

STAMPEDE CAPITAL LIMITED

Registered Office: 8-2-686/8/B/1, 3rd Floor, GAMUT Square, Road No.12, Banjara Hills, Hyderabad -500034; CIN: L67120TG1995PLC020170;
Tel: +91- 40-23540764; Fax: +91-40-23540763;
website:www.stampededcap.com; E-mail: info@stampededcap.com



NOTICE OF POSTAL BALLOT

To

The Members,

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

Notice is hereby given, pursuant to Section 110 of the Companies Act, 2013 and all other applicable provisions, if any, of the Companies Act, 2013 read with the rules made there under (including statutory modification(s) or re-enactment(s) thereof for the time being in force) for seeking consent of Members of the Company by Passing the following Resolutions through Postal Ballot.

Item 1: Preferential issue of equity shares of the Company

To consider and, if thought fit to give ASSENT/DISSENT to the following Resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 42 and 62 and all other applicable provisions, if any, of the Companies Act, 2013 and the Rules made there under (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the provisions of Foreign Exchange Management Act, 1999, Foreign Direct Investment Policy of India and rules and regulations framed there under and subject to the applicable provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, (SEBI (ICDR) Regulations), as in force and subject to other applicable rules, regulations and guidelines of Securities and Exchange Board of India (SEBI), Reserve Bank of India (RBI) and the stock exchanges where the shares of the Company are listed (Stock Exchanges) or any other authority and enabling provisions of the Memorandum and Articles of Association of the Company and the listing agreements entered into between the Company and the Stock Exchanges and subject to such conditions and modifications as may be considered appropriate to by the Board of Directors of the Company (hereinafter referred to as the 'Board' which term shall be deemed to include any committee which the Board may have constituted or hereinafter constitute to exercise one or more of its powers including the powers conferred hereunder), and subject to requisite approvals, consents, permissions and/ or sanctions if any, of SEBI, Stock Exchanges, Government of India and other appropriate authorities, as may be required and subject to such conditions as may be prescribed by any of them while granting any such approvals, consents, permissions, and/or sanctions and which may be agreed to by the Board, the Board be and is hereby authorized on behalf of the Company to create, offer, issue and allot, up to 16,41,000 [Sixteen Lakhs Forty One Thousand only] equity shares of the Company of face value of INR 10 (Rupees Ten Only) each ("Shares") at a price of INR 207 (Rupees Two Hundred Seven Only) per Share [including a premium of INR 197 (Rupees One Hundred Ninety Seven only)] per equity share or price not less than price to be calculated with reference to Regulation 76 of SEBI (ICDR) Regulations 2009 as the Board in its sole discretion may at any time or time hereafter decide to selected persons as stated herein below on preferential basis, in one or more tranches on such terms and conditions as the Board or Committee thereof may in its absolute discretion think fit.

Sl.No.	Name of the Proposed Investor(s)	Category of Investor	No.of Shares
1	Resonance Opportunities Fund	FII	6,31,000
2	Silver Stallion Limited	FPI	6,10,000
3	Arindam Sekhar Garments Marketing Private Limited	Domestic Body Corporate	4,00,000

RESOLVED FURTHER THAT the "Relevant Date", as per the SEBI (ICDR) Regulations for the determination of issue price of the equity shares to be allotted pursuant to the preferential allotment shall be 13 February, 2015 being the date 30 days prior to the date of the last date of Voting of Postal Ballot being 16 March, 2015. (The relevant date falls on 14 February 2015, Saturday i.e. weekend, hence the company has taken 13 February 2015 as Relevant Date, preceding the date of weekend).

RESOLVED FURTHER THAT the equity shares to be allotted to the proposed allottee(s) pursuant to the aforesaid preferential allotment shall rank *pari passu* in all respects including as to dividend, with the existing fully paid up equity shares of face

value of INR 10 (Rupees Ten Only) each of the Company, subject to the relevant provisions contained in the Memorandum and Articles of Association of the Company.

RESOLVED FURTHER THAT the issue and allotment of the Securities to the Investor(s) shall be on the following terms and conditions:

- a) The Securities shall be allotted within a period of 15 days from the date of passing of this resolution, provided that if any approval or permissions by any regulatory authority or the Central Government for allotment is pending, the period of 15 days shall be counted from the date of such approval or permission.
- b) The price of the Securities will be calculated in accordance with the provisions of Chapter VII of the SEBI (ICDR) Regulations. The "relevant date" for the purpose of calculating the price of the Securities is 13 February, 2015, being the date 30 days prior to the date of the last date of Voting of Postal Ballot being 16 March, 2015.
- c) The Securities so offered and allotted to the Investor(s) shall be in dematerialised form.
- d) The Shares allotted to the Investor(s), subject to receipt of necessary approvals, be listed and traded on the BSE Limited and shall be subject to the provisions of the Memorandum and Articles of Association of the Company.
- e) The Securities shall remain locked-in from such date and for such periods as specified under the SEBI (ICDR) Regulations.
- f) Pre Preferential holdings if any of the persons to whom the securities are proposed to be allotted shall remain locked in from such date and for such periods as specified under the SEBI (ICDR) Regulations.

