

**VIRINCHI LIMITED**

Regd Office: 8-2-672/5&6, 4<sup>th</sup> Floor, Ilyas Mohammed Khan Estate, Road No.1,  
Banjara Hills, Hyderabad - 500034, Telangana.  
Tele: 040-48199999, Website: [www.virinchi.com](http://www.virinchi.com), Email: [investors@virinchi.com](mailto:investors@virinchi.com),  
CIN: L72200TG1990PLC011104

**NOTICE OF POSTAL BALLOT & E-VOTING**

(Pursuant to Section 108 and Section 110 of the Companies Act, 2013 read with Rule 20 and 22 of the Companies (Management and Administration) Rules, 2014)

To  
**The Members**  
**Virinchi Limited**

Dear Member(s),

**VOTING STARTS ON** **VOTING ENDS ON**  
**Monday, January 30, 2023 at 9.00 a.m. (IST)** **Tuesday, February 28, 2023 at 5.00 p.m. (IST)**

Notice is hereby given pursuant to Section 108, Section 110 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with Rule 20 and 22 of the Companies (Management and Administration) Rules, 2014, read with General Circular No. 14/2020 dated April 8, 2020, the General Circular No. 17/2020 dated April 13, 2020, the General Circular No. 22/2020 dated June 15, 2020, the General Circular No. 33/2020 dated September 28, 2020, the General Circular No. 39/2020 dated December 31, 2020, General Circular No. 02/2021 dated January 13, 2021, the General Circular No. 10/2021 dated June 23, 2021, the General Circular No. 20/2021 dated December 8, 2021, the General Circular No. 03/2022 dated May 5, 2022 and the General Circular No. 11/2022 dated December 28, 2022 issued by Ministry of Corporate Affairs ("MCA Circulars"), read with Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards on General Meetings (SS-2) including any statutory modification or re-enactment thereof for the time being in force and pursuant to other applicable laws and regulations, that the Resolution appended below is proposed to be passed by the Members of the Company by means of Postal Ballot, only by way of remote electronic voting process ("e-voting").

Pursuant to the MCA Circulars and other applicable laws and regulations, this Postal Ballot Notice is being sent in electronic form only to those Members whose e-mail address is registered with the Depositories/Company/Registrar and Share Transfer Agent (RTA) i.e., Aarthi Consultants Private Limited (“Aarthi Consultants”). **The Company has engaged the services of Central Depository Services India Limited (“CDSL”) for providing e-voting to all its members.** As the Members are required to cast their votes electronically only, they are requested to read the instructions carefully, as provided in **Note No. 12** in the Postal Ballot Notice.

The remote e-voting window shall remain open **from 9:00 a.m. (IST) on Monday, January 30, 2023, till 05:00 p.m. (IST) on Tuesday, February 28, 2023**, and the remote e-voting shall be disabled thereafter and shall not be allowed beyond the aforesaid date and time. Members are requested to cast their votes on or before the aforesaid date and time to consider the votes as valid.

The Board of Directors of the Company, at their meeting held on **Friday, January 27, 2023**, approved the Issue of 2,00,00,000 Convertible Equity Warrants on preferential basis to certain identified Promoter/Promoter Group and Non-Promoter/Public persons and entities subject to the approval of the Members of the Company by way of a Special Resolution and such other regulatory approvals as required.

As required pursuant to Sections 102, 110 and other applicable provisions, if any, of the Act, the Explanatory Statement, setting out the material facts concerning the proposed Special Resolutions, is annexed hereto.

The Board of Directors has appointed **Mr. G. Vinay Babu, Practicing Company Secretary (Membership No. A20592 and Certificate of Practice No. 20707)**, as the Scrutinizer for conducting the Postal Ballot through the e-voting process in a fair and transparent manner.

The Scrutinizer will submit his report to the Chairman of the Company, or any person authorized by him after completion of scrutiny of the votes. The results of voting conducted through Postal Ballot (remote e-voting process only) will be announced by the Chairman or any person authorized by him **on or before Thursday, March 02, 2023**. The results of the voting along with the Scrutinizer’s Report will be made available on the Company’s website i.e. [www.virinchi.com](http://www.virinchi.com), the website of Aarthi Consultants Private Limited (RTA), at [www.aarthiconsultants.com](http://www.aarthiconsultants.com) and also communicated to BSE Limited (“BSE”), where the Company’s equity shares are listed and be available on it’s websites, i.e., [www.bseindia.com](http://www.bseindia.com).

