

# Notice of Annual General Meeting

NOTICE is hereby given that the 31st Annual General Meeting of the Members of the Company will be held on Monday, the 28th day of September, 2020, at 12.30 PM IST through Video Conferencing / Other Audio Visual Means ("VC/OAVM") to transact the following business

## ORDINARY BUSINESS:

1. To receive, consider and adopt:
  - (a) the Audited Financial Statements of the Company for the financial year ended March 31, 2020, together with the Reports of the Board of Directors and Auditors thereon; and
  - (b) the Audited Consolidated Financial statements of the Company for the financial year ended March 31, 2020, together with the Report of the Auditors thereon.
2. To appoint a Director in place of Ms. G. Santhi Priya (DIN 03114319) who retires by rotation, and being eligible, offers herself for re-appointment.

Explanation: Based on the terms of appointment, office of executive directors and the non-executive & non independent chairman are subject to retirement by rotation. Ms. G.Santhi Priya, who was appointed initially on 21<sup>st</sup> July, 2010, whose office is liable to retire at the ensuing AGM, being eligible, seeks re-appointment. Based on performance evaluation and the recommendation of the nomination and remuneration committee, the Board recommends her re-appointment.

The members are requested to consider and if thought fit, to pass the following resolution as an ordinary resolution:

RESOLVED THAT, pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Ms. G. Santhi Priya (DIN 03114319), who retires by rotation, be and is hereby re-appointed as a director liable to retire by rotation.

## SPECIAL BUSINESS:

### Item# 3.Appointment of Mr. Sunder Kanaparthi (DIN: 00914869) as an Independent Director

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

"RESOLVED THAT pursuant to the provisions of Sections

149, 150, and 152 any other applicable provisions, if any, of the Companies Act, 2013 ("Act") and the Rules framed there under (including any statutory modification(s) or reenactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Sunder Kanaparthi (DIN: 00914869) who was appointed as an Additional Director of the company with effect from 26<sup>th</sup> June, 2020 under section 161 of the Companies Act, 2013, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company to hold office for five (5) consecutive years commencing from 26<sup>th</sup> June, 2020, not liable to retire by rotation."

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to delegate all or any of the powers to any committee of directors with power to further delegate to any other officer(s) / authorized representative(s) of the Company to do all acts, deeds and things and take all such steps as may be necessary, proper or expedient to give effect to this resolution.

### Item# 4. Issue of Convertible Equity Warrants on Preferential basis to Promoters and Promoter Group

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

"RESOLVED THAT pursuant to the provisions of Sections 62(1) (c), read with Section 42, and other applicable provisions, if any, of the Companies Act, 2013, and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) ("Act"), and in accordance with the enabling provisions of the Memorandum and Articles of Association of the Company, the listing agreements entered into by the Company with the stock exchanges, where the shares of the Company are listed, the rules and regulations issued by the Securities and Exchange Board of India ("SEBI"), including the provisions of Chapter V – "Preferential Issue" and other applicable provisions, if any, of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the "ICDR Regulations"), the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations") and any other policies, rules, regulations, guidelines, notifications and circulars, if any, issued by the Government of India or any other competent authority, from time to time, to the extent applicable and subject to the permission(s), consent(s), sanction(s) and approval(s), if any, by any authority, as may be necessary,

and subject to such conditions and modifications as might be prescribed while granting such approval(s), consent(s), permission(s) and sanction(s), and which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the "Board", which term shall be deemed to include any committee(s) constituted/to be constituted by the Board to exercise its powers including the powers conferred by this Resolution) and subject to any other alterations, modifications, conditions, corrections, changes and variations that may be decided by the Board in its absolute discretion, the consent of the Company be and is hereby accorded to the Board to create, issue, offer, and allot, from time to time in one or more tranches, 30,00,000 (Thirty Lakhs only) Convertible Equity Warrants ("Warrants") on a preferential basis to Promoters and Promoter group as mentioned below ("Warrant Holder"), with a right to Warrant Holder to apply for and get allotted one equity share of face value of ₹10/- (Rupees Ten Only) each (the "Equity Shares"), ranking in all respects pari-passu with the existing equity shares of the Company, for each Warrant, within a period of 18 (Eighteen) months from the date of allotment of Warrants, at a price of ₹40/- (Rupees Forty Only) arrived in accordance with the part IV of chapter V of the SEBI (ICDR) Regulations, 2018 to the below mentioned allottees hereinafter referred to as "Proposed Allottees":

Sl. No.	Name of the Proposed Allottee	Number of Convertible equity warrants applied
1	Ms. Madhavi Latha Kompella	5,00,000
2	Ms. Lopa Mudra Kompella D/o Viswanath Kompella	4,00,000
3	Master. Ramakrishna Paramahansa Kompella S/o Viswanath Kompella	4,00,000
4	Ms. Modini Kompella D/o Viswanath Kompella	4,00,000
5	M/s. P.K.I. Solutions Private Limited	13,00,000
<b>TOTAL</b>		<b>30,00,000</b>

RESOLVED FURTHER THAT the relevant date, as per Regulation 161(a) or 161(b) of the SEBI ICDR Regulations, 2018 for the determination of issue price of the Warrants to be allotted pursuant to the preferential issue is fixed as 29th August, 2020 i.e. 30 days prior to the date of passing of special resolution to approve the proposed preferential issue in terms of Section 62(1) (c) of the Act.

RESOLVED FURTHER THAT the equity shares to be allotted upon exercise of Warrants 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, subject to the relevant provisions contained in the Articles of Association of the Company.

RESOLVED FURTHER THAT the Board be and is hereby

authorized to determine, vary, modify, alter any of the terms and conditions of the proposed issue of Warrants including reduction of the size of the issue, as it may deem expedient, in its discretion.

RESOLVED FURTHER THAT the said Warrants shall be issued and allotted by the Company within a period of 15 (Fifteen) days from the date of passing of this resolution, provided that where the allotment of the said Warrants is pending on account of pendency of any approval for such allotment by any regulatory authority or the Central Government, the allotment shall be completed within a period of 15 (Fifteen) days from the date of receipt of last of such approvals, in accordance with provisions of ICDR Regulations .