RESOLVED FURTHER THAT for the purpose of giving effect to the above, the Board be and is hereby authorized on behalf of the Company to take all actions and do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, desirable, incidental or expedient to the issue or allotment of equity shares and to resolve and settle all questions and difficulties that may arise in relation to the proposed issue, offer and allotment of any of the said equity shares, the utilization of the issue proceeds and to do all acts, deeds and things in connection therewith and incidental thereto as the Board in its absolute discretion may deem fit, without being required to seek any further consent or approval of the members or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of the powers conferred by this resolution on it, to any Committee of Directors, any other Director(s) or other officer(s) of the Company to give effect to the aforesaid resolution."

Item 2: Giving Loans/Guarantees or providing securities for and on behalf of Subsidiary Companies (including overseas subsidiaries) and/or making investments in such Subsidiary Companies (including overseas subsidiaries):

To consider and, if thought fit to give ASSENT/DISSENT to the following Resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 186 of the Companies Act, 2013 and any other applicable provisions, if any, of the Companies Act, 2013 and rules made there under (including any statutory modification thereof for the time being in force and as may be enacted from time to time), subject to such approvals, consents, sanctions and permissions, as may be necessary, and the Articles of Association of the company and all other provisions of applicable laws, consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "Board", which term shall include any Committee constituted by the Board or any person(s) authorised by the Board to exercise the powers conferred on the Board by this Resolution), to give loans to any subsidiary companies (including overseas subsidiaries) and / or give any guarantee or provide security in connection with a loan to any subsidiary company(ies) (including overseas subsidiaries) and / or acquire by way of subscription, purchase or otherwise, the securities of any subsidiary company(ies) (including overseas subsidiaries) up to an aggregate amount not exceeding INR100 Crores notwithstanding that the aggregate of the loans or guarantees or securities so far given or to be given and/ or securities so far acquired or to be acquired by the company may collectively exceed the limits prescribed under Section 186 of the Companies Act, 2013.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of the Company be and is hereby authorised to take from time to time all decisions and such steps as may be necessary for giving loans, guarantees or providing securities or for making such investments and to execute such documents, deeds, writings, papers and/or agreements as may be required and do all such acts, deeds, matters and things, as it may in its absolute discretion, deem fit, necessary or appropriate.

Item 3: Increase the investment limits of Registered Fil's from 24% to 49% of the Paid up Capital of the Company:

To consider and, if thought fit to give ASSENT/DISSENT to the following Resolution as a Special Resolution:

"RESOLVED THAT in accordance with the FEMA (Transfer or issue of security by a person Resident outside India) Regulations, 2000 as amended up to date and in accordance with Foreign Direct Investment Policy (FDI) formulated and

announced by Government of India or any other applicable laws and subject to the approval of the shareholders, Central Government, Reserve Bank of India and other regulatory bodies, if required, and subject to such conditions as may be prescribed by any of the concerned authorities while granting such approvals, permissions, sanctions which may be agreed to by the Board of Directors of the Company, the consent of the Company be and is hereby accorded for the investment by Foreign Institutional Investors including their sub-accounts (hereinafter referred to as FIIs) in the Share Capital of the Company, by purchase / acquisition from the market under the portfolio investment scheme or by subscribing directly with the Company, on repatriation basis or otherwise, subject to the condition that the total holding of all FIIs put together shall not exceed 49% of the Paid-up Share Capital of the Company."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to take such steps and do all such other acts, deeds, matters and things and accept any alteration(s) or amendment(s) or correction(s) as they may deem fit and appropriate and give such directions / instructions as may be necessary, proper or expedient for the purpose of giving effect to this resolution and for the matters connected therewith or incidental thereto.