## PROPOSED RESOLUTION

### SPECIAL BUSINESS:

#### Item No. 1:

### ISSUE OF 2,00,00,000 CONVERTIBLE EQUITY WARRANTS ON PREFERENTIAL BASIS TO CERTAIN IDENTIFIED PROMOTER/PROMOTER GROUP AND NON-PROMOTER/PUBLIC PERSONS AND ENTITIES:

*(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 Companies (Prospectus and Allotment of Securities) Rules, 2014, the Companies (Share Capital and Debentures) Rules, 2014** 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 (“MOA & AOA”), 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 “SEBI (ICDR) Regulations, 2018”), **the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**, as amended (the “SEBI (LODR) Regulations, 2015”) 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 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 members of the Company be and is hereby accorded** to the Board to create, offer, issue and allot, from time to time in one or more tranches **2,00,00,000 (Two Crores only) Convertible Equity Warrants (“Warrants”)** on a preferential basis to investors mentioned below (“Warrant Holder(s)”/“Allottees”), 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”), ranking in all respects pari-passu with the existing equity shares of the Company, for each Warrant,

within a period of 18 (Eighteen) months (“Tenor”) from the date of allotment of Warrants, at an issue price of Rs. 42/- (Rupees Forty-Two Only) per Equity Share Warrant 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 “Allottee(s), on such other terms and conditions as may be determined by the Board.

**Details of Proposed Allottees:**

S.No	Name of Proposed Allottee	Category of Shareholder	No. of Convertible Equity Warrants
1	Mr. Viswanath Kompella	Promoter	40,00,000
2	Gajwel Developers Private Limited	Promoter-Group	60,00,000
3	Moneyleader Finance India Private Limited	Public	50,00,000
4	Mr. Shivanshu Rameshchandra Pandey	Public	10,00,000
5	Mr. Vishal Dudeja	Public	10,00,000
6	Ms. Veena Dudeja	Public	10,00,000
7	Mr. Raman Trikha	Public	10,00,000
8	Ms. Kamala Bai	Public	10,00,000
<b>Total</b>			<b>2,00,00,000</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 **Rs. 42/-** which is arrived based on **January 27, 2023** i.e. 30 days prior to the date of passing of special resolution through Postal Ballot to approve the proposed preferential issue in terms of Section 42 and 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/- (Rupees Ten only) each of the Company, subject to the relevant provisions contained in the Articles of Association (AOA) of the Company.

**RESOLVED FURTHER THAT** the Company shall apply for final listing and trading approval of the Stock Exchanges for the Equity Shares in the aforesaid resolution, which are to be listed on the Stock Exchanges and shall be subject to the lock-in requirements as mandated under SEBI (ICDR) Regulations, 2018.

**RESOLVED FURTHER THAT** the **certificate dated January 27, 2023 of Mr. G. Vinay Babu, Practicing Company Secretary**, certifying that the issue is being made in accordance with the requirements of SEBI (ICDR) Regulations, 2018, be and is hereby taken on record.

**RESOLVED FURTHER THAT** the **Valuation Report dated January 27, 2023 received from Mr. Sanka Hari Surya, Registered Valuer** (Regd. No. IBBI/RV/07/2019/12576) be and is hereby taken on record.

**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 special resolution by the members of the Company, 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 SEBI (ICDR) Regulations, 2018.

**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 Rs. 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 shall make an application for Listing, within 21 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 only and shall be subject to the provisions of the MOA and AOA 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. 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;
- xi. 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, 2018, 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, 2018;
- xii. 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 SEBI (ICDR) Regulations, 2018 relating to preferential issues;
- xiii. 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;
- xiv. 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.

xv. The 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, 2018 except to the extent and in the manner permitted there under.