RESOLVED FURTHER THAT without prejudice to the generality of the above, the issue of Warrants shall be subject to following terms:

- i. The proposed allottees of Warrants shall, on the date of allotment of Warrants, pay an amount equivalent to at least 25% [Twenty-five percentage only] of the exercise price determined in compliance with the provisions of the SEBI (ICDR) Regulations, 2018;
- ii. The balance 75% [Seventy-five percentage only] of the exercise price shall be payable on or before the conversion of said Warrants into Equity Shares, within a maximum permissible period of 18 months from the allotment thereof;
- iii. The proposed allottees of Warrants will be entitled to apply for and obtain allotment of one equity share of face value of ₹10/- (Rupees Ten only) each of the Company against each Warrant at any time after the date of allotment but on or before the expiry of 18 (Eighteen) months from the date of allotment ("Tenor") thereof, in one or more tranches;
- iv. In the event the Warrant Holder does not exercise the Warrants within 18 (Eighteen) months from the date of allotment of the Warrants, the Warrants shall lapse and the amount paid on such Warrants shall stand forfeited by the Company;
- v. The Warrant Holder shall be entitled to exercise the option of exercising any or all of the Warrants in one or more tranches by way of a written notice to the Company, specifying the number of Warrants proposed to be exercised along with the aggregate amount thereon, without any further approval from the shareholders of the Company prior to or at the time of conversion. The Company shall accordingly, issue and allot the corresponding number of Equity Shares to the Warrant holder;
- vi. The Company make an application for Listing, within 20 days from date of allotment of Equity Shares, upon conversion of warrants, to the stock Exchanges where shares of the Company are listed in accordance with SEBI (LODR) Regulations, 2015;
- vii. The Equity Shares to be so allotted on exercise of the

Warrants shall be in dematerialized form and shall be subject to the provisions of the Memorandum of Association and Articles of Association of the Company and shall rank pari-passu in all respects including dividend, with the existing fully paid Equity Shares of the Company;

- viii. Upon exercise of the Warrants by the Warrant Holder, the Company shall issue and allot appropriate number of Equity Shares and perform such actions as are required to credit the Equity Shares to the depository account of Warrant Holder and entering the name of Warrant Holder in the records of the Company as the registered owner of such Equity Shares;
- ix. The issue of the Warrants as well as Equity Shares arising from the exercise of the Warrants shall be governed by the regulations and guidelines issued by SEBI or any other statutory authority as the case may be or any modifications thereof;
- x. Subject to the provisions of Regulation 168 of Chapter V of the SEBI (ICDR) Regulations, 2018, the Warrants and equity shares allotted on exercise of such Warrants will be transferable within the Promoters and persons forming part of Promoter Group;
- xi. In the event that the Company completes any form of capital restructuring prior to the conversion of the Warrants, then, the number of Equity Shares that each Warrant converts into and the price payable for such Equity Shares, shall be adjusted accordingly in a manner that, to the extent permitted by applicable laws, Warrant holder: (a) receives such number of Equity Shares that Warrant holder would have been entitled to receive; and (b) pays such consideration for such Equity Shares to the Company which Warrant holder would have been required to pay, had the Warrants been exercised immediately prior to the completion of such capital restructuring;
- xii. The Company shall re-compute the price of the Warrants/ Equity Shares issued on conversion of Warrants in terms of the provisions of 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 ICDR Regulations;
- xiii. The Warrants and the Equity Shares allotted pursuant to exercise of such Warrants shall be subject to a lock-in for such period as specified under Chapter V of ICDR Regulations, 2018 relating to preferential issues;
- xiv. The Warrants by itself, until exercise of conversion option and Equity Shares allotted, does not give to the Warrant holder thereof any rights with respect to that of a shareholder(s) of the Company; and
- xv. Until the Warrants are transferred, the Company shall treat Warrant Holder as the absolute owner for all purposes without being affected by any notice to the contrary.
- xvi. Warrants so allotted under this resolution shall not be sold, transferred, hypothecated or encumbered in any

manner during the period of lock-in as provided under SEBI (ICDR) Regulations except to the extent and in the manner permitted there under.

**RESOLVED FURTHER THAT** the Board / Board Committee be and is hereby authorized to issue and allot such number of Equity Shares of the Company as may be required to be issued and allotted upon exercise of the option in the Warrants held by the holder(s) of the Warrants.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to delegate all or any of the powers herein conferred to any Committee of the Board or any Director(s) or Officer(s) of the Company and to generally do all such acts, deeds and things as may be required in connection with the aforesaid resolution, including issue of offer letter, making necessary filings with the stock exchanges and regulatory authorities and execution of any documents on behalf of the Company and to represent the Company before any governmental authorities and to appoint any merchant bankers or other professional advisors, consultants and legal advisors to give effect to the aforesaid resolution.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board be and is hereby authorized to do all such acts, deeds, matters and things as they may in its absolute discretion deem necessary, desirable and expedient for such purpose, including without limitation, effecting any modifications or changes to the foregoing (including modification to the terms of the issue), entering into contracts, arrangements, agreements, documents without being required to seek any fresh approval of the shareholders of the Company to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution and to settle all questions, difficulties or doubts that may arise in regard to the offer, issue and allotment of the Warrants and Equity Shares and utilisation of proceeds of the Warrants and Equity Shares issued upon exercise of such Warrants, take all other steps which may be incidental, consequential, relevant or ancillary to give effect to the aforesaid resolution.

**RESOLVED FURTHER THAT** the Directors and the Company Secretary be and are hereby severally authorized to do all such other acts, deeds and things and sign and execute and file such papers and documents as may be necessary to give effect to this resolution and for matter connected therewith or incidental thereto

**Item#5. Issue of Equity Shares on Preferential basis to Promoters and Promoter Group**

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

**“RESOLVED THAT** pursuant to the provisions of Sections 62(1) (c), read with Section 42, and other applicable provisions, if any, of the Companies Act, 2013, and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) (“Act”), and in accordance

with the enabling provisions of the Memorandum and Articles of Association of the Company, the listing agreements entered into by the Company with the stock exchanges, where the shares of the Company are listed, the rules and regulations issued by the Securities and Exchange Board of India ("SEBI"), including the provisions of Chapter V – "Preferential Issue" and other applicable provisions, if any, of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the "ICDR Regulations"), the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations") and any other policies, rules, regulations, guidelines, notifications and circulars, if any, issued by the Government of India or any other competent authority, from time to time, to the extent applicable and subject to the permission(s), consent(s), sanction(s) and approval(s), if any, by any authority, as may be necessary, and subject to such conditions and modifications as might be prescribed while granting such approval(s), consent(s), permission(s) and sanction(s), and which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the "Board", which term shall be deemed to include any committee(s) constituted/to be constituted by the Board to exercise its powers including the powers conferred by this Resolution) and subject to any other alterations, modifications, conditions, corrections, changes and variations that may be decided by the Board in its absolute discretion, the consent of the Company be and is hereby accorded to the Board to create, issue, offer, and allot, 15,00,000 (Fifteen Lakhs only) Equity Shares on a preferential basis to Promoters and Promoter group as mentioned below equity share of face value of ₹10/- (Rupees Ten Only) each (the "Equity Shares"), ranking in all respects pari-passu with the existing equity shares of the Company, at a price of ₹40/- (Rupees Forty Only) arrived in accordance with the part IV of chapter V of the SEBI (ICDR) Regulations, 2018 to the below mentioned Proposed allottees hereinafter referred to as "Proposed Allottees":

**DETAILS OF PROPOSED ALLOTEES:**

Sl. No.	Name of the Proposed Allottee	Number of equity Shares applied
1	Ms. Madhavi Latha Kompella	2,00,000
2	Ms. Lopa Mudra Kompella D/O Viswanath Kompella	2,00,000
3	Master. Ramakrishna Paramahansa Kompella S/o Viswanath Kompella	2,00,000
4	Ms. Modini Kompella D/o Viswanath Kompella	2,00,000
5	M/s. P.K.I. Solutions Private Limited	7,00,000
<b>TOTAL</b>		<b>15,00,000</b>

**RESOLVED FURTHER THAT** the relevant date, as per Regulation 161(a) or 161(b) of the SEBI ICDR Regulations,

2018 for the determination of issue price of the Equity shares to be allotted pursuant to the preferential issue is fixed as 29th August, 2020 i.e. 30 days prior to the date of passing of special resolution to approve the proposed preferential issue in terms of Section 62(1) (c) of the Act.

