

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT THE EXTRA ORDINARY GENERAL MEETING OF THE MEMBERS OF KREON FINANCIAL SERVICES LIMITED ("THE COMPANY") WILL BE HELD ON 27th NOVEMBER 2021 AT 11.00 A.M. THROUGH VIDEO CONFERENCE ("VC") / OTHER AUDIO-VISUAL MEANS ("OAVM"), TO TRANSACT THE FOLLOWING BUSINESS.

THE VENUE OF THE MEETING SHALL BE DEEMED TO BE THE REGISTERED OFFICE OF THE COMPANY AT NEW No. 29, MOOKATHAL STREET, PURASAWALKKAM, CHENNAI-600007

SEPCIAL BUSINESS**ITEM NO: 01****RATIFICATION OF ISSUE OF EQUITY SHARES ON CONVERSION OF EXISTING DEBT'**

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

"RESOLVED THAT subject to the provisions of applicable sections of the Companies Act, 2013, Regulation 170(2) of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended (the **"SEBI ICDR Regulations"**) and other applicable regulation of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations"), including the enabling provisions of the Memorandum of Association and Articles of Association of the Company and in partial modification of the resolution passed on **June 07, 2021** as item 1 in the postal ballot notice dated May 07, 2021 the issue, offer and allotment of 3,75,000 (Three lakhs Seventy Five Thousand) Equity shares with a face value of Rs. 10/- (Rupees Ten Only) each, at a premium of Rs. 10/- each aggregating to Rs. 75,00,000/- (Rupees Seventy-Five Lakhs) to Mr. Jaijash Tatia i.e. Promoter on a preferential basis converting part of the existing outstanding loan into equity shares of the Company vide resolution of the Board dated 2nd September 2021 , be and is hereby ratified.

RESOLVED FURTHER THAT the certificate from the Statutory Auditors certifying that the above issue of the Equity Shares shall be made in accordance with the regulation 163(2) of SEBI ICDR Regulations 2018 be placed before the shareholders and be made available for inspection at the registered office of the company.

RESOLVED FURTHER THAT in accordance with provisions of Regulation 170(2) read with Regulation 161(a) of the SEBI ICDR Regulations, the "Relevant Date", for determining the price of the equity shares allotted to the Allottees on 2nd September 2021 be stand modified to October 28, 2021 being the date which is 30 (Thirty) days prior to EGM.

RESOLVED FURTHER THAT the pricing of 375,000 equity share allotted to Mr. Jaijash Tatia be Rs. 20/- per equity shares which is in excess of the price determined in accordance with Regulation 165 of the SEBI ICDR Regulations be and is hereby ratified.

RESOLVED FURTHER THAT the Equity Shares issued on a preferential basis and the equity shares to be allotted pursuant to exercise of options attached to shares, shall be in

dematerialized form and shall be locked-in for 3 years from the date of allotment or 'lock-in' in accordance with the SEBI ICDR Regulations.

RESOLVED FURTHER THAT the Board be and is hereby authorized to determine, vary, modify, alter any of the terms and conditions, as it may deem expedient, in its discretion.

RESOLVED FURTHER THAT the Directors or Secretary of the Company be and is hereby severally authorized to do all such acts, deeds and things as may be necessary for giving effect to the above resolution."

ITEM NO 2:

RATIFICATION OF ISSUE OF COMPULSORILY CONVERTIBLE PREFERENCE SHARES ON PREFERENTIAL BASIS BY CONVERTING THE LOAN (PARTIALLY) BORROWED BY THE COMPANY:

To consider, and if thought fit, to pass the following resolution as a Special Resolution:

"RESOLVED THAT subject to the provisions of applicable sections of the Companies Act, 2013, Regulation 170(2) of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended (the "SEBI ICDR Regulations") and other applicable regulation of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations"), including the enabling provisions of the Memorandum of Association and Articles of Association of the Company and in partial modification of the resolution passed on **June 07, 2021** as item 2 in the postal ballot notice dated May 07, 2021 the issue, offer and allotment of 6,20,000 (Six lakhs Twenty Thousand) Compulsory Convertible Preference Shares with a face value of Rs.10/- (Rupees Ten Only) each aggregating to Rs. 62,00,000/- (Rupees Sixty-Two Lakhs only) to M/s. Jin Paad Developers Private Limited, Promoter Group Company on a preferential basis converting part of the outstanding loan into Compulsory Convertible Preference Shares (CCPS) of the Company vide resolution of the Board dated 2nd September 2021 ,, be and is hereby ratified.

RESOLVED FURTHER THAT there would be no change to the terms of issue of CCPS as approved by the shareholders of the Company vide their resolution dated June 07, 2021 and the same is reproduced hereunder:

- i) CCPS shall carry a preferential right vis-à-vis Equity Shares of the Company with respect to payment of dividend and repayment in case of a winding up or repayment of capital;
- ii) CCPS shall be non-participating in the surplus funds:
- iii) CCPS shall be non-participating in surplus assets and profits which may remain after the entire capital has been repaid, on winding up of the Company;
- iii) Holders of CCPS shall be paid dividend at 8.25% on a cumulative basis;
- iv) CCPS shall be convertible into equity shares at the option of M/s. Jin Paad Developers Private Limited at any time before the expiry of 18 months from the date of allotment;
- v) The voting rights of CCPS holder shall be in accordance with the provisions of Section 47 of the Companies Act, 2013 (including any statutory amendments thereto or re-enactments thereof for the time being in force).

RESOLVED FURTHER THAT in accordance with Regulation 162 of SEBI ICDR Regulations and terms of CCPS, the tenure of the CCPS shall not exceed 18 (eighteen) months from the date of their allotment.

RESOLVED FURTHER THAT the CCPS shall be convertible into equity shares at Rs. 20/- each fully paid-up carrying face value of Rs. 10/- each and premium of Rs. 10/- per Equity Share ("CCPS Conversion Price"), which is in excess of the price determined in accordance with Regulation 165 of the SEBI ICDR Regulations be and is hereby ratified.

RESOLVED FURTHER THAT the Equity shares of the Company to be allotted upon conversion of the CCPS, in accordance with its term thereof, shall be subject to the provisions of the Memorandum and Articles of Association of Company and shall rank pari passu in all respects including as to dividend, with the existing fully paid up equity shares of face value of Rs.10/- each of the Company.

RESOLVED FURTHER THAT the Equity Shares to be allotted pursuant to conversion of the CCPS shall be in dematerialized form and locked-in for the period of 3 years from the date of conversion or lock-in as applicable in SEBI ICDR Regulations.

RESOLVED FURTHER THAT in accordance with provisions of Regulation 170(2) read with Regulation 161(a) of the SEBI ICDR Regulations, the "Relevant Date", for determining the price of the equity shares allotted to the Allottees on 2nd September 2021 be stand modified to October 28, 2021 being the date which is 30 (Thirty) days prior to EGM.

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

RESOLVED FURTHER THAT the Directors or Secretary of the Company be and is hereby severally authorized to do all such acts, deeds and things as may be necessary for giving effect to the above resolution."

ITEM NO: 03

TO CONSIDER AND APPROVE INCREASE OF THE AUTHORIZED SHARE CAPITAL OF THE COMPANY BY AMENDING THE MEMORANDUM OF ASSOCIATION OF THE COMPANY:

To consider and, if thought fit, with or without modification to pass the following resolution as an Ordinary Resolution:

"RESOLVED that pursuant to the provisions of Sections 13, 61, 64 and other applicable provisions, if any, of the Companies Act, 2013 and the rules framed thereunder, consent of the Members be and is hereby accorded to increase the Authorised Share Capital of the Company from Rs. 20,00,00,000/- (Rupees Twenty Crores Only) consisting of 1,50,00,000 Equity Shares of Rs. 10/- (Rupees Ten Only) each and 50,00,000 Preference Shares of Rs. 10/- (Rupees Ten Only) each to Rs. 30,00,00,000/- (Rupees Thirty Crores Only) consisting of 2,50,00,000 Equity Shares of Rs. 10/- (Rupees Ten Only) each and 50,00,000 Preference Shares of Rs. 10/- (Rupees Ten Only) each.