**RESOLVED FURTHER THAT** the Board 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”.

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

**Place: Hyderabad  
Date: January 27, 2023**

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

## **NOTES:**

1. Explanatory Statement pursuant to Sections 102 and 110 of the Act, Secretarial Standards-2 (SS-2) and Listing Regulations stating all material facts and the reasons for the proposed Resolution above, is annexed herewith for your consideration.
2. Pursuant to the guidelines and clarifications issued by Ministry of Corporate Affairs vide General Circular Nos. 14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020, 20/2021 dated December 8, 2021, 03/2022 dated May 5, 2022 and 11/2022 dated December 28, 2022 (“MCA Circulars”), Companies are allowed to conduct Postal Ballot by sending notice in electronic form only. Accordingly, physical copy of Postal Ballot notice, Postal Ballot form, and pre-paid business reply envelope will not be sent to the Members for this Postal Ballot. The communication of assent or dissent of the Members would take place through the process of remote e-voting only.
3. In compliance with the aforesaid circulars, this Postal Ballot Notice is being sent only through electronic mode to all the Members whose names appear in the Register of Members/ Record of Depositories **as on Friday, January 20, 2023** (Cut-off date) and whose E-mail addresses are registered with the Depositories/Company/Aarthi Consultants. The Postal Ballot Notice is also made available on the Company’s website at [www.virinchi.com](http://www.virinchi.com) and on the website of the Stock Exchange where the shares of the Company have been listed viz., BSE Limited - [www.bseindia.com](http://www.bseindia.com).
4. Members who have not registered their e-mail address are requested to register the same in respect of shares held in electronic form with the Depository through their Depository Participant(s) and in respect of shares held in physical form by writing to the Company’s Registrar and Share Transfer Agent, Aarthi Consultants Private Limited, 1-2-285, Domalguda, Hyderabad - 500029, Telangana State, India i.e., at [info@arthiconsultants.com](mailto:info@arthiconsultants.com).
5. The voting rights for Equity Shares are one vote per one Equity Share, registered in the name of the members. Voting rights shall be reckoned on the paid-up value of Equity Shares registered in the name of the shareholders **as on Friday, January 20, 2023**. A person who is not a shareholder on the relevant date should treat this notice for information purpose only.
6. In compliance with Sections 108 and 110 of the Act and the rules made there under, the MCA Circulars and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has provided the facility to the shareholders to exercise their votes electronically and vote on the resolutions through the e-voting service facility provided by CDSL. The instructions for e-voting are provided in **Note No. 12 of this Postal Ballot Notice**.



7. Shareholders desiring to exercise their vote through the e-voting process are requested to read the instructions in the Notes under the section ***“Instructions for E-Voting”*** in this Postal Ballot Notice. Shareholders are requested to cast their vote through the e-voting process from **9:00 a.m. (IST) on Monday, January 30, 2023 to 5:00 p.m. (IST) on Tuesday, February 28, 2023** to be eligible for being considered, failing which it will be considered that no response has been received from the shareholder.
8. The Scrutinizer will submit his report to the Chairman after the completion of scrutiny, and the result of the voting by Postal Ballot through the e-voting process will be announced by the Chairman or any Director/Company Secretary of the Company duly authorised, **on or before Thursday, March 02, 2023** and will also be displayed on the website of the Company at [www.virinchi.com](http://www.virinchi.com) besides being communicated to the Stock Exchange.
9. The Resolution proposed in the Postal Ballot Notice, if passed by the requisite majority, shall be deemed to have been passed on **Tuesday, February 28, 2023**, the last date specified for receipt of votes through the e-voting process and as if they have been passed at a General Meeting of the Members of the Company.
10. The result of the voting with details of the number of votes cast for and against the Resolution, invalid votes and whether the resolution has been carried or not, along with the Scrutinizer’s report will be displayed for at least three days on the notice board of the Company at the registered office of the Company and on the website of the Company.
11. All the material documents referred to in the explanatory statement will be available for inspection electronically until the last date for receipt of votes through the e-voting process. Members seeking to inspect such documents can send an email to [investors@virinchi.com](mailto:investors@virinchi.com).
12. **The instructions for E-Voting:**
  - a) In view of the threat of Covid-19, the Company is unable to get the Postal Ballot Notice and Form printed and dispatched. The approval of Members is being sought through Remote E-voting only.
  - b) You are requested to carefully read the instructions before exercising the vote and complete the E-voting between **9:00 a.m. (IST) on Monday, January 30, 2023 to 5:00 p.m. (IST) on Tuesday, February 28, 2023**.
  - c) The Company is offering only Remote E-voting facility to its Members to enable them to cast their vote. A Member has to carefully follow the instructions as given for E-voting. He/She can use the facility and log in any number of times till he/she has voted on the Resolution or till the end of the voting period, whichever is earlier.
  - d) Members who have not registered their E-mail ID for receipt of documents in electronic mode under the green initiative of Ministry of Corporate Affairs need to send an email to

[info@arthiconsultants.com](mailto:info@arthiconsultants.com) along with supporting documents and they would get an email with the link to participate in Remote E-voting.