**RESOLVED FURTHER THAT** the equity shares to be allotted 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, subject to the relevant provisions contained in the Articles of Association of the Company.

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

**RESOLVED FURTHER THAT** the said Equity Shares shall be issued and allotted by the Company within a period of 15 (Fifteen) days from the date of passing of this resolution, provided that where the allotment of the said Equity shares is pending on account of pendency of any approval for such allotment by any regulatory authority or the Central Government, the allotment shall be completed within a period of 15 (Fifteen) days from the date of receipt of last of such approvals, in accordance with provisions of ICDR Regulations .

**RESOLVED FURTHER THAT** the Equity Shares to be issued and allotted shall be subject to lock-in as provided under the provisions of SEBI ICDR Regulations and the equity shares to be allotted 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, subject to the relevant provisions contained in the Articles of Association of the Company.

**RESOLVED FURTHER THAT** aforesaid issue of Equity Shares shall be subject to the following terms and conditions:

- The Proposed allottee shall be required to bring in 100% of the consideration on or before the date of allotment thereof
- The consideration for allotment of Equity Shares shall be paid to the company from the bank account of the proposed allottee.
- The Equity Shares so allotted to the proposed allottee under this resolution shall not be sold, transferred, hypothecated or encumbered in any manner during the period of Lock-in provided under SEBI ICDR Regulations except to the extent and in the manner permitted there under.
- Allotment shall only be made in dematerialized form.

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

its discretion

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to delegate all or any of the powers herein conferred to any Committee of the Board or any Director(s) or Officer(s) of the Company and to generally do all such acts, deeds and things as may be required in connection with the aforesaid resolution, including issue of offer letter, making necessary filings with the stock exchanges and regulatory authorities and execution of any documents on behalf of the Company and to represent the Company before any governmental authorities and to appoint any merchant bankers or other professional advisors, consultants and legal advisors to give effect to the aforesaid resolution.

**RESOLVED FURTHER THAT** the Directors and the Company Secretary be and are hereby severally authorized to do all such other acts, deeds and things and sign and execute and file such papers and documents as may be necessary to give

effect to this resolution and for matter connected therewith or incidental thereto.

By Order of the Board  
**For Virinchi Limited**

**K. Ravindranath Tagore**  
Company Secretary  
M.No.: A18894

Date: 20/08/2020

Place: Hyderabad

Registered Office:

**Virinchi Limited**

8-2-672/5&6, 4th Floor,

Road#1, Banjara Hills, Hyderabad-500034

Telangana

CIN: L72200TG1990PLC011104

Email: investors@virinchi.com

Website:www.virinchi.com

**Notes:**

1. Pursuant to the General Circular numbers 20/2020, 14/2020, 17/2020 issued by the Ministry of Corporate Affairs (MCA) and Circular number SEBI/HO/CFD/CMD1/CIR/P/2020/79 issued by the Securities and Exchange Board of India (SEBI) (hereinafter collectively referred to as "the Circulars"), companies are allowed to hold AGM through VC, without the physical presence of members at a common venue. Hence, in compliance with the Circulars, the AGM of the Company is being held through VC.
2. A member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his / her behalf and the proxy need not be a member of the Company. Since the AGM is being held in accordance with the Circulars through VC, the facility for appointment of proxies by the members will not be available.
3. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, and the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, will be available electronically for inspection by the members during the AGM. All documents referred to in the Notice will also be available for electronic inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM, i.e. September 28, 2020. Members seeking to inspect such documents can send an email to investors@virinchi.com.
4. The relevant details as required by Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI (LODR) Regulations, 2015) and Secretarial Standard on General Meetings (SS 2) issued by the Institute of Company Secretaries of India, of directors proposed for appointment and seeking re-appointment is annexed hereto.
5. The Register of Members / Register of Beneficiaries and Share Transfer books of the Company will remain closed from 22<sup>nd</sup> September, 2020 to 28<sup>th</sup> September 2020 (both days inclusive).
6. Members holding shares in physical form may write to the Company/Company's R&T agents for any change in their address and bank mandates. Members whose shareholding is in the electronic mode are requested to direct change of address notifications and updates of savings bank account details to their respective depository participants.
7. Members are requested to send all communication relating to shares to the Company's R&T Agents (Physical and Electronic) at the following address: M/s. Aarthi Consultants Private Ltd, Unit: Virinchi Ltd, 1-2-285, Domalguda, Hyderabad-500 029 Email- info@aarthiconsultants.com
8. Members are requested to note that dividends not encashed or claimed within 7 years from the date of transfer to the Company's Unpaid Dividend Account, be transferred to the IEPF. The company has transferred the unpaid dividend for the year 2004-05,2005-06, 2006-07,2009-10, 2010-11, 2011-12 to IEPF.
9. The Certificate from the Auditors of the Company under SEBI (Share Based Employee Benefit) Regulations, 2014 as amended, will be available for inspection by the shareholders.
10. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Shareholders holding shares in electronic format, therefore, are requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Shareholders holding shares in physical form may submit their PAN and other details to the company's R&T Agents in accordance with SEBI Circular SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated 20 April 2018.
11. Shareholders holding shares in physical form are requested to consider converting their holdings to dematerialized form to eliminate all risks associated with physical shares and for ease of portfolio management. Members can contact the R&T Agent of the company for assistance in this regard.
12. Pursuant to section 72 of the Act, shareholders are entitled to make a nomination in respect of shares held by them. Shareholders desirous of making a nomination, pursuant to the Rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014 are requested to send their requests in Form No. SH-13, to the R&T Agent of the company. Further, shareholders desirous of cancelling/ varying nomination pursuant to the rule 19(9) of the Companies (Share Capital and Debentures) Rules, 2014, are requested to send their requests in Form No. SH-14, to the R&T Agent of the company
13. In accordance with the MCA's "Green Initiative in Corporate Governance" allowing companies to share documents with its shareholders in the electronic mode and related amendments to the Listing Agreement with the Stock Exchanges, the company is sharing all documents with shareholders in the Electronic mode, wherever the same has been agreed by the shareholders. Shareholders are requested to support this green initiative by registering/ updating their e-mail
14. In compliance with Section 108 of the Act, read with the corresponding rules, and Regulation 44 of the SEBI (Listing

Obligations and Disclosure Requirements) Regulations, 2015 (“the Listing Regulations”), the Company has provided a facility to its members to exercise their votes electronically through the electronic voting (“e-voting”) facility provided by the Central Depository Services India Limited (CDSL). Members who have cast their votes by remote e-voting prior to the AGM may participate in the AGM but shall not be entitled to cast their votes again. The manner of voting remotely by members holding shares in dematerialized mode, physical mode and for members who have not registered their email addresses is provided in the instructions for e-voting section which forms part of this Notice. The Board has appointed Mr. G. Vinay Babu, Practicing Company Secretary, as the Scrutinizer to scrutinize the e-voting in a fair and transparent manner.