FURTHER RESOLVED that the Memorandum of Association of the Company be and is hereby altered by substituting the existing Clause 5 thereof with the following new Clause V:

"The Authorized share capital of the Company is Rs 30,00,00,000/- (Rupees Thirty Crores Only) divided into 2,50,00,000 (Two Crore Fifty Lakhs) Equity shares of Rs.10/- (Rupees Ten only) each and 50,00,000 (Fifty Lakhs) Preference Shares of Rs.10/- (Rupees Ten only) each with power to divide the share in capital for the time being into Equity Shares Capital and/or Preference Share Capital, with or without voting rights as may be

permissible at law, and to attach thereto respectively, any preferential, qualified or special rights, privileges or conditions as may be determined by or in accordance with the provisions of the Companies Act, as amended from time to time and the regulations of the Company, and to vary, modify or abrogate any such right, privileges or conditions in such manner as may for the time being be provided by the regulation of the Company."

FURTHER RESOLVED that the Board of Directors and Key Managerial Personnel of the Company be and are hereby severally authorised to do all acts and take all such steps as may be necessary, proper or expedient for the purpose of giving effect to this resolution, execute applications / other documents to be submitted to the Registrar of Companies and other statutory authorities, and take all other steps in this regard.

RESOLVED FURTHER THAT the Directors or Secretary of the Company be and is hereby severally authorized to do all such acts, deeds and things as may be necessary for giving effect to the above resolution."

ITEM NO: 04

ISSUANCE OF WARRANTS ON A PREFERENTIAL BASIS TO PROMOTER / PROMOTER GROUP AND NON - PROMOTER GROUP CATEGORY

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

"RESOLVED THAT pursuant to the provisions of Sections 23, 42, 62(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 ("**Companies Act**") and the rules made thereunder including the Companies (Prospectus and Allotment of Securities) Rules, 2014 and the Companies (Share Capital and Debentures) Rules, 2014 including any amendment(s), statutory modification(s) or re-enactment thereof), the relevant provisions of the Memorandum of Association and the Articles of Association of the Company and in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("**SEBI ICDR Regulations**"), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("**SEBI Listing Regulations**"), SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 ("**SEBI SAST Regulations**") to the extent applicable, the uniform listing agreement entered into by the Company with BSE Limited ("**Stock Exchange**" or "**BSE**") on which the equity shares having face value of Rs.10.00/- each of the Company are listed, and subject to other applicable rules, regulations guidelines, notification, circular and clarifications issued by the Ministry of Corporate Affairs ("**MCA**"), Securities and Exchange Board of India ("**SEBI**"), Reserve Bank of India ("**RBI**"), Government of India ("**GoI**"), Stock Exchange and / or any other competent authorities (hereinafter referred to as "Applicable Regulatory Authorities"), from time to time and to the extent applicable, the consent of the shareholders of the Company be and is hereby accorded to the board of directors ("Board", which term shall include any committee which the Board may have constituted to exercise its powers including the powers conferred by this resolution) to create, offer, issue and allot up to 95,00,000 (Ninety Five Lakh) Warrants ("Warrants") at a price of Rs. 21/- (Rupees Twenty One Only) per Warrant with a right to the Warrant holders to apply for and be allotted 1 (One) Equity Share for each Warrant within a period of 18 (Eighteen) months from the date of allotment of the Warrants, aggregating to an amount of up to Rs. 19,95,00,000/- (Rupees Nineteen Cores Ninety Five Lakhs Only) or price which is determine in accordance with Chapter V of the SEBI ICDR Regulations, 2018, for consideration in cash, by way of Preferential Allotment in one or more tranches to the following persons forming part of the Promoter/Promoter Group and specified persons (hereinafter referred to as "**Proposed Allottee(s)**") and as mentioned in the Explanatory Statement annexed hereunto to this Notice, and in such manner and on such other terms and conditions, as the Board may, in its absolute discretion, thinks fit."

The list of Proposed Allottee(s) to whom shares warrants would be issued are as under:

SR NO	NAME AND DETAILS OF PROPOSED ALLOTTEES	CATEGORY (PROMOTER / NON PROMOTER)	PROPOSED NO OF WARRANTS IN THE COMPANY TO BE ALLOTTED	PRE-ISSUE SHAREHOLDING		POST-ISSUE SHAREHOLDING**	
				No of Shares	%	No of Shares	%
1.	NAME: Mr. Jaijash Tatia PAN NUMBER: AIIPJ2173R ADDRESS: 9, Jai Villa, Sunrise Avenue, Still Water Court, Kapaleeswar Nagar Neelangarai, Tamil Nadu 600041	Promoter	30,00,000	9,98,300*	9.57	39,98,300	19.75
2	NAME: Ms. Henna Jain PAN: ACMPH0589B ADDRESS: : 9, Jai Villa, Sunrise Avenue, Still Water Court, Kapaleeswar Nagar Neelangarai, Tamil Nadu 600041	Promoter	30,00,000	-	-	30,00,000	14.82
3	NAME: Mr.Salil Bansal PAN: AFAPB7750B	Non- Promoter	10,00,000	-	-	10,00,000	4.94

	ADDRESS: 1A/15,14 th Avenue, Harrington Road, Chetpet, Chennai , 600 031						
4	NAME: Mr.Ramesh Nahar PAN: AAAPN8010D ADDRESS: 111, Old No.51, G N Chetty Road, T.Nagar, Chennai, 600017	Non- Promoter	150,000	-	-	150,000	0.74
5	NAME: M/s B.Rameshchan d Nahar and Sons HUF PAN: AAAHB0105P ADDRESS: 111,Old No.51, G N Chetty Road, T.Nagar, Chennai, 600017	Non- Promoter	400,000	-	-	400,000	1.98
6	NAME: M/s Bhawralal Rameshchand Sons HUF PAN: AAAHB0425J ADDRESS: 111,Old No.51, G N Chetty Road, T.Nagar, Chennai, 600017	Non- Promoter	200,000	-	-	200,000	0.99
7	NAME: Mrs. Nirmala Nahar	Non- Promoter	250,000	-	-	250,000	1.23

	PAN: AAAPN8011C ADDRESS: 111,Old No.51, G N Chetty Road, T.Nagar, Chennai, 600017						
8	NAME: Mrs. Sapna Parekh PAN: ACGPS4735C ADDRESS: T- 13 4 th Main road Anna Nagar, Chennai, 600040	Non-Promoter	5,00,000	318,980	3.17	818,980	4.05
9	NAME: Mr. Kulin Shantibhai Vora PAN: ACUPV3226B ADDRESS: Room No.11,12, Bldg No.6, Swami Leela Shah Chs, Ghatkopar(W), Mumbai – 400 086	Non-Promoter	350,000	-	-	350,000	1.73
10	NAME: Mr.Rocky Rasiklal Vora PAN: AFMPV0684E ADDRESS: 303, Kailash Palace, Upashraya lane, Hingwala lane, Ghatkopar (W), Mumbai – 400077	Non-Promoter	350,000	-	-	350,000	1.73

11	NAME: Mr. Bhogilal Mavji Vora	Non-Promoter	300,000	-	-	300,000	1.48
	PAN: ABXPV0678F						
	ADDRESS: A-606, Ajinath Bldg, Neelkanth Enclave, Opp. Shreyas Cinema, Ghatkopar (W), Mumbai - 400086						
TOTAL			950000				

**The percentage of shareholding is considered after taking into account 375,000 equity shares of Rs. 10/- each fully paid-up allotted vide resolution dated 2nd September 2021.*

*** The Percentage of shareholding is considered on a fully diluted basis, after considering the conversion of 620,000 outstanding Compulsorily Convertible Preference Shares into 310,000 equity shares of Rs. 10/- each*

Note: *In the event any further issue of shares by the Company between the date of this notice and the date of allotment of Equity Shares on exercise of warrants, the shareholding pattern shall stand modified accordingly.*

RESOLVED FURTHER THAT as per the SEBI ICDR Regulations the "Relevant Date" for the purpose of determining the issue price of the Warrants shall be Thursday, October 28, 2021, being the date 30 (Thirty) days prior to the date on which the meeting of shareholders is to be held.