**e) Voting through electronic means**

In terms of the provisions of Section 108 and Section 110 of the Companies Act, 2013 (the Act) read with Rule 20 and Rule 22 of the Companies (Management and Administration) Rules, 2014 (hereinafter called "the Rules" for the purpose of this section of the Notice) and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with General Circular No. 14/2020 dated April 8, 2020, the General Circular No. 17/2020 dated April 13, 2020, the General Circular No. 22/2020 dated June 15, 2020, the General Circular No. 33/2020 dated September 28, 2020, the General Circular No. 39/2020 dated December 31, 2020, General Circular No. 02/2021 dated January 13, 2021 the General Circular No. 10/2021 dated June 23, 2021, the General Circular No. 20/2021 dated December 8, 2021, the General Circular No. 03/2022 dated May 5, 2022 and the General Circular No. 11/2022 dated December 28, 2022 issued by Ministry of Corporate Affairs ("MCA Circulars"), the Company is providing facility to exercise votes on the item of business given in the Notice through electronic voting system only, to members **holding shares as on Friday, January 20, 2023** (End of Day) being the Cut-off date fixed for determining voting rights of members, entitled to participate in the E-voting process, through the Evoting platform provided by CDSL.

f) The voting period begins on **9.00 a.m. (IST) Monday, January 30, 2023 and ends on 5.00 p.m. (IST) Tuesday, February 28, 2023**. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on **Friday, January 20, 2023** the cut-off date (record date) may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

g) Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 09, 2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders resolutions.

However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level. Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders. In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants**. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

h) In terms of **SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020** on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

i) Pursuant to above said SEBI Circular, Login method for e-Voting **for Individual shareholders holding securities in Demat mode CDSL/NSDL** is given below:

j)

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with <b>CDSL</b>	<ol style="list-style-type: none"> <li data-bbox="533 734 1388 1048">1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or visit <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.</li> <li data-bbox="533 1048 1388 1435">2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly.</li> <li data-bbox="533 1435 1388 1592">3) If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a>.</li> <li data-bbox="533 1592 1388 1966">4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page or click on <a href="https://evoting.cdslindia.com/Evoting/EvotingLogin">https://evoting.cdslindia.com/Evoting/EvotingLogin</a>. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with <b>NSDL</b>	<p>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p> <p>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select “Register Online for IDeAS “Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></p> <p>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.</p>
Individual Shareholders (holding securities in demat mode) login through their <b>Depository Participants</b>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.</p>

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL.

<b>Login type</b>	<b>Helpdesk details</b>
Individual Shareholders holding securities in Demat mode with <b>CDSL</b>	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022-23058738 and 22-23058542-43.
Individual Shareholders holding securities in Demat mode with <b>NSDL</b>	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30.

k) Login method for e-Voting for **Physical shareholders and shareholders other than individual holding in Demat form.**

- 1) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- 2) Click on “Shareholders” module.
- 3) 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.
- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.

6) If you are a first-time user follow the steps given below:

<b>For Physical shareholders and other than individual shareholders holding shares in Demat.</b>	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <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 sent by Company/RTA or contact Company/RTA.</li></ul>
Dividend Bank Details <b>OR</b> Date of Birth (DOB)	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. <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.</li></ul>

7) After entering these details appropriately, click on “SUBMIT” tab.

8) 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.

9) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

10) Click on the EVSN for the relevant <Company Name> on which you choose to vote.

11) 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.

12) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.

13) 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.

- 14) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- 15) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- 16) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

**l) Additional Facility for Non – Individual Shareholders and Custodians – For Remote Voting only.**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://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](mailto: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](mailto: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; [cs.gvinay@gmail.com](mailto:cs.gvinay@gmail.com) with a copy marked to [investors@virinchi.com](mailto: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.

**PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES/RTA.**

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 RTA email id [info@arthiconsultants.com](mailto:info@arthiconsultants.com).
2. **For Demat shareholders** - Please update your email id & mobile no. with your respective Depository Participant (DP).
3. **For Individual Demat shareholders** – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding e-Voting from the CDSL e-Voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at 022- 23058738 and 022-23058542/43.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL, ) Central Depository Services (India) Limited, A Wing, 25<sup>th</sup> Floor, Marathon Futurex, 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 on 022-23058542/43.