15. The facility for voting during the AGM will also be made available. Members present in the AGM through VC and who have not cast their vote on the resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through the e-voting system during the AGM.
16. Any person who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at helpdesk.evoting@cdslindia.com.. However, if he/she is already registered with CDSL for remote e-voting then he/she can use his / her existing user ID and password for casting the vote.
17. In compliance with the Circulars, the Annual Report 2019-20, the Notice of the 31st AGM, and instructions for e-voting are being sent only through electronic mode to those members whose email addresses are registered with the Company / depository participant(s).
18. The Scrutinizer will submit his report to the Chairman of the Company (‘the Chairman’) or to any other person authorized by the Chairman after the completion of the scrutiny of the e-voting (votes casted during the AGM and votes casted through remote e-voting), not later than 48 hours from the conclusion of the AGM. The result declared along with the Scrutinizer’s report shall be communicated to the stock exchanges, CDSL, and RTA and will also be displayed on the Company’s website, www.virinchi.com
19. Since the AGM will be held through VC in accordance with the Circulars, the route map, proxy form and attendance slip are not attached to this Notice.

#### **CDSL E-VOTING SYSTEM – FOR REMOTE E-VOTING AND E-VOTING DURING AGM**

1. 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 & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with M/s. Aarthi Consultants Private Ltd and 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 the AGM will be provided by CDSL.
2. The Members can join the AGM 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 AGM 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 AGM without restriction on account of first come first served basis.
3. The attendance of the Members attending the AGM/EGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
4. 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 AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.
5. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the 31st AGM has been uploaded on the website of the Company at www.virinchi.com . The Notice can also

be accessed from the websites of the Stock Exchanges i.e. BSE Limited at www.bseindia.com. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM/EGM) i.e. www.evotingindia.com.

### THE INTRUCTIONS FOR SHAREHOLDRES FOR REMOTE E-VOTING ARE AS UNDER:

- i) The e-voting period commences on Thursday September 24, 2020 (9:00 a.m. IST) and ends on Sunday, September 27, 2020 (5:00 p.m. IST). During this period, members holding shares either in physical or dematerialized form, as on cut-off date, i.e. as on September 21, 2020 may cast their votes electronically. The e-voting module will be disabled by CDSL for voting thereafter. A member will not be allowed to vote again on any resolution on which vote has already been cast. The voting rights of members shall be proportionate to their share of the paid-up equity share capital of the Company as on the cut-off date, i.e. as on September 21, 2020.
- ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- iii) The shareholders should log on to the e-voting website www.evotingindia.com.
- iv) Click on "Shareholders" module.
- v) 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. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- vi) Next enter the Image Verification as displayed and Click on Login.
- vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
- viii) If you are a first time user follow the steps given below:
  - ix) After entering these details appropriately, click on "SUBMIT" tab.
  - x) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders 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.
  - xi) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
  - xii) Click on the EVSN for the relevant <Virinchi Limited > on which you choose to vote.
  - xiii) 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.
  - xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
  - xv) 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.
  - xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
  - xvii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
  - xviii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and

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#### For Shareholders holding shares in Demat Form and Physical Form

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PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>▪ Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Postal Ballot / Attendance Slip indicated in the PAN field.</li> </ul>
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> <li>▪ If both 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 (v).</li> </ul>

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click on Forgot Password & enter the details as prompted by the system.

- xix) Shareholders can also cast their vote using CDSL's mobile app "m-Voting". The m-Voting app can be downloaded from respective Store. Please follow the instructions as prompted by the mobile app while Remote Voting on your mobile.

**PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:**

1. 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 info@aarthiconsultants.com .
2. 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 info@aarthiconsultants.com
3. The company/RTA shall co-ordinate with CDSL and provide the login credentials to the above mentioned shareholders.

**INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:**

1. Shareholder will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at <https://www.evotingindia.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.
2. Shareholders are encouraged to join the Meeting through Laptops / iPads for better experience.
3. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast

7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at investors@virinchi.com . The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at investors@virinchi.com . These queries will be replied to by the company suitably by email.

6. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

**INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING DURING THE AGM ARE AS UNDER:-**

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
2. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
3. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility , then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.
4. Shareholders who have voted through Remote e-Voting will be eligible to attend the EGM/AGM. However, they will not be eligible to vote at the AGM.

**NOTE FOR NON-INDIVIDUAL SHAREHOLDERS AND CUSTODIANS**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](https://www.evotingindia.com) and register themselves in the "Corporates" module.
- 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 linked in the login 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.



- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; investors@virinchi.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

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](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call 1800225533.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futorex, Mafatlal Mill Compounds, N M

Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call 1800225533.

By Order of the Board  
**For Virinchi Limited**

**K. Ravindranath Tagore**  
Company Secretary  
M.No.: A18894

Date: 20/08/2020

Place: Hyderabad

Registered Office:

**Virinchi Limited**

8-2-672/5&6, 4th Floor,

Road#1, Banjara Hills, Hyderabad-500034

Telangana

CIN: L72200TG1990PLC011104

Email: [investors@virinchi.com](mailto:investors@virinchi.com)

Website:[www.virinchi.com](http://www.virinchi.com)

**ANNEXURE TO THE NOTICE**  
**APPOINTMENT AND RE-APPOINTMENT OF DIRECTORS**  
**(Item No. 2 of the Notice of 31st Annual General Meeting of M/s. Virinchi Limited)**

**Brief Profile of Ms. G.Santhi Priya**

Name of the Director	G.Santhi Priya
Director Identification Number (DIN)	03114319
Date of Birth & Age	09/07/1974, 46 Years
Qualifications	B.com, ACA, AICWA, DISA
Expertise in Specific Functional Areas	She has more than 20 years of experience in the areas of Auditing, Corporate Finance and Taxation
Brief Resume	She is a qualified Chartered accountant and Cost Accountant possessing rich experience of over 20 years in fields of Audit, Corporate Finance, Restructuring, Direct and Indirect Taxes, Fund raising. She has previously worked as partner in various leading auditing firms prior to joining Virinchi Ltd.
Relationship between other Directors, Manager and Other KMP's of the Company.	She is not related to any Directors, Manager and Other Key Managerial Personnel of the company.
Nature of appointment (Appointment/ re-appointment)	Re-appointment
Terms and conditions of appointment / reappointment	Terms and conditions of appointment are as per the resolution at Item No. 2 of re-appointment in the Notice convening Annual General Meeting on 28th September, 2020.
Date of first appointment on the Board	21st July, 2010
Remuneration proposed to be paid/paid during the year	Rs.31,40,004
Number of Meeting of the Board attended during the financial year (2019-20).	6
Names of listed entities in which the person also holds the directorship in other Companies	NIL
Directorships held in other public Companies (Excluding Foreign companies and Section 8 Companies, Wholly owned subsidiaries)	NIL
Memberships/Chairmanships of Committees of other public Companies (Includes Only Audit Committee and Stakeholder's Relationship Committee)	NIL
Number of shares held in the company	50,000