RESOLVED FURTHER THAT without prejudice to the generality of the above, the issue of Warrants to be allotted on exercise of Warrants under the Preferential Allotment shall be subject to the following terms and conditions apart from others as prescribed under applicable laws:

a) Warrant subscription price equivalent to 25% of the Warrant price will be payable at the time of subscription of Warrants, as prescribed by the SEBI (ICDR) Regulations, which would be adjusted by the Company and appropriated against the Warrant price of the Equity Shares. Convertible Warrant exercise price equivalent to the 75% of the Warrant price of the equity shares shall be payable by the warrant holder(s) at the time of exercising conversion of Warrants;

b) The Warrants shall be allotted within a period of 15 days from the date of passing of the special resolution by the Members, provided that where the allotment of Warrants is subject to receipt of any approval or permission from any regulatory authority or Government of India, the allotment shall be completed within a period of 15 days from the date of receipt of last of such approvals or permissions;

c) The Warrants being allotted pursuant to exercise of such Warrants shall be subject to a lock-in for such period as specified under applicable provisions of SEBI (ICDR) Regulations.

d) Each Convertible Warrant is convertible into One (1) Equity Share and the conversion can be exercised by warrant holder(s) at any time during the period of Eighteen (18)

months from the date of allotment of Warrants, in one or more tranches, as the case may be and on such other terms and conditions as applicable;

e) The Warrants proposed to be issued shall be subject to appropriate adjustment, if during the interim period, the Company makes any issue of equity shares by way of capitalisation of profits or reserves, upon demerger / realignment, rights issue or undertakes consolidation / sub-division / re-classification of equity shares or such other similar events or circumstances requiring adjustments as permitted under SEBI (ICDR) Regulations and all other applicable regulations from time to time;

f) The Company 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 and the differential price, if any, shall be required to be paid by such warrant Holder to the Company in accordance with the provisions of SEBI (ICDR) Regulations;

g) The warrant holder(s) shall be entitled to exercise the option of exercising Warrants in one or more tranches by way of a written notice which shall be given to the Company, specifying the number of Warrants proposed to exercise along with the aggregate amount payable thereon, prior to or at the time of conversion. The Company shall accordingly, without any further approval from the Members of the Company, issue and allot the corresponding number of Equity Shares and perform such actions as required to credit the Equity Shares to the depository account and entering the name of allottee in the records of the Company as the registered owner of such Equity Shares;

h) The Equity Shares to be so allotted on exercise of Warrants shall be in dematerialised form and shall be subject to the provisions of the Memorandum and Articles of Association of the Company and shall rank pari-passu in all respects including dividend, with the existing equity shares of the Company;

i) In the event the warrant holder(s) does not exercise the Warrants within Eighteen (18) months from the date of allotment of the Warrants, then such Warrants shall lapse and the amount paid to the Company at the time of subscription of Warrants shall stand forfeited;

j) Apart from the said right of adjustment, the Warrants do not give any rights/entitlements to the Warrant holder as a shareholder of the Company.

k) The Warrants issued and allotted may be transferable within the Promoter Group subject to compliance of applicable provisions and subject to such other approvals as may be necessary from time to time;

l) The Equity Shares arising from the exercise of the Warrants will be listed on Stock Exchange(s) where the equity shares of the Company are listed, subject to the receipt of necessary regulatory permissions and approvals as the case may be and shall inter- alia be governed by the regulations and guidelines issued by SEBI or any other statutory authority;

RESOLVED FURTHER THAT pursuant to the provisions of the Act, the name of the Subscribers be recorded for the issue for invitation to subscribe to the Warrants and a private placement offer letter in Form No. PAS-4 to be issued to the Subscribers inviting it to subscribe to the Shares Warrants, only after the consent of the Members of the Company is hereby accorded to the issuance of the same to the Subscribers inviting it to subscribe to the Shares Warrants.

RESOLVED FURTHER THAT the complete record of private placement be maintained in Form PAS-5.

“RESOLVED FURTHER THAT the Board be and is hereby authorised to accept any modification(s) in the terms of issue of warrants subject to the provision of the Act and the SEBI (ICDR) Regulations, without being required to seek any further consent or approval of the Members.”

RESOLVED FURTHER THAT the Warrants shall be allotted within a period of 15 days from the date of passing of the special resolution by the members, provided that where the allotment of Warrants is subject to receipt of any approval from any regulatory authority or the Government of India, the allotment shall be completed within a period of 15 days from the date of receipt of last of such approvals.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, any director and / or the Company Secretary and the Compliance Officer of the Company and / or any person authorized by the Board be & are hereby jointly and / or severally authorized to do all such acts, deeds, matters and things as it may in its absolute discretion consider necessary, desirable or expedient including application to Stock Exchange for obtaining In-principle approval, Listing of shares approval, Trading approval and filing of requisite documents with the Registrar of Companies and RBI, appointment of legal advisors / solicitors, bankers, depositories, custodians, registrars, trustees, stabilizing agents and / or any other advisors, professionals, agencies as may be required, to negotiate / modify / execute / deliver and / or sign any declarations, information memorandum, agreements, deeds, forms and such other documents as may be necessary in this regard and to resolve and settle any questions and difficulties that may arise in the proposed creation, offer, issue and allotment of the Shares Warrants and utilization of issue proceeds without being required to seek any further consent or approval of the members.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred, to any such persons, as it may deem fit in its absolute discretion, with the power to take such steps and to do all such acts, deeds, matters and things as it may deem fit and proper for the purposes of the Preferential issue and settle any questions or difficulties that may arise in regard to the Preferential issue.”

By Order of the Board of Directors

For KREON FINANCIAL SERVICES LIMITED

Sd/-

Vidyalakshmi R

Company Secretary & Compliance Officer

Date: 03.11.2021

Place: Chennai

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT 2013

ITEM NO. 1

The Company has obtained shareholders approval vide its resolution passed on **June 07, 2021** as item 1 through the postal ballot notice dated May 07, 2021. Pursuant to which the Company applied for in-principle approval to BSE Limited. The Company received BSE approval vide their letter dated August 12, 2021. However, BSE has kept on hold application for Listing of Shares considering the allotment not completed within 15 days of receipt of in-principle approval. Therefore, the Company is proposing to the members to ratify the issue of Preferential offer of 3,75,000 (Three lakhs Seventy-Five Thousand) Equity shares with a face value of Rs. 10/- (Rupees Ten Only) each, at a premium of Rs. 10/- each aggregating to Rs. 75,00,000/- (Rupees Seventy-Five Lakhs) to Mr. Jaijash Tatia i.e. Promoter on a preferential basis converting part of the existing outstanding loan into equity shares of the Company.

Accordingly, the ratification of the members of the Company is being sought, by way of a special resolution, to create, offer, issue and allot, Equity Shares, by way of preferential allotment to the Proposed Allottee(s).

Disclosures prescribed under Rule 13 of the Companies (Share Capital and Debentures) Rules, 2014, Rule 14 of Companies (Prospectus and Allotment of Securities) Rules, 2014 and Regulation 163 of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as may be applicable, in respect of the Resolution proposed at Item No. 1 are as follows:

i. Object(s) of the proposed issue of equity shares:

The Company has received a loan amount of Rs. 75,00,000/- from Mr. Jaijash Tatia.