**General Instructions:**

1. In case Members of the Company have not registered their e-mail address:

On account of threat posed by COVID-19 and in terms of the MCA and SEBI Circular mentioned hereinabove, the Company will send Postal Ballot Notice in Electronic form only and hard copy of Postal Ballot Notice along with Postal Ballot Forms and prepaid business envelope will not be sent to the Members for this Postal Ballot. Accordingly, the communication of the assent or dissent of the Members would take place through the E-voting system only. Therefore, those Members who have not yet registered their e-mail address are requested to get their e-mail addresses temporarily registered by visiting [http://www.arthiconsultants.com/investor\\_services/](http://www.arthiconsultants.com/investor_services/). Post successful registration of email, the Member would get soft copy of the notice and the procedure for e-voting along with the User ID and Password to enable remote e-voting for this Postal Ballot. In case of any queries, member may write to [info@arthiconsultants.com](mailto:info@arthiconsultants.com).



2. The Remote E-voting period commences from **9.00 a.m. (IST) on Monday, January 30, 2023, and ends at 5.00 p.m. (1ST) Tuesday, February 28, 2023**. During this period, the members of the Company, holding shares either in physical form or in demat form, as on **the cut-off date i.e., Friday, January 20, 2023** may cast their vote electronically. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

3. The Scrutinizer shall, unlock the votes in the presence of at least two (2) witnesses, not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith submit to the Chairman of the Company.

4. Subject to the receipt of sufficient votes, the Resolutions shall be deemed to be passed on the last date of voting i.e., on **Tuesday, February 28, 2023**. The results declared along with the Scrutinizer's Report shall be placed on the Company's website at [www.virinchi.com](http://www.virinchi.com) and also on the notice board placed at the Registered Office of the Company and on the website of CDSL.

5. Mr. K.Ravindranath Tagore, Company Secretary, Virinchi Limited, Regd. Off. 8-2-672/5&6, 4<sup>th</sup> Floor, Ilyas Mohammed Khan Estate, Road No.1, Banjara Hills, Hyderabad - 500034, Telangana State, India, Email: [investors@virinchi.com](mailto:investors@virinchi.com), Phone No. 040-48199999 is responsible to address the grievances connected with the E-voting and Postal Ballot.

6. To receive communication through electronic means, including annual reports and notices, members are requested to kindly register/update their email address with their respective depository participant, where shares are held in electronic form. If, however, shares are held in physical form, members are advised to register their e-mail address with the Company RTA i.e. Aarthi Consultants Private Limited on [www.aarthiconsultants.com/investor\\_services](http://www.aarthiconsultants.com/investor_services).

7. Members holding shares either in demat or physical mode who are in receipt of Notice and entitled to vote, may cast their votes through e-voting.

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

**Place: Hyderabad  
Date: January 27, 2023**

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

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013**  
**FORMING PART OF THE NOTICE**

As required under Section 102(1) of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 and the SEBI (ICDR) Regulations, 2018, this Explanatory Statement contains relevant and material information, as detailed herein, to enable the Members to consider for approval of the Resolution No. 1 as set out in the Notice of Postal Ballot.

**Item No.: 1**

**Issue of 2,00,00,000 Convertible Equity Warrants on Preferential basis to certain identified Promoter/Promoter Group and Non-Promoter/Public Persons and Entities:**

The Company wants to raise long term funds to finance growth plans of the Company, strengthen financial structure, to reduce the debt of the Company, to make investments for enhancement of liquidity, for working capital resources and for general corporate purposes. Hence, the Board of Directors of the Company in their meeting held on January 27, 2023 had considered and approved the proposal to issue 2,00,00,000 (Two Crores Only) Convertible Equity Warrants having attached thereto the right to subscribe for equal number of Equity Shares of Rs.10/ each at an issue/exercise price of Rs. 42/- (including premium of Rs. 32/-) determined in accordance with Part IV of Chapter V of the SEBI (ICDR) Regulations, 2018 in one or more tranches, subject to the approval of the Members and such other approvals as may be required.

Consent of the Members is being sought by a special resolution in compliance with 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 to enable the Board to issue convertible equity warrants.