**ANNEXURE TO THE NOTICE  
APPOINTMENT AND RE-APPOINTMENT OF DIRECTORS  
(Item No. 3 of the Notice of 31st Annual General Meeting of M/s. Virinchi Limited)**

**Brief Profile of Mr. Sunder Kanaparthi**

Name of the Director	Sunder Kanaparthi
Director Identification Number (DIN)	00914869
Date of Birth & Age	29/10/1964, 55 Years
Qualifications	B.Sc, LLB
Expertise in Specific Functional Areas	He has around 25 years of experience in corporate law practice and advisor to various corporate and government companies. He is a practicing advocate at High court of Telangana
Brief Resume	He has been practicing as advocate after his enrolment into the Bar council of High Court of Andhra Pradesh . Presently He is a practicing Advocate at High Court for the State of Telangana. He specialised his practice in Corporate Law, Civil and Criminal Law from Last 25 years.
Relationship between other Directors, Manager and Other KMP's of the Company.	He is not related to any Directors, Manager and Other Key Managerial Personnel of the company.
Nature of appointment (Appointment/ re-appointment)	Appointment
Terms and conditions of appointment / reappointment	Terms and conditions of appointment are as per the resolution at Item No. 3 of appointment in the Notice convening Annual General Meeting on 28th September, 2020.
Appointment at current designation/ Date of first appointment on the Board	26/06/2020
Remuneration proposed to be paid/paid during the year	Sitting Fees
Number of Meeting of the Board attended during the financial year (2019-20).	NOT APPLICABLE
Names of listed entities in which the person also holds the directorship in other Companies	Vivo Bio Tech Limited
Directorships held in other public Companies (Excluding Foreign companies and Section 8 Companies, Wholly owned Subsidiaries)	Vivo Bio Tech Limited
Memberships/Chairmanships of Committees of other public Companies (Includes Only Audit Committee and Stakeholder's Relationship Committee)	Chairman of Audit Committee and Stakeholders Relationship committee of Vivo Bio Tech Limited
Number of shares held in the company	Nil

## Explanatory Statement Under Section 102 of the Companies Act, 2013

### Item# 3

Mr. Sunder Kanaparthi, was appointed as an Additional Director of the Company with effect from 26th June, 2020 by the Board of Directors under Section 161, 149 (1) of the Act. Mr. Sunder Kanaparthi, being eligible and offers herself for appointment as Independent Director of the company. It is proposed to be appointed as Independent Directors for five (5) consecutive years commencing from 26th June, 2020, respectively. Except Mr. Sunder Kanaparthi, none of the Directors and Key Managerial Personnel of the Company and their respective relatives, in any way concerned or interested, financially or otherwise, in the resolution set out at Item No. 3 respectively of the Notice.

In the opinion of the Board, Mr. Sunder Kanaparthi fulfils the conditions specified in the Companies Act, 2013 and the Rules framed thereunder and Securities and Exchange Board of India (Listing obligations and Disclosure Requirements) Regulations, 2015 for appointment as an Independent Director and she is independent of the management.

Your Board recommends the resolution set out in Item No. 3 for approval of the members as Ordinary resolution.

### Item# 4

The Company wants to raise long term funds to finance growth plans of the Company, strengthen financial structure, enhancing liquidity, working capital resources and for general corporate purposes. Hence, the Board of Directors of the company in their meeting held on 20th August, 2020 has considered and approved the proposal to issue 30,00,000 (Thirty Lacs Only) Warrants having attached thereto the right to subscribe for equal number of Equity Shares of ₹10/- each at an issue/exercise price of ₹40/- determined in accordance with part IV of chapter V of the SEBI ICDR Regulations, 2018 in one or more tranches. The members are requested to note that as per Section 62(1)(c), 42 and other applicable provisions, if any, of the Companies Act, 2013 read with the relevant Rules made thereunder and Chapter V of the SEBI (ICDR) Regulations, 2018 as amended, prior approval of the shareholders by way of Special Resolution is required to issue convertible equity warrants to the Promoters and Promoter Group.

Salient features of the preferential issue of Warrants are under:

The proposed issue and allotment of Warrants, on a preferential basis, shall be governed by the applicable provisions of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("ICDR Regulations") and the Companies Act, 2013 read with rules made thereunder ("Act").

Without generality to the above, the salient features of the preferential issue of Warrants are as under:

- The "Relevant Date" as per the Regulation 161 of SEBI (ICDR) Regulations, 2018 for determining the minimum price for the preferential issue of Warrants is 29<sup>th</sup> August, 2020, which is 30 [thirty] days prior to the date of the shareholders' meeting to be held on 28<sup>th</sup> September, 2020
- 25% [Twenty-five percentage only] of the consideration for preferential issue of Warrants shall be received by the Company prior to the allotment of said warrants.
- The Warrants shall be exercised within a period of 18 (eighteen) months from the date of their allotment, in one or more tranches.
- At the time of exercise, the Warrant Holder shall pay the balance 75% [Seventy-five percentage only] of the consideration payable in respect of the Warrants so being exercised. The amount paid will be adjusted / set off against the issue price of the resultant equity shares. The Board (or a Committee thereof) upon receipt of the entire payment towards issue price, shall allot one equity share per warrant. If the entitlement against the warrants to apply for the equity shares is not exercised within the specified period of 18 [eighteen] months, such entitlement shall lapse and the amount paid on such warrants shall stand forfeited.
- The Company has not made any preferential issue of securities in this financial year, other than the proposed issue of Warrants as stated in this notice.
- The Warrant Holder has not sold any equity shares during the six months preceding the Relevant Date. The Warrant Holder has not subscribed to any warrants of the Company during last one year

The other information prescribed under Regulation 163 of the ICDR Regulations, 2018 and other applicable laws in relation to the Proposed Special Resolution as set out at Item No.4 are given hereunder:

- a) Object of the preferential issue of Warrants and details of utilization of proceeds: The proceeds of the preferential issue will be utilized towards augmenting the working capital requirements and meeting other business requirements.
- b) Maximum number of specified securities to be issued:
 

30,00,000 (Thirty Lakhs only) Convertible Equity Warrants ("Warrants") on a preferential basis to Promoters and Promoter Group mentioned below ("Warrant Holder"), with a right to Warrant Holder to apply for and get allotted one equity share of face value of Rs. 10/- (Rupees Ten Only) each (the "Equity Shares")

- c) The proposal or intention of the Promoter / Promoter group, Directors or Key Managerial Personnel to subscribe to the proposed preferential issue, if any:

None of the directors or key managerial personnel intends to subscribe to any shares pursuant to this preferential issue of equity shares. However, To meet the objects of the issue, the Promoters Ms. Madhavi Latha

Kompella, Mr. Ramakrishna Paramahansa Kompella, Ms. Lopa Mudra Kompella, Ms. Modini Kompella, M/s. P.K.I. Solutions Private Limited has shown their interest to subscribe 30,00,000 warrants

- d) Shareholding pattern of the issuer before and after the preferential issue:

S. No.	Category of Shareholder	Pre issue holding details		Post Issue Holding Details**	
		No. of shares	% of Shares	No. of shares	% of Shares
<b>A</b>	<b>Promoters and Promoter Group Holding</b>				
<b>1</b>	<b>Indian Promoters / Promoter Group :</b>				
	Individuals / HUF	12,508,550	38.23	14,208,550	38.91
	Bodies Corporate	1,586,742	4.85	28,86,742	7.90
	<b>Sub Total</b>	<b>14,095,292</b>	<b>43.08</b>	<b>17,095,292</b>	<b>46.81</b>
	<b>Foreign Promoters / Promoter Group :</b>				
	Individuals	960,974	2.94	960,974	2.63
	Body Corporates	94,484	0.29	94,484	0.26
	Sub Total	1,055,458	3.23	1055,458	2.89
	<b>Sub Total (A)</b>	<b>15,150,750</b>	<b>46.30</b>	<b>18,150,750</b>	<b>49.70</b>
<b>B</b>	<b>Non Promoters Holding</b>				
	Institutions	0		0	0
	Foreign Portfolio Investors	0		0	0
	Non-Institutions				
	Individuals - Individual shareholders holding nominal share capital up to ₹2 Lakhs.	7,140,886	21.82	7,140,886	19.5
	Individuals				
	Individual shareholders holding nominal share capital in excess of ₹2 Lakhs.	6,315,800	19.30	6,715,800	18.39
	Non-Resident Indian-Non Repatriable	886,394	2.71	1,286,394	3.52
	Non-Resident Indian- Repatriable	536,522	1.64	536,522	1.47
	Corporate Bodies	1,843,095	5.63	1,843,095	5.05
	Clearing Member	221,740	0.68	221,740	0.61
	Corporate Bodies- OCB	500,000	1.53	500,000	1.37
	IEPF	125,547	0.38	122,547	0.34
	<b>Total Non-Promoter Holding (B)</b>	<b>17,569,984</b>	<b>53.70</b>	<b>18,369,984</b>	<b>50.30</b>
<b>C</b>	<b>Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014)-C</b>				
	Regulations, 2014)-C	0	0	0	0
	<b>Sub-Total-C</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
	<b>TOTAL( A+B+C)</b>	<b>32,720,734</b>	<b>100.00</b>	<b>36,520,734</b>	<b>100.00</b>

\*\*Post Issue holding -Assuming full conversion of 8,00,000 warrants allotted on 21st May, 2019 and the proposed 30,00,000 warrants.

- e) **Time frame within which the preferential issue shall be completed:**

As required under the ICDR Regulations the preferential issue/allotment of Warrants shall be completed, within a period of 15 [Fifteen] days from the date of passing of the special resolution contained in this Notice. Provided that where the allotment on preferential basis is pending on account of pendency of any approval of such allotment from any regulatory authority or the Central Government, the allotment shall be completed within a period of 15 days from the date of receipt of

last such approvals.

- f) The Identity of the natural persons who are the ultimate beneficial owners of the shares/ Warrants proposed to be allotted and/or who ultimately control the proposed allottees, the percentage of pre and post preferential issue capital that may be held by them.

S. No.	Name of proposed allottee	Pre preferential Holding	% of Pre preferential share capital	Issue of Equity Shares and Warrants (each warrant is convertible into one equity share)	Post Preferential Share capital considering Conversion of warrants	% of Post preferential share capital considering Conversion of warrants.**
1	Ms. Madhvi Latha Kompella	11,37,300	3.48	5,00,000	16,37,300	4.58
2	Lopa Mudra Kompella	1,410,625	4.31	4,00,000	18,10,625	5.07
3	Master Ramakrishna Paramhansa Kompella	1,570,625	4.80	4,00,000	19,70,625	5.52
4	Master Modini Kompella	1,410,625	4.31	4,00,000	18,10,625	5.07
5	P.K.I.Solutions Private Limited	6,35,605	1.94	13,00,000	19,35,605	5.42

\*\*Post Issue holding and % of post issue Holding -Assuming full conversion of proposed issue of 30,00,000 warrants.

#### Details of Ultimate Beneficiaries

S. No.	Name of proposed allottee	Names of Ultimate Beneficiaries
1	Ms. Madhavi Latha Kompella	Not applicable.
2	Ms. Lopa Mudra Kompella D/o Viswanath Kompella Age:18 yrs	Mr. Viswanath Kompella and Madhavi Latha Kompella who are her father and mother are the ultimate Beneficiaries
3	Master. Ramakrishna Paramahansa Kompella S/O Viswanath Kompella Age:15 yrs	As the allottee is minor, Mr. Viswanath Kompella and Madhavi Latha Kompella who are her father and mother are the ultimate Beneficiaries
4	Ms. Modini Kompella D/o Viswanath Kompella Age:13 yrs	As the allottee is minor, Mr. Viswanath Kompella and Madhavi Latha Kompella who are her father and mother are the ultimate Beneficiaries
5	P.K.I.Solutions Private Limited	1. Viswanath Kompella 2. Madhavi Latha Kompella

- g) **Relevant Date:**

The Relevant Date for the purpose of determining the pricing of shares arising out of Warrants in accordance with Chapter V of SEBI (ICDR) Regulations, 2018 is 29<sup>th</sup> August, 2020 (i.e., 30 days prior to the date of General Meeting, i.e., 28<sup>th</sup> September, 2020). The Warrants will be allotted in accordance with the price determined in terms of Part IV of Chapter V of the SEBI (ICDR) Regulations, 2018.

- h) **Pricing of the Issue:**

The issue of warrants and equity shares arising through issuance will be at a price not less than higher of following:

- the average of the weekly high and low of the volume weighted average price of the related equity shares quoted on the recognized stock exchange during the twenty six weeks preceding the relevant date; or
- the average of the weekly high and low of the volume

weighted average prices of the related equity shares quoted on a recognized stock exchange during the two weeks preceding the relevant date.

- i) **The Company hereby undertakes that:**

- The Company hereby undertakes that the company shall re-compute the price of the specified securities in terms of the provision of these regulations where it is required to do so.
- The Company further undertakes that if the amount payable on account of the re-computation of price is not paid within the time stipulated in these regulations, the specified securities shall continue to be locked- in till the time such amount is paid by the Proposed allottees.

- j) **Certificate of Statutory Auditors:**

Copy of the certificate of statutory auditors will be available

for inspection at registered office of the Company on 28th September, 2020 during business hours, considering the proposed preferential issue, certifying that the issue is being made in accordance with the requirements of these regulations.

k) **Change in control, if any, in the Company consequent to the preferential issue**

As a result of the proposed issue of Warrants on a preferential basis, and upon conversion of the Warrants, there will be no change in the control of the Company

l) **Consequential Changes in the Voting Rights:**

Voting rights will change in tandem with the shareholding pattern. However, there shall not be any change in the management control of the Company.

m) **Lock-in-period**

- The entire pre-preferential shareholding of Warrant Holder, if any, shall also be locked-in as per Regulation 167 of the ICDR Regulations, 2018.
- Warrants being allotted to Promoters shall be locked-in for a period of 3(three) year from the date of trading approval or such other period as may be prescribed by the SEBI (Issue of Capital And Disclosure Requirements) Regulations, 2018.
- Lock-in of the equity shares allotted pursuant to conversion of convertible securities other than warrants, issued on preferential basis shall be reduced to the extent the convertible securities have already been locked-in

n) Number of persons to whom allotment on preferential basis has been made in terms of number of securities as well as price Post 31<sup>st</sup> March, 2020 and up to the date of this Notice, the following preferential allotments have been made:

Date of Allotment	No. of securities allotted	Issue Price	No. of allottees	Type of Securities
Not applicable				

o) Class or Classes of persons to whom the allotment is proposed to be made: The allotment is proposed to be made to the Promoter and Promoter group.

p) Other Disclosure:

- It is hereby confirmed that neither the Company nor any of its Promoters or Directors are a willful defaulter.
- The Board, in its meeting held on 20th August, 2020 has approved the issuance of Warrants on

preferential basis to the Warrant Holder in the manner stated hereinabove, subject to the approval of members and other approvals, as may be required.

