the relevant date; or
- b) The average of the weekly high and low of the volume weighted average price of the related equity shares quoted on the recognized stock exchange during the 2 (Two) weeks preceding the 'relevant date'.

The requirement of the basis on which the price has been arrived at along with report of the registered valuer as such is not applicable in the present case since the Company is a listed Company and the pricing is in terms of the SEBI (ICDR) Regulations.

The price shall be determined on the basis of the quotes available on the Stock Exchange having highest trading volume during the preceding twenty six weeks prior to the relevant date.

#### **8. Relevant Date:**

The “**Relevant Date**” as per ICDR Regulations for determining the minimum price for the preferential offer is 17<sup>th</sup> September, 2017, 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 with Rule 22 of the Companies (Management and Administration) Rules, 2014.

#### **9. Listing:**

The Company will make an application to the stock exchanges at which the existing shares are listed, for listing of the equity shares arising out of exercise of Warrants. Such Shares once allotted will rank *pari passu* with the existing Equity Shares of the Company in all respects, including dividend.

#### **10. Auditors' Certificate:**

The price at which the Warrants would be issued to the Proposed Allottees of the Company cannot be exactly determined before issue of this Notice to the shareholders as the same depends on the average of the market prices prevailing in the preceding 2 (two) weeks or (26) (twenty six weeks) of the 'relevant date' as per Regulation 76 of the SEBI (ICDR) Regulations. Auditors' certificate issued by M/s. Gokhale & Co, Chartered Accountants, Statutory Auditors of the Company as required under Regulation 73(2) SEBI (ICDR) Regulations will be available for inspection at the registered office of the Company on any working day between 02.00 p.m. to 5.00 p.m. upto the last date of voting under Postal Ballot.

#### **11. 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 trading approval.

The Equity Shares to be allotted pursuant to exercise of option attached to Warrants under this preferential issue proposed to be issued to the Proposed Allottees shall be subject to lock-in for a period of one year respectively from the date of trading approval granted for the equity shares in accordance with the provisions of the ICDR Regulations (including any amendments thereto or re-enactment thereof).

#### **12. Number of persons to whom allotment on Preferential Basis has been made during the year in terms of number of securities as well as price:**

No preferential allotment has been made during the year, to date.

### 13. 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.
- c)

### 14. Valuation for consideration other than cash and the justification for the allotment:

Not applicable as the shares are proposed to be allotted for consideration of cash.

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 12<sup>th</sup> September, 2017 has approved the issue of 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.

Hyderabad  
12<sup>th</sup> September, 2017

*by Order of the Board of Directors  
for MosChip Semiconductor Technology Limited*

*CS Suresh Bachalakura  
Company Secretary  
(A39381)*

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

Category	Pre-Issue Equity Shareholding		After Allotment of Equity Warrants	
	No. of shares	% of Holding	No. of shares	% of Holding
<b>(A) Shareholding of Promoter &amp; Promoter Group</b>				
<b>1.Indian</b>				
Individuals/Hindu Undivided Family (Including Persons Acting in concert)	4000	0	4000	0
<b>Sub- Total (A) (1)</b>	<b>4000</b>	<b>0</b>	<b>4000</b>	<b>0</b>
<b>2.Foreign</b>				
Individuals(NRI's/Foreign individuals) (Including Persons Acting in Concert)	7254616	5.81	7254616	5.74
<b>Foreign Body Corporate</b>	<b>69193199</b>	<b>55.38</b>	<b>69193199</b>	<b>54.72</b>
<b>Sub- Total (A) (2)</b>	<b>75871390</b>	<b>61.18</b>	<b>75871390</b>	<b>60.00</b>
<b>Total Shareholding of Promoter &amp; Promoter Group(A)=(A)(1) + (A) (2)</b>	<b>76451815</b>	<b>61.18</b>	<b>76451815</b>	<b>60.46</b>
<b>(B) Public Share Holdings</b>				
<b>1.Institutions</b>				
Financial Institutions/Banks	150	0	150	0
FII's	0	0	0	0
<b>Sub- Total (B) (1)</b>	<b>150</b>	<b>0</b>	<b>150</b>	<b>0</b>
<b>2.Non-Institutions</b>				
<i>Foreign Nationals</i>	<i>1175691</i>	<i>0.94</i>	<b>1175691</b>	<b>0.93</b>
<i>Foreign Bodies Corporate</i>	<i>2721473</i>	<i>2.18</i>	<b>2721473</b>	<b>2.15</b>
Individuals				
<i>Individuals- Shareholders holding nominal share capital up to Rs. 2 Lakh</i>	22438603	17.96	22438603	17.75
<i>Shareholders holding nominal share capital in excess of Rs. 2 Lakh</i>	15108008	12.09	16608008	13.13
Any Other (specify)-NRI	997572	0.8	997572	0.79
Clearing Member	89668	0.07	89668	0.07
Bodies Corporate	5967035	4.78	5967035	4.72
<b>Sub- Total (B) (2)</b>	<b>48498050</b>	<b>38.82</b>	<b>49998050</b>	<b>39.54</b>
<b>(B).Total Public Shareholding (B)=(B)(1) + (B) (2)</b>	<b>48498200</b>	<b>38.82</b>	<b>49998200</b>	<b>39.54</b>
<b>GRAND TOTAL (A+B)</b>	<b>124950015</b>	<b>100</b>	<b>126450015</b>	<b>100</b>

- Note: 1) The pre-issue shareholding pattern has been prepared based on the shareholding pattern of the Company as on 8<sup>th</sup> September, 2017.  
2) The % of post issue capital is arrived after considering the proposed allotment of Equity Warrants.  
3) Employee Stock options granted to employees are not considered in calculating the pre & post issue capital.  
4) The Company has outstanding of 6,300,000 Series 1 Warrants and 6,636,000 Series 2 Warrants, which are not considered in calculating the pre & post issue capital.