The Company has no cash flows to repay the loan taken from them and due to this outstanding loan, the working capital facilities stipulation laid by the bank could not be met. The Board of Directors in order to enrich the net worth at their Meeting held on 3rd March, 2021 has decided to convert their existing debt into equity. The consent letter has been taken from lender to convert the loan into equity shares.

ii. Type and Number of Securities to be issued, Basis of Price and amount to be raised:

3,75,000 Equity shares with a face value of Rs. 10/- each, at a premium of Rs. 10/- each on preferential basis.

iii. The price or price band at/within which the allotment is proposed:

The Equity Shares issue Price is Rs. 20/- (Rupees Twenty Only) per equity share, including premium of Rs. 10/- each or at such price being not less than higher of the average price as calculated with reference to the relevant date in accordance with the Regulation 165 of the SEBI ICDR Regulations, whichever is higher pursuant to the registered valuer dated May 07, 2021. Pursuant to ratification of resolution under item No. 1, the relevant date shall be considered as October 28, 2021.

iv. Basis on which the Minimum price has been arrived at and justification for the price (including premium, if any)

The Company is listed on BSE Limited and the equity shares of the Company are infrequently traded in accordance with Regulation 165 of the SEBI ICDR Regulations. Hence, in accordance with Regulation 165 and 170(2) of the SEBI ICDR Regulations a valuation report has been obtained from an independent registered valuer. The issue price

is higher than the base price determined in accordance with Regulation 165 of the SEBI ICDR Regulations.

v. Relevant Date with reference to which the price has been arrived at:

The Equity Shares in the Preferential Allotment was allotted at a price, determined in accordance with the Chapter V of the SEBI (ICDR) Regulations, 2018 considering the relevant date as May 07, 2021. However, in view of the provisions of Regulation 170(2) the relevant date stands modified to 28th October, 2021, i.e., 30 days prior to the date on which the meeting of shareholders is to be held.

vi. The class or class of persons to whom the allotment is proposed to be made

The allotment vide resolution of the Board of Directors dated September 02, 2021 is made to individuals forming part of the Promoter/Promoter Group Category as stated below.

Name of the Shareholder	Address PAN	Number of Shares Allotted
Jaijaish Tatia	9, Jai Villa, Sunrise Avenue, Still Water Court, Kapaleeswar Nagar Neelangarai Tamil Nadu – 600041 AIIPJ2173R	3,75,000

vii. Proposal / Intent of the promoters, directors or key management personnel of the Company to subscribe to the offer:

The Equity Shares shall be issued to Mr. Jaijash Tatia, the Promoter of the Company. Mr. Jaijash Tatia has indicated his intention to subscribe to the Preferential Issue.

None of the Directors or Key Managerial Personnel of the Company intends to subscribe to any of the Equity Shares proposed to be issued under the Preferential issue or otherwise contribute to the Preferential Issue or separately in furtherance of the objects specified herein above.

viii. Proposed Time frame within which the preferential issue shall be completed

The Company has allotted the Equity Shares on September 02, 2021. The proposed resolution is to ratify the said issue in accordance with Regulation 170(2) of the SEBI ICDR Regulations.

ix. Change in control or composition of the Board

Subsequent to the proposed issue of Equity Shares on Preferential Basis, there will neither be a change in control nor a change in the management of the Company. However, there will be a corresponding change in the shareholding pattern as well as voting rights consequent to the preferential allotment of equity shares.

x. Lock-in:

The Equity Shares to be allotted to the Proposed Allottees, including the pre-preferential allotment shareholding of the Proposed Allottee will be subject to applicable lock-in and transfer restrictions stipulated under Regulations 167 of the Securities and Exchange

Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as may be applicable.

xi. Auditors Certificate

A copy of the certificate from the Company's Statutory Auditors, certifying that the issue is being made in accordance with the requirements of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as may be applicable- be placed before the shareholders and also made available for inspection at the registered office of the Company.

xii. Number of persons to whom allotment on preferential basis has already been made during the year, in terms of number of securities as well as price

The resolution is to ratify the allotment made on September 02, 2021 in accordance with Regulation 170(2) of the SEBI ICDR Regulations. Before such allotment there were no preferential allotment made by the Company. For details of allotment please refer point vi of Item 1 and Item 2 of the explanatory statement.

xiii. Valuation for consideration other than cash, if any and the justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer.

Company is converting its existing Debt into equity and hence no consideration is required to be given. The Company is proposing to ratify the resolution set out in Item No. 1. Therefore, company had obtained again fresh valuation report by the registered valuer considering the relevant date October 28, 2021. The issue price set out in the resolution Item No. 1 is above the price determined by the valuer.

xiv. Shareholding pattern of the Company before and after the Preferential Allotment:

The table mentioned below shows the expected shareholding pattern of the Company consequent to issue of Equity Shares as per resolution at Item No. 1 to this notice.

Sr. No.	Category & Name of the Members	Pre-preferential allotment		Post-preferential allotment *	
		Shareholding pattern		Shareholding pattern	
		No. of shares held as on record date	% Share holding	No. of shares	% of holding
A	Promoter and Promoter Group	45,81,169	45.53	49,56,169	47.49
	Sub-Total (A)	45,81,169	45.53	49,56,169	47.49
B	Public Shareholding				
1	Institutional Investors	-	-	-	-
2	Non-Institutional				
a)	Private Corporate Bodies	19,33,352	19.22	19,33,352	18.52
b)	Directors & Relatives	-	-	-	-
c)	Individual Share Capital upto 2 lacs	17,57,104	17.46	17,57,104	16.84
d)	Individual Share Capital above 2 lacs	12,73,585	12.66	12,73,585	12.21
e)	Other (Including NRIs)				
	(i) Clearing Members	15,540	0.15	15,540	0.15
	(ii) Hindu undivided Families	5,00,250	4.97	5,00,250	4.79
	(iii)NRI-Repat-				
3	Any other	-	-	-	-
	Sub-Total (B)	54,79,831	54.47	54,79,831	52.51
	Grand Total (A) + (B)	1,00,61,000	100	1,04,3600	100

xv. **Particulars of Proposed Allottee(s) and the percentage of the post preferential issue shareholding that may be held by them:**

S R. NO	NAME AND DETAILS OF PROPOSED ALLOTTEES	CATEGORY (PROMOTER / NON PROMOTER)	No. of Shares proposed to be allotted	PRE-ISSUE SHAREHOLDING		POST-ISSUE SHAREHOLDING *	
				No of Shares	%	No of Shares	%
1.	NAME: Mr.Jaijash Tatia PAN NUMBER: AIIPJ2173R ADDRESS: 9, Jai Villa,	Promoter	375000	6,23,300	6.20	998300	9.75

	Sunrise Avenue, Still Water Court, Kapaleeswar Nagar Neelangarai, Tamil Nadu 600041						
TOTAL		375000					

xvi. Material Terms of the Issue

The Company will make an application to the Stock Exchange for listing of the allotment of shares. The equity shares allotted, ranks pari passu with the existing Equity Shares of the Company in all respect, including dividend and voting rights

xvii. Undertakings:

The Issuer Company undertakes that they shall re-compute the price of the Equity Shares issued in terms of the SEBI (ICDR) Regulations, 2018, where it is required to do so.

The Issuer Company undertakes that if the amount payable on account of the re-computation of price is not paid within the time stipulated in terms of the provision of SEBI (ICDR) Regulations, 2018, the equity shares shall continue to be locked-in till the time such amount is paid by the allottees.

xviii. Further Disclosures

None of the Company, its Directors or Promoter have been declared as wilful defaulter as defined under the SEBI (ICDR) Regulations.

None of its Directors or Promoter is a fugitive economic offender as defined under the SEBI (ICDR) Regulations.

The proposed allottees has not sold or transferred any Equity Shares of the Company during the (6) six months preceding the Relevant Date.

The issue of Equity Shares/Share warrants shall be made in accordance with the provisions of the Memorandum and Articles of Association of the Company and shall be made in a dematerialized format only.

None of the Directors and/or Key Managerial Personnel of the Company and/or their respective relatives are in any way, concerned or interested in the aforesaid special resolution, save and except to the extent of their directorship/ shareholding, if any.