- Regulation 160(b) of the ICDR Regulations, 2018 provides that preferential issue of specified securities by a listed company would require approval of its shareholders by way of a Special Resolution. The Board, therefore, recommends the resolution as set out in Item No.4 above to be passed as a Special Resolution.

q) In accordance with the ICDR Regulations

- i. all the Equity Shares held by the Proposed Allottees in the Company are in dematerialized form only.
- ii. No person belonging to the promoters / promoter group have sold any Equity Shares of the Company during the 6 (Six) months preceding the Relevant Date;
- iii. No person belonging to the promoters / promoter group has previously subscribed to any warrants of the Company but failed to exercise them in the last one year.
- iv. the Company and none of its promoters or directors is a willful defaulter or a fugitive economic offender; and

The issue of Equity Shares and 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 or Key Managerial Personnel of the Company and/or their relative(s) is in any way concerned or interested, financially or otherwise, in the proposed resolution in **Item No. 4**.

The Board of Directors of the Company recommends the Resolution to be passed as a Special Resolution as set out in **Item No. 4** of the Notice.

**Item# 5**

The Company wants to raise long term funds to finance growth plans of the Company, strengthen financial structure, enhancing liquidity, working capital resources and for general corporate purposes. Hence, the Board of Directors of the company in their meeting held on 20<sup>th</sup> August, 2020 has considered and approved the proposal to issue 15,00,000 (Fifteen Lacs Only) Equity Shares of ₹10/- each at an issue/ exercise price of ₹40/- determined in accordance with part IV of chapter V of the SEBI ICDR Regulations, 2018. The members are requested to note that as per Section 62(1)(c), 42 and other applicable provisions, if any, of the Companies Act, 2013 read



with the relevant Rules made thereunder and Chapter V of the SEBI (ICDR) Regulations, 2018 as amended, prior approval of the shareholders by way of Special Resolution is required to issue equity shares to the Promoters and Promoter Group.

Salient features of the preferential issue of equity shares are under:

The proposed issue and allotment of Equity Shares, on a preferential basis, shall be governed by the applicable provisions of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("ICDR Regulations") and the Companies Act, 2013 read with rules made thereunder ("Act").

Without generality to the above, the salient features of the preferential issue of Equity Shares are as under:

- The Company has not made any preferential issue of securities in this financial year, other than the proposed issue of Equity shares/Warrants as stated in this notice.
- The Promoters & Promoter Group has not sold any equity shares during the six months preceding the Relevant Date. The Proposed allottees have not subscribed to any Equity shares of the Company during last one year

The other information prescribed under Regulation 163 of the ICDR Regulations, 2018 and other applicable laws in relation to the Proposed Special Resolution as set out at item No.6 are given hereunder:

a) **Object of the preferential issue of Warrants and details of utilization of proceeds:** The proceeds of the preferential issue will be utilized towards augmenting the working capital requirements and meeting other business requirements.

b) **Maximum number of specified securities to be issued:**

15,00,000 (Fifteen Lakhs only) Equity Shares of ₹10/-each on a preferential basis to Promoters and Promoter Group mentioned below.

c) **The proposal or intention of the Promoter / Promoter group, Directors or Key Managerial Personnel to subscribe to the proposed preferential issue, if any:**

None of the directors or key managerial personnel intends to subscribe to any shares pursuant to this preferential issue of equity shares. However, To meet the objects of the issue, the Promoters Ms. Madhavi Latha Kompella, Mr. Ramakrishna Paramahansa Kompella, Ms. Lopa Mudra Kompella, Ms. Modini Kompella, M/s. P.K.I. Solutions Private Limited has shown their interest to subscribe 15,00,000 Equity Shares

d) **Shareholding pattern of the issuer before and after the preferential issue:**

S. No.	Category of Shareholder	Pre issue holding details		Post Issue Holding Details**	
		No. of shares	% of Shares	No. of shares	% of Shares
<b>A</b>	<b>Promoters and Promoter Group Holding</b>				
<b>1</b>	<b>Indian Promoters / Promoter Group :</b>				
	Individuals / HUF	12,508,550	38.23	15,008,550	39.47
	Bodies Corporate	1,586,742	4.85	3,586,742	9.43
	<b>Sub Total</b>	<b>14,095,292</b>	<b>43.08</b>	<b>18,595,292</b>	<b>48.91</b>
	<b>Foreign Promoters / Promoter Group :</b>				
	Individuals	960,974	2.94	960,974	2.53
	Body Corporates	94,484	0.29	94,484	0.25
	Sub Total	1,055,458	3.23	1,055,458	2.78
	<b>Sub Total (A)</b>	<b>15,150,750</b>	<b>46.30</b>	<b>19,650,750</b>	<b>51.68</b>
<b>B</b>	<b>Non Promoters Holding</b>				
	Institutions	0	0	0	
	Foreign Portfolio Investors	0	0	0	
	Non-Institutions				
	Individuals - Individual shareholders holding nominal share capital up to ₹2 Lakhs.	7,140,886	21.82	7,140,886	18.78
	Individuals				
	Individual shareholders holding nominal share capital in excess of Rs. 2 Lakhs.	6,315,800	19.30	6,715,800	17.66
	Non-Resident Indian-Non Repatriable	886,394	2.71	1,286,394	3.38
	Non-Resident Indian- Repatriable	536,522	1.64	536,522	1.41
	Corporate Bodies	1,843,095	5.63	1,843,095	4.85
	Clearing Member	221,740	0.68	221,740	0.58
	Corporate Bodies- OCB	500,000	1.53	500,000	1.32
	IEPF	125,547	0.38	125,547	0.33

S. No.	Category of Shareholder	Pre issue holding details		Post Issue Holding Details**	
		No. of shares	% of Shares	No. of shares	% of Shares
	<b>Total Non-Promoter Holding (B)</b>	<b>17,569,984</b>	<b>53.70</b>	<b>18,369,984</b>	<b>48.32</b>
C	<b>Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014)-C</b>	0	0	0	0
	<b>Sub-Total-C</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
	<b>TOTAL( A+B+C)</b>	<b>32,720,734</b>	<b>100.00</b>	<b>38,020,734</b>	<b>100.00</b>