**A. Salient features of the proposed Preferential Issue of Convertible Equity Warrants are as under:**

The proposed issue and allotment of Convertible Equity Warrants ("**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 ("SEBI (ICDR) Regulations, 2018") and the Companies Act, 2013 read with rules made thereunder ("Act").

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

- a. The Company proposes to issue 1,00,00,000 (One Crore only) Convertible Equity Warrants to the Promoter/Promoter Group and 1,00,00,000 (One Crore only) Convertible Equity Warrants to Non-Promoter/.Public identified persons and entities aggregating to 2,00,00,000 (Two Crores only) Convertible Equity Warrants.

- b. The issue of proposed Convertible Equity Warrants shall be made in accordance with the provisions of the Memorandum and Articles of Association of the Company.
- c. The issue shall be made in a dematerialized form only.
- d. The Company has not made any preferential issue of securities in this financial year, other than the proposed issue as stated in this notice.

**B. Disclosure Pursuant to Part III of Chapter V of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018:**

The other information prescribed under Regulation 163 of Part III of Chapter V of the SEBI (ICDR) Regulations, 2018 and other applicable laws in relation to the Proposed Special Resolution are given hereunder:

**1. Objects of the Preferential Issue:**

The proceeds of the preferential issue will be utilized towards the finance growth plans of the Company, to strengthen financial structure, to reduce the debt of the Company, to make investments, to aid in enhancing liquidity and working capital resources and for general corporate purposes. However, the funds to be utilized for general corporate purposes will be upto 25% of the funds to be raised through the proposed preferential issue.

**2. Maximum number of specified securities to be issued:**

2,00,00,000 (Two Crores Only) Convertible Equity Warrants ("Warrants") on a preferential basis to certain identified Promoter/Promoter Group and Non-Promoter/Public persons and entities as mentioned below ("Warrant Holders"/"Allottees"), 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").

**3. Intent of the Promoters, Directors or Key Managerial Personnel of the issuer to subscribe to the offer:**

1,00,00,000 Convertible Equity Warrants shall be issued to the Promoters/Promoter Group who have given their consent to subscribe for above mentioned convertible equity warrants.

The Company will take necessary steps to obtain the required approvals from BSE Limited or any other regulatory agency as may be applicable, for the proposed preferential issue of convertible equity warrants.

4. Shareholding Pattern of the Issuer before and after the Preferential Issue would be as follows: (assuming all the proposed warrants are converted into equity shares):

S.No	Category	Pre Issue Holding		Proposed Issue	Post Issue Holding* (assuming full conversion)	
		No. of Equity Shares	% of Shares	No. of Convertible Equity Warrants	No. of Equity Shares	% of Shares
<b>A</b>	<b>PROMOTER SHAREHOLDING</b>					
<b>(i)</b>	<b>Indian:</b>					
a	Individuals/HUF	2,90,49,100	34.73	40,00,000	3,30,49,100	31.89
b	Body Corporates/Trust	59,02,274	7.06	60,00,000	1,19,02,274	11.48
c	Relatives of Promoters/Directors	50,000	0.06	0	50,000	0.05
<b>Sub-Total A(i)</b>		<b>3,50,01,374</b>	<b>41.85</b>	<b>1,00,00,000</b>	<b>4,50,01,374</b>	<b>43.42</b>
<b>(ii)</b>	<b>Foreign:</b>					
a	Individuals	18,71,948	2.24	0	18,71,948	1.81
b	Corporate Bodies	81,290	0.10	0	81,290	0.08
<b>Sub-Total A(ii)</b>		<b>19,53,238</b>	<b>2.34</b>	<b>0</b>	<b>19,53,238</b>	<b>1.89</b>
<b>TOTAL A – [A(i)+A(ii)]</b>		<b>3,69,54,612</b>	<b>44.18</b>	<b>1,00,00,000</b>	<b>4,69,54,612</b>	<b>45.31</b>
<b>B</b>	<b>PUBLIC SHAREHOLDING</b>					
<b>(i)</b>	<b>Institutions - Domestic</b>					
<b>Sub-Total B(i)</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>(ii)</b>	<b>Institutions - Foreign</b>					
a	Foreign Portfolio Investors Category I	1,00,000	0.12	0	1,00,000	0.10
b	Foreign Portfolio Investors Category II	2,00,000	0.24	0	2,00,000	0.19
<b>Sub-Total B(ii)</b>		<b>3,00,000</b>	<b>0.36</b>	<b>0</b>	<b>3,00,000</b>	<b>0.29</b>
<b>(iii)</b>	<b>Central/State Government</b>					
<b>Sub-Total B(iii)</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>(iv)</b>	<b>Non Institutions</b>					
a	Directors & their Relatives	3,36,660	0.40	0	3,36,660	0.32
b	Key Managerial Personnel	2,20,000	0.26	0	2,20,000	0.21
c	IEPF	2,49,094	0.30	0	2,49,094	0.24
d	Resident Individuals holding upto Rs. 2 Lakhs	1,50,12,911	17.95	0	1,50,12,911	14.49