By order of the Board of Directors

Y. Srikanth Reddy
Company Secretary

Registered Office:
8-2-686/8/B/1, 3rd Floor,
GAMUT Square, Road No.12,
Banjara Hills, Hyderabad -500034;

Place: Hyderabad
Date: 14 February 2015

Notes:

1. An Explanatory Statement and reasons for the proposed special business pursuant to Section 102 of the Companies Act, 2013 & instructions for e-voting as per rules/regulations as may be applicable are given hereunder.
2. This Postal Ballot Notice is being sent to the members whose names appear in the Register of Members / Record of Depositories as on 06 February 2015. Accordingly, the members whose name appears in the Register of Members / Record of Depositories as on 06 February 2015, will be considered for purpose of voting.
3. Voting rights shall be reckoned on the paid-up value of shares registered in the name of the Members as on 06 February 2015.
4. The dispatch of the Postal Ballot Notice and the Explanatory Statement shall be announced through an advertisement in at least 1 (one) English newspaper and at least 1 (one) Telugu newspaper, each with wide circulation in Hyderabad, where the registered office of the Company is situated, and published on the Company website www.stampedecap.com.
5. The Board of Directors in their meeting held on 10 February, 2015 appointed Mr. Sriranga Gorantla, Practicing Chartered Accountant, Hyderabad of M/s A.S.Naidu & Co., as Scrutinizer for conducting Postal Ballot process in a fair and transparent manner.
6. The members are requested to carefully read the instructions printed in the attached Postal ballot form. If you are voting through physical form, the Postal Ballot Form, duly completed and signed, should be returned in the enclosed self-addressed postage pre-paid envelop directly to the Scrutinizer so as to reach the Scrutinizer before 6.00 p.m. on Monday, 16 March, 2015. Any Postal Ballot Form received after Monday, 16 March, 2015 shall be treated as if reply from the member has not been received.
7. E-VOTING: In compliance with the provisions of Section 108, 110 of the Companies Act, 2013 and Rules 20, 22 of the companies (Management & Administration) rules, 2014 and clause 35B of the Equity Listing Agreement, the Company is pleased to provide e-voting facility for the members to enable them to cast their votes electronically. Members have option to vote either through e-voting or through the Postal Ballot Form. If a member has opted for e-voting, then he/she should not vote Postal Ballot and vice-versa.

The instructions for e-voting are as under:

- i. The voting period begins on 15th February 2015 and ends on 16 March, 2015. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 06 February 2015, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

- ii. The shareholders should log on to the e-voting website www.evotingindia.com.
- iii. Click on Shareholders.
- iv. Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- v. Next enter the Image Verification as displayed and Click on Login.
- vi. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- vii. If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

- viii. After entering these details appropriately, click on "SUBMIT" tab.
- ix. Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- x. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- xi. Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- xii. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- xiii. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- xiv. After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- xv. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xvi. You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- xvii. If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- xviii. Note for Non – Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- xix. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.
8. In case of members receiving the physical copy of Notice [for members whose e-mail IDs are not registered with the company/ depository participant(s) or requesting physical copy]:
- a. Please follow all steps from sl.no. (ii) to sl.no. (xii) above, to cast vote.
 - b. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves, link their account which they wish to vote on and then cast their vote. They should upload a scanned copy of the Board Resolution in PDF format in the system for the scrutinizer to verify the vote.
 - c. The voting period begins on 15 February 2015 at 09.00A.M. and will end on 16 March 2015 at 06.00P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 06 February 2015 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
 - d. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com, info@stampdecap.com or info@vccipl.com
9. A member can opt for only one mode of voting i.e. either through e-voting facility or by Postal Ballot. If a Member casts votes by both modes, then voting done through e-voting shall prevail and Postal Ballot sent by the member shall be treated as invalid.
10. The results of the Postal Ballot will be announced on Tuesday, 17 March, 2015 at the registered office of the company at 8-2-686/8/B/1, 3rd Floor, GAMUT Square, Road No.12, Banjara Hills, Hyderabad -500034 and will also be informed to BSE Limited and posted on the Company's website www.stampdecap.com.

By order of the Board of Directors

Y. Srikanth Reddy
Company Secretary

Registered Office:
8-2-686/8/B/1, 3rd Floor,
GAMUT Square, Road No.12,
Banjara Hills, Hyderabad -500034;

Place: Hyderabad
Date: 14 February 2015

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

Item 1: Preferential issue of equity shares of the Company

Pursuant to the provisions of Section 62 of Companies Act, 2013, any offer or issue of shares of the Company to persons other than the existing holders of the equity shares of a Company requires prior approval of the Shareholders by way of passing a Special Resolution. The Listing Agreements executed by the Company with the Stock Exchanges also provide that the Company shall, in the first instance, offer all securities for subscription pro-rata to the Shareholders unless the

Shareholders in a general meeting decide otherwise. In terms of Section 102 of the Companies Act, 2013, the following Explanatory Statement setting out all the material facts in respect of aforementioned business is attached. As required under Rule 13(2)(d) of the Companies (Share Capital and Debentures) Rules, 2014 of Companies Act, 2013 and Regulation 73 and other applicable provisions of SEBI (ICDR) Regulations, the following disclosures are needed to be made in the Explanatory Statement:

a) The Objects of the issue through preferential offer:

The proceeds of the preferential offer are proposed to be used to (a) Invest in Domestic and overseas subsidiaries (b) Capital Expenditure (c) Working Capital requirement and (d) General Corporate purpose, as the Board from time to time decide.

b) The total number of Equity Shares to be issued.

