



B S S & ASSOCIATES

COMPANY SECRETARIES

Flat No. 5A, Parameswara Apartments, Beside SBI, Anandnagar, Khairatabad, Hyderabad -500 004
Phone : 040 - 40171671, Cell : 9705175099
E-mail : bssass99@gmail.com

Scrutinizer's Report on Postal Ballot including remote e-voting

[Pursuant Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, Pursuant to section 110 of the Companies Act, 2013 and rule 20 and 22 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules 2015]

To
The Chairman,
MOSCHIP SEMICONDUCTOR TECHNOLOGY LIMITED,
Plot No. 83 & 84, 2nd Floor, Punnaiah Plaza ,
Road No. 2, Banjara Hills ,
Hyderabad -Telangana-500034.

We, **B S S & Associates**, Company secretaries, Hyderabad, were appointed by the Board of Directors of "**MOSCHIP SEMICONDUCTOR TECHNOLOGY LIMITED**" ("**the Company**") for the purpose of scrutinizing the remote e-voting process and Physical Postal Ballot in respect of business contained in the Notice dated 27th April, 2018 issued by the company to all its members , in a fair and transparent manner and ascertain the requisite majority on remote e-voting and Physical Postal Ballot carried out, as per the provisions of Section 110 of the Companies Act, 2013 and Rules 20 & 22 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015], on the resolutions item numbers 1 to 6 as set out in the Notice dated 27th April, 2018 of **MOSCHIP SEMICONDUCTOR TECHNOLOGY LIMITED**. Accordingly, we submit the report on completion of remote e-voting and physical postal Ballot, as under:-

1. The management of the Company is responsible to ensure the compliance with the requirement of the Companies Act, 2013 and Rules relating to remote e-voting and Physical Postal Ballots on the resolutions contained in the notice of the members of the Company. Our responsibility as Scrutinizer for the remote e-voting process and Physical postal ballot is restricted to making Scrutinizer's Report of the Votes cast 'In favour' or 'against'. The resolutions stated in the said Notice, based on the reports generated from the e-voting system provided by Karvy Computershare Private Limited ('Karvy'), the agency engaged by the Company to provide remote e-voting facility to the members of the company from 9.00 a.m. on 6th May, 2018 to 5.00 p.m. on 4th June, 2018. During the process of Voting by electronic means we have been assisted by and have relied upon the secured system provided by Karvy for validation voting by electronic means, after counting the votes cast by Physical Postal Ballots, the reports for voting for each resolute have been generated from the e -voting website of Karvy Computershare Private limited, by unblocking the data after 5.00 PM. On 4th June, 2018 in presence of two witnesses, who were not in the employment of the Company.



2. The cut-off date for the purpose of determining the entitlement for voting, by remote e-voting or voting through Postal Ballot, on the proposed resolutions was 27th April, 2018.
3. The Postal Ballots, which were incomplete or otherwise found defective were treated as invalid and kept separately.
4. Summary of the e-voting and Postal Ballots are as follows:

a) Resolution 1 (As a Special Resolution)

To issue Warrants on preferential basis to Mr. K. Ramachandra Reddy, Promoter of the Company.

"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.”

| Particulars | Aggregate of physical ballot forms and Electronic Voting | Number of Votes Cast | % of valid Votes |
|---------------------------------------|--|----------------------|------------------|
| Total Votes received | 45 | 7,37,79,884 | - |
| Less: Total number of votes abstained | - | - | - |
| Total Number of Valid Votes | 45 | 7,37,79,884 | 100 |
| Favour to resolution | 39 | 7,37,78,969 | 99.9988 |
| Against to Resolution | 6 | 915 | 0.0012 |

b) Resolution 2 (As a Special Resolution)

To issue Equity Shares on preferential basis to Mr. Damodar Rao Gummadapu (51 % shareholder of Oshin Global Pte Limited, Promoter of the Company).

“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.”

| Particulars | Aggregate of physical ballot forms and Electronic Voting | Number of Votes Cast | % of valid Votes |
|---------------------------------------|--|----------------------|------------------|
| Total Votes received | 45 | 7,37,79,884 | - |
| Less: Total number of votes abstained | - | - | - |
| Total Number of Valid Votes | 45 | 7,37,79,884 | 100 |
| Favour to resolution | 39 | 7,37,78,969 | 99.9988 |
| Against to Resolution | 6 | 915 | 0.0012 |

c) Resolution 3 (As a Special Resolution)

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)

“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."

| Particulars | Aggregate of physical ballot forms and Electronic Voting | Number of Votes Cast | % of valid Votes |
|---------------------------------------|--|----------------------|------------------|
| Total Votes received | 45 | 7,37,79,884 | - |
| Less: Total number of votes abstained | - | - | - |
| Total Number of Valid Votes | 45 | 7,37,79,884 | 100 |
| Favour to resolution | 39 | 7,37,78,969 | 99.9988 |
| Against to Resolution | 6 | 915 | 0.0012 |

d) Resolution No.4 (As a Special Resolution)

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.

"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,



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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."

| Particulars | Aggregate of physical ballot forms and Electronic Voting | Number of Votes Cast | % of valid Votes |
|---------------------------------------|--|----------------------|------------------|
| Total Votes received | 45 | 7,37,79,884 | - |
| Less: Total number of votes abstained | - | - | - |
| Total Number of Valid Votes | 45 | 7,37,79,884 | 100 |
| Favour to resolution | 39 | 7,37,78,969 | 99.9988 |
| Against to Resolution | 6 | 915 | 0.0012 |



e) **Resolution No.5 (As a Special Resolution)**

To issue Warrants on preferential basis to M/s Mouri Tech LLC, a Non-Promoter(s)/Non-Promoter Group of the Company.

"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.

Proposed allottees details:

"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.”

| Particulars | Aggregate of physical ballot forms and Electronic Voting | Number of Votes Cast | % of valid Votes |
|---------------------------------------|--|----------------------|------------------|
| Total Votes received | 45 | 7,37,79,884 | - |
| Less: Total number of votes abstained | - | - | - |
| Total Number of Valid Votes | 45 | 7,37,79,884 | 100 |
| Favour to resolution | 40 | 7,37,78,973 | 99.9988 |
| Against to Resolution | 5 | 911 | 0.0012 |

f) Resolution No.6 (As a Special Resolution)

Appointment of Mr. Singa Rao Gottipati (DIN - 07730448) as an Executive Director (“Manager” under the provisions of Companies Act, 2013) of the Company.

“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."

| Particulars | Aggregate of physical ballot forms and Electronic Voting | Number of Votes Cast | % of valid Votes |
|---------------------------------------|--|----------------------|------------------|
| Total Votes received | 45 | 7,37,79,884 | - |
| Less: Total number of votes abstained | - | - | - |
| Total Number of Valid Votes | 45 | 7,37,79,884 | 100 |
| Favour to resolution | 38 | 7,37,78,869 | 99.9986 |
| Against to Resolution | 7 | 1015 | 0.0014 |



5. The Register, all other papers and relevant records relating to remote e-voting and Postal Ballots shall remain in our safe custody. I shall return them in due course by a separate letter for same for preservation till the resolution is given effect to.
6. You may accordingly declare the result of the voting by Postal Ballot including E-Voting.

Thanking you,

Yours faithfully
For B S S & Associates
Company Secretaries

S. Srikanth
S.Srikanth
Partner
C.P. # 7999



Place: Hyderabad
Date: 05.06.2018

Witnesses:

B. Narendra
1. Narendra B

G. Mounika
2. G. Mounika