The Board of Directors of the Company recommends passing of the resolutions as set out at Item No 1 as a special resolution.

ITEM No. 2

The Company has obtained shareholders approval vide it resolution passed on **June 07, 2021** as item 2 through the postal ballot notice dated May 07, 2021. Pursuant to which the Company applied for in-principle approval to BSE Limited. The Company received BSE approval vide letter dated August 12, 2021. However, BSE has kept on hold application for Listing of Shares considering the allotment not completed within 15 days of receipt of

in-principle approval. Therefore, the Company is proposing to the members to ratify the issue of Preferential offer of 6,20,000 compulsory convertible preference shares with a face value of Rs. 10/- (Rupees Ten Only) each, at a premium of Rs. 10/- each aggregating to Rs. 62,00,000/- (Rupees Sixty-Two Lakhs) to M/s Jin Paad Developers Private Limited.

Accordingly, the ratification of the members of the Company is being sought, by way of a special resolution, to create, offer, issue and allot, Equity Shares, by way of preferential allotment to the Proposed Allottee(s).

Disclosures prescribed under Rule 13 of the Companies (Share Capital and Debentures) Rules, 2014, Rule 14 of Companies (Prospectus and Allotment of Securities) Rules, 2014 and Regulation 163 of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as may be applicable, in respect of the Resolution proposed at Item No. 2 are as follows:

i. Object(s) of the proposed issue of equity shares:

The Company has received a loan amount of Rs. 62,00,000/- from M/s Jin Paad Developers Private Limited.

The working capital facilities stipulation laid by the bank could not be met. The Board of Directors in order to enrich the net worth at their Meeting held on 3rd March, 2021 has decided to convert the said loan into Compulsory Convertible Preference Shares on such terms and conditions as may be mutually agreed between the Company and M/s Jin Paad Developers Private Limited.

ii. Type and Number of Securities to be issued, Basis of Price and amount to be raised:

6,20,000 Compulsory Convertible Preference Shares ("CCPS") with a face value of Rs. 10/- (Rupees Ten Only) aggregating to 62,00,000 (Rupees Sixty Two Lakhs only) to M/s. Jin Paad Developers Private Limited on a preferential allotment converting part of the outstanding loan into Compulsory Convertible Preference Shares (CCPS) of the Company. The Equity Shares to be issued pursuant to conversion of CCPS in the terms of this resolution shall rank pari passu with existing equity shares of the company in all respects.

iii. The price or price band at/within which the allotment is proposed:

The valuation is presently validated and certified by the statutory auditor M/s. J V Ramanujam & Co, Chartered Accountants confirming the maximum price of Rs 20/- as on 7th May, 2021 which is available for shareholders inspection.

iv. Basis on which the Minimum price has been arrived at and justification for the price (including premium, if any)

The Company is listed on BSE Limited and the equity shares of the Company are infrequently traded in accordance with Regulation 165 of the SEBI ICDR Regulations. Hence, in accordance with Regulation 165 and 170(2) of the SEBI ICDR Regulations a valuation report has been obtained from an independent registered valuer. The issue price is higher than the base price determined in accordance with Regulation 165 of the SEBI ICDR Regulations.

v. Relevant Date with reference to which the price has been arrived at:

The Equity Shares in the Preferential Allotment was allotted at a price, determined in accordance with the Chapter V of the SEBI (ICDR) Regulations, 2018 considering the relevant date as May 07, 2021. However, in view of the provisions of Regulation 170(2)

the relevant date stands modified to 28th October, 2021, i.e., 30 days prior to the date on which the meeting of shareholders is to be held.

vi. The class or class of persons to whom the allotment is proposed to be made

The allotment vide resolution of the Board of Directors dated September 02, 2021 is made to body corporates forming part of the Promoter/Promoter Group Category as stated below.

Name of the Shareholder	Address PAN	Number of CCPS Allotted
Jin paad Developers Private Limited	No.12, Mookathal street, Purasawalkam, Chennai- 600007 AABCJ9756C	6,20,000

vii. Proposal / Intent of the promoters, directors or key management personnel of the Company to subscribe to the offer:

The CCPS shall be issued to M/s Jin paad Developers Private Limited being a part of the Promoter Group of the Company. M/s. Jin paad Developers Private Limited has expressed its intention to participate in the proposed preferential issue.

None of the Directors or Key Managerial Personnel of the Company intends to subscribe to any of the CCPS proposed to be issued under the Preferential Issue or otherwise contribute to the Preferential Issue or separately in furtherance of the objects specified herein above except Mr. Jaijash Tatia as per resolution no.1.

viii. Proposed Time frame within which the preferential issue shall be completed

The Company has allotted the Preference Shares on September 02, 2021. The proposed resolution is to ratify the said issue in accordance with Regulation 170(2) of the SEBI ICDR Regulations.

ix. Change in control or composition of the Board

Subsequent to the proposed issue of Equity Shares on Preferential Basis, there will neither be a change in control nor a change in the management of the Company. However, there will be a corresponding change in the shareholding pattern as well as voting rights consequent to the preferential allotment of equity shares.

x. Lock-in:

The CCPs allotted to the Allottees, including the pre-preferential allotment shareholding of the Proposed Allottee will be subject to applicable lock-in and transfer restrictions stipulated under Regulations 167 of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as may be applicable.

xi. Auditors Certificate

A copy of the certificate from the Company's Statutory Auditors, certifying that the issue is being made in accordance with the requirements of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as may be applicable- be placed before the shareholders and also made available for inspection at the registered office of the Company.

xii. **Number of persons to whom allotment on preferential basis has already been made during the year, in terms of number of securities as well as price**

The resolution is to ratify the allotment made on September 02, 2021 in accordance with Regulation 170(2) of the SEBI ICDR Regulations. Before such allotment there were no preferential allotment made by the Company. For details of allotment please refer point vi of Item 1 and Item 2 of the explanatory statement.

xiii. **Valuation for consideration other than cash, if any and the justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer.**

Company is converting its existing Debt into equity and hence no consideration is required to be given. The Company is proposing to ratify the resolution set out in Item No. 2. Therefore, company had obtained again fresh valuation report by the registered valuer considering the relevant date October 28, 2021. The issue price set out in the resolution Item No. 1 is above the price determined by the valuer.

xiv. **Shareholding pattern of the Company before and after the Preferential Allotment:**

The table mentioned below shows the expected diluted shareholding pattern of the Company consequent to issue/ Conversion of Share warrants to Equity Shares as per resolution at Item No. 2 to this notice.

Sr. No.	Category & Name of the Members	Pre-preferential allotment		Post-preferential allotment *	
		Shareholding pattern		Shareholding pattern	
		No. of shares held as on record date	% Share holding	No. of shares*	% of holding
A	Promoter and Promoter Group	45,81,169	45.53	52,66,169	49.01
	Sub-Total (A)	45,81,169	45.53	52,66,169	49.01
B	Public Shareholding				
1	Institutional Investors	-	-	-	-
2	Non-Institutional				
a)	Private Corporate Bodies	19,33,352	19.22	19,33,352	—
b)	Directors & Relatives	-	-	-	-
c)	Individual Share Capital upto 2 lacs	17,57,104	17.46	17,57,104	—
d)	Individual Share Capital above 2 lacs	12,73,585	12.66	12,73,585	—
e)	Other (Including NRIs)				
	(iv) Clearing Members	15,540	0.15	15,540	—
	(v) Hindu undivided Families	5,00,250	4.97	5,00,250	—
	(vi) NRI-Repat-				
3	Any other	-	-	-	-
	Sub-Total (B)	54,79,831	54.47	54,79,831	50.99
	Grand Total (A) + (B)	1,00,61,000	100	1,07,46,000	100

*Assuming full conversion of the CCPs

xv. **Particulars of Proposed Allottee(s) and the percentage of the post preferential issue shareholding that may be held by them:**