The total number of Equity Shares proposed to be issued is 16,41,000 [Sixteen Lakhs Forty One Thousand only] Equity Shares of face value INR 10 [Rupees Ten] each.

c) The price or price band at/within which the allotment is proposed

The Allotment is proposed at a price of INR 207 (Rupees Two Hundred Seven Only) per share which is not less than the price calculated as per Regulation 76 of SEBI (ICDR) Regulations.

d) Basis of Issue Price

The equity shares to be allotted, will be in accordance with the price determined in terms of Regulation 76 of the SEBI (ICDR) Regulations. Since the Company is listed only on BSE Limited, the trading volume of securities of the Company on BSE Limited is considered to determine the computation of issue price. Accordingly, for the proposed allotment(s) of the equity shares to be allotted, the issue price shall be INR 207 (Rupees Two Hundred Seven Only) per share, which is higher than the price as computed in terms of Regulation 76 of the SEBI (ICDR) Regulations. A copy of the certificate from Company's Statutory Auditors, M/s. Sarath and Associates., Chartered Accountants certifying that the price is determined in terms of Regulation 76 of the SEBI (ICDR) Regulations shall be available for inspection at the Registered Office of the Company during office hours on all working days, except Saturday/ Sunday and other holidays, between 11:00 a.m. and 1:00 p.m. up to the last date for voting under Postal ballot.

e) Relevant Date

The relevant date as per the SEBI (ICDR) Regulations for the determination of issue price of equity shares is 13 February 2015. i.e. being the date 30 days prior to the date of the last date of Voting of Postal Ballot being 16 March, 2015. (The relevant date falls on 14 February 2015, Saturday i.e. weekend, hence the company has taken 13 February 2015 as Relevant Date, preceding the date of weekend).

f) The class or classes of persons to whom the allotment is proposed to be made

The allotment is proposed to be made to the category of Non-Promoters.

g) The intention of Promoter(s)/Director(s)/Key Managerial Personnel to subscribe to the offer

Promoter(s)/Director(s)/Key Managerial Personnel do not intend to subscribe to the offer.

h) Proposed time within which the allotment shall be completed

As required under SEBI (ICDR) Regulations, the Company shall complete the allotment of equity shares as aforesaid on or before the expiry of 15 days from the date of passing of special resolution by the shareholders according consent for preferential issue or in the event of allotment of equity shares would require any other approval(s) from any regulatory authorities including stock exchange where the shares of the Company are listed or the Central Government, within 15 days from the date of such approval(s) as the case may be required.

i) Identity of proposed allottee(s)

The allotment of equity shares will be made to the following persons:

Sl. No.	Name of the Proposed Allottee(s)	Pre-Preferential allotment		Post Preferential allotment	
		No. of Shares	% of shareholding	No. of Shares	% of shareholding
1	Resonance Opportunities Fund	38,000	0.18	6,69,000	2.92
2	Silver Stallion Limited	15,14,400	7.12	21,24,400	9.27
3	Arindam Sekhar Garments Marketing Private Limited	10,000	0.05	4,10,000	1.79

j) Change in Control

There shall be no change in the management or control of the Company pursuant to the issue of equity shares on preferential basis.

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

During the year(s) 2013-14 & 2014-15, none of the equity shares have been allotted by the Company on preferential basis.

l) Shareholding Pattern Pre and Post Preferential allotment of Equity Shares (based on Shareholding Pattern as on 06 February 2015).

Sl.No.	Category	Pre-Preferential allotment		Post Preferential allotment	
		No. of Shares	% of shareholding	No. of Shares	% of shareholding
A	Promoter's holding:				
(1)	Indian:				
	Individuals	11,648,519	54.76	11,648,519	50.84
	Bodies Corporate	-	-	-	-
	Sub-Total	11,648,519	54.76	11,648,519	50.84
(2)	Foreign Promoters	-	-	-	-
	Sub-Total (A)	11,648,519	54.76	11,648,519	50.84
B	Non Promoters' holding:				
(1)	Institutional Holders / Investor:				
	Mutual Funds/UTI	9,700	0.05	9,700	0.04
	Foreign Institutional Investors	38,000	0.18	669,000	2.92
(2)	Non-institutions:				
	Private Bodies Corporate	2,367,779	11.13	2,767,779	12.08
	Directors and Relatives	-	-	-	-
	Individuals	5,029,193	23.63	5,029,193	21.95
	FPI - Corporate	1,514,400	7.12	2,124,400	9.27
	Others	665,029	3.13	665,029	2.90
	Sub-Total (B)	9,624,101	45.24	11,265,101	49.16
	Grand Total (A+B)	21,272,620	100	22,913,620	100