\*\*Post Issue holding -Assuming full conversion of 8,00,000 warrants allotted on 21st May, 2019 and the proposed warrants of 30,00,000 at resolution no. 4 and the proposed 15,00,000 equity shares at Resolution# 5

e) **Time frame within which the preferential issue shall be completed:**

As required under the ICDR Regulations the preferential issue/allotment of Equity Shares shall be completed, within a period of 15 [Fifteen] days from the date of passing of the special resolution contained in this Notice. Provided that where the allotment on preferential basis is pending on account of pendency of any approval of such allotment from any regulatory authority or the Central Government, the allotment shall be completed within a period of 15 days from the date of receipt of last such approvals.

f) **The Identity of the natural persons who are the ultimate beneficial owners of the shares proposed to be allotted and/or who ultimately control the proposed allottees, the percentage of pre and post preferential issue capital that may be held by them.**

S. No.	Name of proposed allottee	Pre preferential Holding	% of Pre preferential share capital	Proposed Issue of Equity Shares	Post Preferential Share capital considering allotment of proposed equity shares (i.e 15,00,000)	% of Post preferential share capital considering Conversion of pending warrants and allotment of proposed equity shares**
1	Ms. Madhvi Latha Kompella	11,37,300	3.48	2,00,000	3.91	3.82
2	Lopa Mudra Kompella	1,410,625	4.31	2,00,000	4.71	4.60
3	Master Ramakrishna Paramhansa Kompella	1,570,625	4.80	2,00,000	5.17	5.06
4	Master Modini Kompella	1,410,625	4.31	2,00,000	4.71	4.60
5	PK.I.Solutions Private Limited	635605	1.94	7,00,000	3.90	3.81

\*\*Post Issue holding and % of post issue Holding -Assuming full conversion of 8,00,000 warrants allotted on 21<sup>st</sup> May, 2019 and the proposed issue of 15,00,000 equity shares.

**Details of Ultimate Beneficiaries**

S. No.	Name of proposed allottee	Names of Ultimate Beneficiaries
1	Ms. Madhavi Latha Kompella	Not applicable.
2	Ms. Lopa Mudra Kompella D/o Viswanath Kompella Age:18 yrs	Mr. Viswanath Kompella and Madhavi Latha Kompella who are her father and mother are the ultimate Beneficiaries
3	Master. Ramakrishna Paramahansa Kompella S/O Viswanath Kompella Age:15 yrs	As the allottee is minor, Mr. Viswanath Kompella and Madhavi Latha Kompella who are her father and mother are the ultimate Beneficiaries
4	Ms. Modini Kompella D/o Viswanath Kompella Age:13 yrs	As the allottee is minor, Mr. Viswanath Kompella and Madhavi Latha Kompella who are her father and mother are the ultimate Beneficiaries

S. No.	Name of proposed allottee	Names of Ultimate Beneficiaries
5	P.K.I.Solutions Private Limited	1. Viswanath Kompella 2. Madhavi Latha Kompella

g) **Relevant Date:**

The Relevant Date for the purpose of determining the pricing of Equity shares in accordance with Chapter V of SEBI (ICDR) Regulations, 2018 is 29th August, 2020 (i.e., 30 days prior to the date of General Meeting, i.e., 28th September, 2020). The Equity Shares will be allotted in accordance with the price determined in terms of Part IV of Chapter V of the SEBI (ICDR) Regulations, 2018.

h) **Pricing of the Issue:**

The issue of Equity Shares will be at a price not less than higher of following:

- the average of the weekly high and low of the volume weighted average price of the related equity shares quoted on the recognized stock exchange during the twenty six weeks preceding the relevant date; or
- the average of the weekly high and low of the volume weighted average prices of the related equity shares quoted on a recognised stock exchange during the two weeks preceding the relevant date.

i) **The Company hereby undertakes that:**

- The Company hereby undertakes that the company shall re-compute the price of the specified securities in terms of the provision of these regulations where it is required to do so.
- The Company further undertakes that if the amount payable on account of the re-computation of price is not paid within the time stipulated in these regulations, the specified securities shall continue to be locked-in till the time such amount is paid by the Proposed allottees.

j) **Certificate of Statutory Auditors:**

Copy of the certificate of statutory auditors will be available for inspection at registered office of the Company on 28th September, 2020 during business hours, considering the proposed preferential issue, certifying that the issue is being made in accordance with the requirements of these regulations.

k) **Change in control, if any, in the Company consequent to the preferential issue**

As a result of the proposed issue of Equity Shares on a preferential basis, there will be no change in the control of the Company

l) **Consequential Changes in the Voting Rights:**

Voting rights will change in tandem with the shareholding pattern. However, there shall not be any change in the management control of the Company.

m) **Lock-in-period**

- The entire pre-preferential shareholding of Proposed allottee, if any, shall also be locked-in as per Regulation 167 of the ICDR Regulations, 2018.
- Equity shares being allotted to Promoters shall be locked-in for a period of 3(three) year from the date of trading approval or such other period as may be prescribed by the SEBI (Issue of Capital And Disclosure Requirements) Regulations, 2018.

n) **Number of persons to whom allotment on preferential basis has been made in terms of number of securities as well as price Post 31st March, 2020 and up to the date of this Notice, the following preferential allotments have been made:**

Date of Allotment	No. of securities allotted	Issue Price	No. of allottees	Type of Securities
Nil				

o) **Class or Classes of persons to whom the allotment is proposed to be made: The allotment is proposed to be made to the Promoter and Promoter group.**p) **Other Disclosure:**

- It is hereby confirmed that neither the Company nor any of its Promoters or Directors are a willful defaulter.
- The Board, in its meeting held on 20th August, 2020 has approved the issuance of Equity Shares on preferential basis to the promoters and promoter group in the manner stated hereinabove, subject to the approval of members and other approvals, as may be required.
- Regulation 160(b) of the ICDR Regulations, 2018 provides that preferential issue of specified securities by a listed company would require approval of its shareholders by way of a Special Resolution. The Board, therefore, recommends the resolution as set out in Item No.6 above to be passed as a Special Resolution.

q) **In accordance with the ICDR Regulations**

- i. all the Equity Shares held by the Proposed Allottees



in the Company are in dematerialized form only.

- ii. No person belonging to the promoters / promoter group have sold any Equity Shares of the Company during the 6 (Six) months preceding the Relevant Date;
- iii. No person belonging to the promoters / promoter group has previously subscribed to any warrants of the Company but failed to exercise them in the last one year.
- iv. the Company and none of its promoters or directors is a willful defaulter or a fugitive economic offender; and

The issue of Equity Shares 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 or Key Managerial Personnel of the Company and/or their relative(s) is in any way concerned or interested, financially or otherwise, in the proposed resolution

in Item No. 5

The Board of Directors of the Company recommends the Resolution to be passed as a Special Resolution as set out in Item No. 5 of the Notice.

By Order of the Board

**For Virinchi Limited**

**K. Ravindranath Tagore**

Company Secretary

M.No.: A18894

Date: 20/08/2020

Place: Hyderabad

Registered Office:

**Virinchi Limited**

8-2-672/5&6, 4th Floor, Road#1, Banjara Hills,

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