S R. N O	NAME AND DETAILS OF PROPOSED ALLOTTEES	CATEGOR Y (PROMOT ER / NON PROMOTE R)	No. of Preferen ce Shares propose d to be allotted	PRE-ISSUE SHAREHOLDI NG		POST-ISSUE SHAREHOLDING *	
				No of Shares	%	No of Shares	%
1.	Jin Paad Developers Private Limited AABCJ9756C	Promoter	6,20,000	0	0	6,20,000	100
TOTAL			6,20,000				

Post conversion of CCPS

S R. N O	NAME AND DETAILS OF PROPOSED ALLOTTEES	CATEGOR Y (PROMOT ER / NON PROMOTE R)	No. of Equity Shares propose d to be allotted on conversi on	PRE-ISSUE SHAREHOLDI NG		POST-ISSUE SHAREHOLDING *	
				No of Shares	%	No of Shares	%
1.	Jin Paad Developers Private Limited AABCJ9756C	Promoter	3,10,000	NIL	NIL	3,10,000	2.88
TOTAL			3,10,000				

xvi. **Material Terms of the Issue**

The Company will make an application to the Stock Exchange for listing of the allotment of shares. Such allotment of shares, once allotted, shall rank pari passu with the existing Equity Shares of the Company in all respect, including dividend and voting rights

xvii. **Undertakings:**

The Issuer Company undertakes that they shall re-compute the price of the Equity Shares issued in terms of the SEBI (ICDR) Regulations, 2018, where it is required to do so.

The Issuer Company undertakes that if the amount payable on account of the re-computation of price is not paid within the time stipulated in terms of the provision of SEBI (ICDR) Regulations, 2018, the equity shares shall continue to be locked-in till the time such amount is paid by the allottees.

xviii. **Further Disclosures**

None of the Company, its Directors or Promoter have been declared as wilful defaulter as

defined under the SEBI (ICDR) Regulations.

None of its Directors or Promoter is a fugitive economic offender as defined under the SEBI (ICDR) Regulations.

The proposed allottees has not sold or transferred any Equity Shares of the Company during the (6) six months preceding the Relevant Date.

The issue of Equity Shares/Share warrants shall be made in accordance with the provisions of the Memorandum and Articles of Association of the Company and shall be made in a dematerialized format only.

None of the Directors and/or Key Managerial Personnel of the Company and/or their respective relatives are in any way, concerned or interested in the aforesaid special resolution, save and except to the extent of their directorship/ shareholding, if any.

The Board of Directors of the Company recommends passing of the resolutions as set out at Item No 2 as a special resolution.

ITEM NO. [3]

At present, the Authorised Share Capital of the company stands at Rs. 20 crores divided into 1,50,00,000 Equity Shares of Rs. 10/- each and 50,00,000 Preference Shares of Rs. 10/- each.

In order to pursue the various opportunities to raise the funds, the Company may have to increase capital through one or more methods as may be permitted under the regulatory framework. For this purpose, it is considered desirable to increase the Authorised Share Capital from the present level of Rs. 20 crores to Rs. 30 crores by creation of further 1,00,00,000 equity shares of Rs. 10/- each. Consequent to the increase in Authorised Share Capital, Clause V of the Memorandum of Association of the company will require suitable alteration.

The proposal requires the approval of the members in General Meeting, in accordance with the provisions of Section 13, read with Section 61 and other relevant provisions of the Companies Act, 2013. Accordingly, an Ordinary Resolution is submitted for your consent and the Board recommends that the resolution be passed.

None of the Directors & Key Managerial Personnel of the Company and their relatives is interested in the resolution.

ITEM NO: [4]

The Special Resolution contained in Item No. [4] of the Extraordinary General Meeting Notice, has been proposed pursuant to the provisions of Section 23, 42, 62(1)(c) and other applicable provisions, if any, of the Companies Act, 2013, read with the relevant rules framed thereunder and in accordance with the applicable guidelines, rules and regulations of the Securities and Exchange Board of India ("**SEBI**"), to issue and allot up to 95,00,000 Warrants on preferential basis to Promoter and Non Promoter Group Category.

The said proposal has been considered and approved by the Board in their meeting held on October 28, 2021

Accordingly, the approval of the members of the Company is being sought, by way of a special resolution, to create, offer, issue and allot, Equity Shares, by way of preferential allotment to the Proposed Allottee(s). The relevant details / disclosures of the proposed issue are given below:

Disclosures prescribed under Rule 13 of the Companies (Share Capital and Debentures) Rules, 2014, Rule 14 of Companies (Prospectus and Allotment of Securities) Rules, 2014 and Regulation 163 of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as may be applicable, in respect of the Resolution proposed at Item No. 4 are as follows:

i. Object(s) of the proposed issue of equity shares:

The proceeds of the issue will be utilized for Working capital requirement of the Company.

ii. Relevant Date with reference to which the price has been arrived at:

In terms of the provisions of Chapter V of the SEBI (ICDR) Regulations, the relevant date for determining the floor price for the Preferential Issue of the Warrants is Thursday, 28th October, 2021, i.e., 30 days prior to the date on which the meeting of shareholders is to be held.

iii. Pricing of Preferential Issue:

The subscription price i.e. Rs. 21/- (Rupees Twenty One Only), Warrant Exercise Price, has been determined taking into account the minimum price specified in the SEBI (ICDR) Regulations and taking into account the valuation report dated October 28, 2021 issued by a registered valuer ("Valuation Report")

iv. Basis on which the Minimum price has been arrived at and justification for the price (including premium, if any)

The Company is listed on BSE Limited and the equity shares of the Company are infrequently traded in accordance with Regulation 165 of the SEBI ICDR Regulations. Hence, in accordance with Regulation 165 of the SEBI ICDR Regulations a valuation report has been obtained from an independent registered valuer.

The Warrant Exercise Price is not lower than the floor price determined in accordance with the applicable provisions of the SEBI (ICDR) Regulations.

The Warrant Exercise Price and the number of Equity Shares to be allotted on conversion of the Warrants shall be subject to appropriate adjustments, as permitted under applicable rules, regulations and laws as applicable from time to time.

v. Type and Number of Securities to be issued, Basis of Price and amount to be raised:

The resolutions set out in the accompanying notice authorize the Board to issue to the Promoter/ Non-Promoter Category, up to 95,00,000 (Ninety Five Lakhs) Warrants at the Warrant Exercise Price of Rs.21.00/- (Rupees Twenty One Only) each on preferential basis aggregating up to Rs. 19,95,00,000/- (Rupees Nineteen Crores Ninety Five Lakhs Only).

vi. The class or class of persons to whom the allotment is proposed to be made

The allotment is proposed individuals and body corporates forming part of the Promoter/ Non-Promoter Group Category.

vii. Proposal / Intent of the promoters, directors or key management personnel of the Company to subscribe to the offer:

The Warrants shall be issued to the allottees of the Promoter/ Non-promoter group as mentioned in the above list. The proposed allottees has expressed its intention to participate in the preferential issue of Warrants.

None of the Directors or Key Managerial Personnel of the Company intends to subscribe to any of the shares/share warrants proposed to be issued under the Preferential Issue or otherwise contribute to the Preferential Issue or separately in furtherance of the objects specified herein above except Mr. Jaijash Tatia / Ms. Henna Jain as per item no.4.

viii. Proposed Time frame within which the preferential issue shall be completed

The Warrants, shall be allotted within a period of 15 (Fifteen) days from the date of approval of the members to the preferential issue, provided that where the said allotment is pending on account of pendency of any approval for such allotment by any regulatory authority, the allotment shall be completed within a period of 15 (Fifteen) days from the date of such approval.

ix. Change in control or composition of the Board

Subsequent to the proposed issue of Shares Warrants on Preferential Basis, there will neither be a change in control nor a change in the management of the Company. However, there will be a corresponding change in the shareholding pattern as well as voting rights consequent to the preferential allotment of equity shares.

x. Lock-in:

The Shares Warrants to be allotted to the Proposed Allottees, including the pre-preferential allotment shareholding of the Proposed Allottee will be subject to applicable lock-in and transfer restrictions stipulated under Regulations 167 of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as may be applicable.

xi. Auditors Certificate

A copy of the certificate from the Company's Statutory Auditors, certifying that the issue is being made in accordance with the requirements of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as may be applicable- be placed before the shareholders and also made available for inspection at the registered office of the Company.

xii. Number of persons to whom allotment on preferential basis has already been made during the year, in terms of number of securities as well as price

During the period from April 01, 2021 till the date of the Extra Ordinary General Meeting Notice, the Company has made preferential allotment of equity shares and compulsorily convertible preference shares as mentioned in Resolution 1 and 2

xiii. Valuation for consideration other than cash, if any and the justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer.