S.No	Category	Pre Issue Holding		Proposed Issue	Post Issue Holding* (assuming full conversion)	
		No. of Equity Shares	% of Shares	No. of Convertible Equity Warrants	No. of Equity Shares	% of Shares
<b>(iv)</b>	<b>Non Institutions</b>					
e	Resident Individuals holding more than Rs. 2 Lakhs	1,97,71,789	23.64	50,00,000	2,47,71,789	23.90
f	Non Resident Indians	18,33,133	2.19	0	18,33,133	1.77
g	Bodies Corporate	85,77,935	10.26	50,00,000	1,35,77,935	13.10
h	Clearing Members	3,82,834	0.46	0	3,82,834	0.37
	<b>Sub-Total B (iv)</b>	<b>4,63,84,356</b>	<b>55.46</b>	<b>1,00,00,000</b>	<b>5,63,84,356</b>	<b>54.40</b>
	<b>TOTAL B – [B(i)+B(ii)+B(iii)+B(iv)]</b>	<b>4,66,84,356</b>	<b>55.82</b>	<b>1,00,00,000</b>	<b>5,66,84,356</b>	<b>54.69</b>
	<b>TOTAL PROMOTER AND PUBLIC SHAREHOLDING = (A + B)</b>	<b>8,36,38,968</b>	<b>100</b>	<b>2,00,00,000</b>	<b>10,36,38,968</b>	<b>100</b>

\*The post issue paid-up capital is arrived after considering entire preferential allotment proposed to be made under this notice and on fully diluted basis and the pre-issue shareholding continues as per the pre issue shareholding of the Company.

#### 5. Time frame within which the Preferential Issue shall be completed:

As required under the SEBI (ICDR) Regulations, 2018 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 [Fifteen] days from the date of receipt of last such approvals.

6. 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 by the allottee(s) and change in control, if any, in the issuer consequent to the Preferential Issue is as follows:

S. No	Name of Proposed Allottee	Pre Preferential Holding	% of Pre Preferential Share Capital	Proposed Issue of Warrants	Post Preferential Holding on Conversion of Warrants	% of Pre Preferential Share Capital on Conversion of Warrants
<b>A. Promoter/Promoter Group:</b>						
1	Mr. Viswanath Kompella	1,36,68,350	16.34%	40,00,000	1,76,68,350	17.05%
2	Gajwel Developers Private Limited	Nil	Nil	60,00,000	60,00,000	5.79%
<b>Total - A</b>		<b>1,36,68,350</b>	<b>16.34%</b>	<b>1,00,00,000</b>	<b>2,36,68,350</b>	<b>22.84%</b>
<b>B. Non-Promoter/Public:</b>						
3	Moneyleader Finance India Private Limited	Nil	Nil	50,00,000	50,00,000	4.82
4	Mr. Shivanshu Rameshchandra Pandey	Nil	Nil	10,00,000	10,00,000	0.96
5	Mr. Vishal Dudeja	Nil	Nil	10,00,000	10,00,000	0.96
6	Ms. Veena Dudeja	Nil	Nil	10,00,000	10,00,000	0.96
7	Mr. Raman Trikha	Nil	Nil	10,00,000	10,00,000	0.96
8	Ms. Kamala Bai	Nil	Nil	10,00,000	10,00,000	0.96
<b>Total - B</b>		<b>Nil</b>	<b>Nil</b>	<b>1,00,00,000</b>	<b>1,00,00,000</b>	<b>9.65</b>
<b>Total A+B</b>		<b>1,36,68,350</b>	<b>16.34%</b>	<b>2,00,00,000</b>	<b>3,36,68,350</b>	<b>32.49%</b>