m) Undertaking regarding re-computation of price

The Company undertake to re-compute the price of the specified securities (including equity shares) in terms of provision of SEBI (ICDR) Regulations, where it is required to do so. 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 specified securities continue to be locked-in till the time such amount is paid by the allottee(s).

n) Lock-in

The equity shares proposed to be allotted as above shall be subject to lock in for the period of not less than one year, from the date of receipt of trading approval for shares allotted to non-promoters.

o) Others

The Certificate of statutory auditors of the Company to the effect that the present preferential offer is being made in accordance with the requirements contained in Chapter VII of the SEBI (ICDR) Regulations shall be made available for inspection at the Registered Office of the Company during office hours on all working days, except Saturday/ Sunday and other holidays, between 11:00 a.m. and 1:00 p.m. up to the last date for voting under Postal ballot.

As it is proposed to issue and allot the equity shares aforesaid on preferential basis, approval of shareholders is required by way of special resolution pursuant to provisions of Section 62 of the Companies Act, 2013, Listing Agreement and Chapter VII of the SEBI (ICDR) Regulations.

The Board of Directors recommends the passing of this resolution by Special Resolution.

None of the Directors, Key Managerial Personnel (KMPs) of the Company or any relatives of such Director(s) or KMPs, are in any way concerned or interested financially or otherwise in the proposed Resolution, except to the extent of their equity holdings in the company.

Item 2:

As per the provisions of Section 186 of the Companies Act, 2013, the Board of Directors of a company can make any loan, investment or give guarantee or provide any security beyond the prescribed ceiling of i) Sixty per cent of the aggregate of the paid-up capital and free reserves and securities premium account or ii) Hundred per cent of its free reserves and securities premium account, whichever is more, if special resolution is passed by the members of the Company.

As you know the Company is member of National Stock Exchange of India Limited, BSE Limited and MCX Stock Exchange Limited and it is presently carrying on the business other than broking business through its subsidiaries including overseas subsidiaries. In order to execute those business through subsidiaries, this permission is sought pursuant to the provisions of Section 186 of the Companies Act, 2013 to give powers to the Board of Directors or any duly constituted committee thereof, for making further investment, providing loans or give guarantee or provide security in connection with loans to subsidiary companies (including overseas subsidiaries) for an amount not exceeding INR100 crore.

The investment(s), loan(s), guarantee(s) and security(ies), as the case may be, will be made in accordance with the applicable provisions of the Companies Act, 2013 and relevant rules made there under.

The Board of Directors recommends the passing of this resolution by Special Resolution.

None of the Directors, Key Managerial Personnel (KMPs) of the Company or any relatives of such Director(s) or KMPs, are in any way concerned or interested financially or otherwise in the proposed Resolution, except to the extent of their equity holdings in the company.

Item 3:

As on date, the Foreign Institutional Investors (FIIs) and Foreign Portfolio Investors (FPI) hold 7.30% of the total paid up equity capital of the company. To improve the free float of the Company's scrip for purchase / trading by FIIs, it is proposed to increase the limits of FIIs up to 49% of the total paid up capital of the company. This will enable the FIIs to acquire shares of the company through authorized dealers with the revised ceiling under the Portfolio Investment Scheme of RBI.

As per Foreign Exchange Management (Transfer or issue of Security by a Person Resident outside India) Regulations, 2000, Foreign Institutional Investors (FIIs) can invest up to 24% of the Paid-up Capital of the Company under automatic route and up to 100% in Stock Broking Company with the approval of Shareholders and hence this resolution.

The Board of Directors recommends the passing of this resolution by Special Resolution.

None of the Directors, Key Managerial Personnel (KMPs) of the Company or any relatives of such Director(s) or KMPs, are in any way concerned or interested financially or otherwise in the proposed Resolution, except to the extent of their equity holdings in the company.

By order of the Board of Directors

Y. Srikanth Reddy
Company Secretary

Registered Office:
8-2-686/8/B/1, 3rd Floor,
GAMUT Square, Road No.12,
Banjara Hills, Hyderabad -500034;

Place: Hyderabad
Date: 14 February 2015