The Company is issuing Warrants to Proposed Allottee(s) in Cash, Therefore, requirement of issue of valuation report of the registered valuer for consideration other than cash is not applicable.

The proposed preferential issue for consideration in cash will be subject to conditions including receipt of shareholder's approval, compliance with the provisions of Chapter V of

Securities Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("SEBI ICDR Regulations"), as amended from time to time, Listing Regulations, Memorandum and Articles of your Company and other applicable rules, Regulations of SEBI and other appropriate authorities.

xiv. **Shareholding pattern of the Company before and after the Preferential Allotment:**

The table mentioned below shows the expected diluted shareholding pattern of the Company consequent to issue/ Conversion of Share warrants to Equity Shares as per resolution at Item No. 4 to this notice.

Sr. No.	Category & Name of the Members	Pre-preferential allotment		Post-preferential allotment **	
		Shareholding pattern		Shareholding pattern	
		No. of shares held as on record date	% Share holding	No. of shares	% of holding
A	Promoter and Promoter Group				
1.	Indian				
a)	Individuals/Hindu undivided Family	20,53,469	19.11	83,63,469	41.31
b)	Bodies Corporate	32,12,700	29.90	29,02,700	14.34
2	Foreign Promoter	-	-	-	-
	Sub-Total (A)	52,66,169	49.01	1,12,66,169	55.65
B	Public Shareholding				
1	Institutional Investors	-	-	-	
2	Non-Institutional				
a)	Private Corporate Bodies	19,33,352		19,33,352	
b)	Directors & Relatives	-		-	
c)	Indian Public	30,21,461		59,21,461	
d)	Other (Including NRIs) (vii) Clearing Members (viii) Hindu undivided Families (ix)NRI-Repat-	5,25,018		11,25,018	
3	Any other	-		-	
	Sub-Total (B)	54,79,831		89,79,831	
	Grand Total (A) + (B)	1,04,46,000	100	2,02,46,000	100

*Pre issue shareholding pattern has been prepared based on shareholding of the Company as on 30th September, 2021 and after giving effect to the allotment of 375,000 equity shares and 620,000 CCPS convertible into 310,000 equity shares of Rs. 10/- each at a premium of Rs. 10/- per share.

** Assuming full conversion of the Warrants

***Assuming the post issue holding of all the other shareholders will remain the same, as it was on the date, on which the Pre-issue shareholding pattern was prepared.

xv. **Particulars of Proposed Allottee(s) and the percentage of the post preferential issue shareholding that may be held by them:**

SR NO	NAME AND DETAILS OF PROPOSED ALLOTTEES	CATEGORY (PROMOTER / NON PROMOTER)	PROPOSED NO OF WARRANTS IN THE COMPANY TO BE ALLOTTED	PRE-ISSUE SHAREHOLDING		POST-ISSUE SHAREHOLDING**	
				No of Shares	%	No of Shares	%
1.	NAME: Mr. Jaijash Tatia PAN NUMBER: AIIPJ2173R ADDRESS: 9, Jai Villa, Sunrise Avenue, Still Water Court, Kapaleeswar Nagar Neelangarai, Tamil Nadu 600041	Promoter	30,00,000	9,98,300*	9.57	39,98,300	19.75
2	NAME: Ms. Henna Jain PAN: ACMPH0589B ADDRESS: : 9, Jai Villa, Sunrise Avenue, Still Water Court, Kapaleeswar Nagar Neelangarai, Tamil Nadu 600041	Promoter	30,00,000	-	-	30,00,000	14.82
3	NAME: Mr.Salil Bansal	Non-Promoter	10,00,000	-	-	10,00,000	4.94

	PAN: AFAPB7750B ADDRESS: 1A/15,14 th Avenue, Harrington Road, Chetpet, Chennai , 600 031						
4	NAME: Mr.Ramesh Nahar PAN: AAAPN8010D ADDRESS: 111, Old No.51, G N Chetty Road, T.Nagar, Chennai, 600017	Non- Promoter	150,000	-	-	150,000	0.74
5	NAME: M/s B.Rameshchan d Nahar and Sons HUF PAN: AAAHB0105P ADDRESS: 111,Old No.51, G N Chetty Road, T.Nagar, Chennai, 600017	Non- Promoter	400,000	-	-	400,000	1.98
6	NAME: M/s Bhawralal Rameshchand Sons HUF PAN: AAAHB0425J ADDRESS: 111,Old No.51, G N Chetty Road, T.Nagar, Chennai, 600017	Non- Promoter	200,000	-	-	200,000	0.99

7	NAME: Mrs. Nirmala Nahar PAN: AAAPN8011C ADDRESS: 111,Old No.51, G N Chetty Road, T.Nagar, Chennai, 600017	Non-Promoter	250,000	-	-	250,000	1.23
8	NAME: Mrs. Sapna Parekh PAN: ACGPS4735C ADDRESS: T- 13 4 th Main road Anna Nagar, Chennai, 600040	Non-Promoter	5,00,000	318,980	3.17	818,980	4.05
9	NAME: Mr. Kulin Shantibhai Vora PAN: ACUPV3226B ADDRESS: Room No.11,12, Bldg No.6, Swami Leela Shah Chs, Ghatkopar(W), Mumbai – 400 086	Non-Promoter	350,000	-	-	350,000	1.73
10	NAME: Mr.Rocky Rasiklal Vora PAN: AFMPV0684E ADDRESS: 303, Kailash Palace, Upashraya lane, Hingwala lane, Ghatkopar (W),	Non-Promoter	350,000	-	-	350,000	1.73

	Mumbai – 400077						
11	NAME: Mr. Bhogilal Mavji Vora PAN: ABXPV0678F ADDRESS: A-606, Ajinath Bldg, Neelkanth Enclave, Opp. Shreyas Cinema, Ghatkopar (W), Mumbai - 400086	Non-Promoter	300,000	-	-	300,000	1.48
TOTAL			950000				

**After considering allotment of 375,000 equity shares of Rs. 10/- each fully paid-up and 620,000 CCPs convertible into 310,000 equity shares of Rs. 10/- each fully paid-up*

*** Assuming full conversion of Warrants*

xvi. Material Terms of the Issue

The Company will make an application to the Stock Exchange for listing of the allotment of shares. Such allotment of shares, once allotted, shall rank pari passu with the existing Equity Shares of the Company in all respect, including dividend and voting rights

xvii. Undertakings:

The Issuer Company undertakes that they shall re-compute the price of the Equity Shares issued in terms of the SEBI (ICDR) Regulations, 2018, where it is required to do so.

The Issuer Company undertakes that if the amount payable on account of the re-computation of price is not paid within the time stipulated in terms of the provision of SEBI (ICDR) Regulations, 2018, the equity shares shall continue to be locked-in till the time such amount is paid by the allottees.

xviii. Further Disclosures

None of the Company, its Directors or Promoter have been declared as wilful defaulter as defined under the SEBI (ICDR) Regulations.

None of its Directors or Promoter is a fugitive economic offender as defined under the SEBI (ICDR) Regulations.

The proposed allottees has not sold or transferred any Equity Shares of the Company during the (6) six months preceding the Relevant Date.

The issue of Equity Shares/Share warrants shall be made in accordance with the provisions of the Memorandum and Articles of Association of the Company and shall be made in a dematerialized format only.

None of the Directors and/or Key Managerial Personnel of the Company and/or their respective relatives are in any way, concerned or interested in the aforesaid special resolution, save and except to the extent of their directorship/ shareholding, if any.

The Board of Directors of the Company recommends passing of the resolutions as set out at Item No 4 as a special resolution.

By Order of the Board of Directors

For KREON FINANCIAL SERVICES LIMITED

**Sd/-
Vidyalakshmi R
Company Secretary & Compliance Officer**

**Date: 03.11.2021
Place: Chennai**

NOTES

- 1) In view of situation arising due to COVID – 19 global pandemic Extra Ordinary General Meeting of the Members of the Company will be held through Video Conference (VC)/ Other Audio Visual Means (OAVM) as per the guidelines issued under Ministry of Corporate Affairs (MCA) vide circular dated April 8, 2020, April 13, 2020 and June 23, 2021 and SEBI circular dated May 12, 2020 and Jan 15, 2021, the Notice of the Extra Ordinary General Meeting has been sent on 3rd November 2021 only through electronic mode to all the members whose e-mail IDs are registered with the Company/ Depository Participant(s) as on 29th October 2021 and the same shall be available on the website of the Company www.kreon.in as well as on the website of Bombay Stock Exchange at www.bseindia.com.
- 2) Bodies Corporate whether Company or not, which are Members may attend through their authorized representatives appointed under Section 113 of the Companies Act, 2013. A copy of authority letter/resolution authorizing the same should be deposited with the Company/ RTA/ Scrutinizer atleast 7 days before the EGM.
- 3) If you have any queries or issues regarding attending EGM through the link, you may contact Mr.Manish Shah on 9324659811 or write an email to support@purvashare.com
- 4) An Explanatory Statement required under Section 102(1) of the Companies Act, 2013 in respect of the Special Business is annexed herewith and forms part of the Notice.
- 5) The Members can join the EGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the EGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the EGM without restriction on account of first come first served basis.
- 6) The attendance of the Members attending the EGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
- 7) Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this EGM.
- 8) Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), and aforesaid MCA Circulars the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the EGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of EGM will be provided by CDSL.
- 9) The Register of Members of the Company and Share Transfer Books will remain closed from 20th November, 2021 to 27th November, 2021 (both days inclusive) for the purpose of the Extra Ordinary General Meeting.

- 10) Members holding shares as on the cut-off date of 20th November, 2021 may cast their vote electronically.
- 11) Members are informed that:-
- a) Voting through electronic mode shall commence on 24th November, 2021 at 09.00 A.M. and ends on 26th November, 2021 at 05.00 P.M.
 - b) Voting through electronic mode shall not be allowed beyond 05.00 P.M on 26th November, 2021.
 - c) Any person who acquires the shares of the Company and become a Member of the Company after the dispatch of Notice of EGM and holding shares as on the cut-off date i.e 20th November, 2021 may obtain the login ID and Password by following the procedures as mentioned in the Notice for the EGM or by sending a request email to helpdesk.evoting@cdslindia.com or info@kreon.in . However, if a person is already registered with M/s. Central Depository Services Limited (CDSL) for e-voting then existing user id and password can be used for casting vote.
 - d) Members holding shares in physical form who have not registered their email addresses with the Company / Depositories may obtain the EGM Notice, login ID and Password for E-Voting by providing the below necessary details:
 - i) For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to by email to RTA at support@purvashare.com with a copy to company mail id info@kreon.in.
 - ii) For Demat shareholders, please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to by email to RTA at support@purvashare.com with a copy to company mail id info@kreon.in.
 - iii) The Company/RTA shall co-ordinate with CDSL and provide the login credentials to the above mentioned shareholders.
 - e) However, if a person is already registered with M/s. Central Depository Services Limited for e-voting then existing user id and password can be used for casting vote.
 - f) The Members who have cast their votes through remote e-voting prior to the EGM may also attend/participate in the EGM through VC/OAVM but shall not be entitled to cast their votes again.
 - g) Those Members, who shall be present in the EGM through VC/OAVM facility and had not cast their votes on the Resolutions through remote e-voting and otherwise not barred from doing so, shall be eligible to vote through remote e-voting during the EGM.
 - h) In case of any queries members may refer the instructions on e-voting contained in the Notice or refer the Frequently Asked Questions (FAQs) and e-voting manual available at www.evotingindia.com. To get further clarifications relating to e-voting process the Members may contact helpdesk.evoting@cdslindia.com or call 1800225533.
 - i) The Company has appointed M/s. Lakshmi Subramanian & Associates, Practicing Company Secretary, Chennai to act as the scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.
 - j) If a Member casts votes by both modes, then voting done through e-voting shall prevail and e-voting during the EGM shall be treated as invalid.
 - k) The results of e-voting will be announced by the Company on its website www.kreon.in and also to Stock Exchange at www.bseindia.com.

12. Updating of Members' Details

To support the "**Green Initiative**", Members who have not registered their email addresses are requested to register the same with the Company's Registrar and Share Transfer Agent/their Depository Participants, in respect of shares held in physical/electronic mode, respectively. Our Registrar and Share Transfer Agents, M/s. PurvaShareregistry (India) Pvt. Ltd., has provided the facility of easy updation of Email id and phone numbers. We urge the shareholders to update the same by clicking the following link <https://www.purvashare.com/email-and-phone-updation/> to ensure any further communications in a timely, faster and easier manner. The shareholders are requested to co-operate and support and do the needful at the earliest. Members holding shares in physical/demat form are requested to submit these additional details to RTA in the prescribed form.

13. Members are requested to

- a) intimate to our RTA M/s. PurvaShareregistry (India) Pvt. Ltd., Unit No. 9, Shiv Shakti Industrial Estate, J.R.Boricha Marg, Near LodhaExcelus, Lower Parel, Mumbai-400011, changes, if any, in their registered addresses, at an early date, in case of Shares held in physical form;
- b) Intimate to the respective Depository Participant, changes, if any, in their registered addresses, mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s) at an early date, in case of Shares held in dematerialized form;
- c) Quote their folio numbers/Client ID/DP ID in all correspondence; and
- d) Consolidate their holdings into one folio in case they hold Shares under multiple folios in the identical order of names.

14. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14/2020 dated April 08, 2020, physical attendance of the Members to the EGM/AGM venue is not required and kindly note that company is exempted from sending physical copies of notice to shareholders for this year.

GENERAL INSTRUCTIONS

15. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat account(s). Members holding shares in physical form can submit their PAN details to the Company or to the Company's Registrar and Share Transfer Agent.

16. M/s. Purva Shareregistry (India) Pvt. Ltd., Unit No. 9, Shiv Shakti Industrial Estate, J.R.Boricha Marg, Near Lodha Excelus, Lower Parel, Mumbai-400011 is the Company's Registrar and Share Transfer Agent (RTA) for physical transfer of shares and all correspondence may be addressed directly to them. In respect of shares held in dematerialized form, Members may send requests or correspond through their respective Depository Participants.

17. Members are requested to register / update their email ID's and addresses in respect of shares held in dematerialized form with their respective Depository Participants and in respect of shares held in physical form with the Company's Registrar and Share Transfer

Agent (RTA). Members holding shares in physical form, in their own interest, are requested to dematerialize their shares to avail the benefits of electronic trading/holding and to facilitate share transfer.

18. Members who have multiple folios in identical names in the same order are requested to send all the Share Certificates either to the Company addressed to the Registered Office or to the Company's Registrar and Share Transfer Agent for consolidation of such folios into one to facilitate better services.

By Order of the Board
KREON FINANCIAL SERVICES LIMITED
Sd/-
VIDYALAKSHMI R
Company Secretary

Place: Chennai
Date: 03.11.2021