**Details of Ultimate Beneficiaries:**

S.No	Name of Proposed Allottee	Name of Ultimate Beneficiary
1	Mr. Viswanath Kompella	Mr. Viswanath Kompella
2	Gajwel Developers Private Limited	a. Mr. Viswanath Kompella b. Mrs. Madhavi Latha Kompella
3	Moneyleader Finance India Private Limited	a. Nishant Pitti b. Rikant Pittie
4	Mr. Shivanshu Rameshchandra Pandey	Mr. Shivanshu Rameshchandra Pandey
5	Mr. Vishal Dudeja	Mr. Vishal Dudeja

<b>S.No</b>	<b>Name of Proposed Allottee</b>	<b>Name of Ultimate Beneficiary</b>
6	Ms. Veena Dudeja	Ms. Veena Dudeja
7	Mr. Raman Trikha	Mr. Raman Trikha
8	Ms. Kamala Bai	Ms. Kamala Bai

**7. Undertaking that the Issuer 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 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.

**8. Undertaking 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 allottees:**

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.

**9. Disclosures specified in Schedule VI, if the Issuer or any of its Promoters or Directors is a wilful defaulter or a fraudulent borrower:**

It is hereby confirmed that neither the Company nor any of its Promoters or Directors are a wilful defaulter or a fraudulent borrower.

**10. The current and proposed status of the allottee(s) post the Preferential Issue namely, Promoter or Non-Promoter:**

The current status and proposed status of the allottee(s) post the Preferential Issue is as under-

<b>S. No</b>	<b>Name of Proposed Allottee</b>	<b>Current Status</b>	<b>Proposed Status Post Preferential Issue</b>
1	Mr. Viswanath Kompella	Promoter	Promoter
2	Gajwel Developers Private Limited	Not Applicable	Promoter Group (since the Ultimate Beneficiaries are already Promoters of the Company)
3	Moneyleader Finance India Private Limited	Not Applicable	Public
4	Shivanshu Rameshchandra Pandey	Not Applicable	Public
5	Mr. Vishal Dudeja	Not Applicable	Public

<b>S. No</b>	<b>Name of Proposed Allottee</b>	<b>Current Status</b>	<b>Proposed Status Post Preferential Issue</b>
6	Ms. Veena Dudeja	Not Applicable	Public
7	Mr. Raman Trikha	Not Applicable	Public
8	Ms. Kamala Bai	Not Applicable	Public

### **11. Certificate of Practicing Company Secretary:**

Copy of the certificate issued by Mr. G. Vinay Babu, Practicing Company will be available for inspection at registered office of the Company till February 28, 2023 during business hours, considering the proposed preferential issue, certifying that the issue is being made in accordance with the requirements of the SEBI (ICDR) Regulations, 2018 and the same is also available on the website of the Company at <https://corporate.virinchi.com/postalBallot.php>.

### **12. 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 **January 27, 2023** (i.e., 30 days prior to the date of General Meeting, (Deemed to be the last date of receipt of Postal Ballot) i.e., February 28, 2023). 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.

### **13. Pricing of the Issue:**

The price of the Convertible Equity Warrants proposed to be issued has been determined in accordance with the preferential issue guidelines given in SEBI (ICDR) Regulations, 2018 and subsequent amendments thereto which is based on the relevant date i.e. January 27, 2023, which is thirty days prior to the date of last date of Postal Ballot i.e February 28, 2023.

The equity shares are listed on the BSE Limited and are frequently traded.

In terms of the provisions of Regulation 164(1) of ICDR Regulations, the price at which convertible Warrants shall be allotted shall not be less than higher of the following:

- The 90 (Ninety) Trading Days volume weighted average price of the related equity shares quoted on the recognised stock exchange during the 90 Trading Days preceding the relevant date.

Or

- The 10 (Ten) Trading Days volume weighted average prices of the related equity shares quoted on a recognized stock exchange during the 10 Trading Days preceding the relevant date.



The issue price of Rs. 42/- per warrant has been arrived at after considering the higher of the volume weighted average price of the related equity shares quoted on BSE Limited during the 90 trading days (Rs. 41.27)/10 trading days (Rs. 37.14) preceding the relevant date.

A Certificate is obtained from the Practicing Company Secretary confirming the minimum price for the preferential issue is as per Preferential Issue Regulations in Chapter V of SEBI (ICDR) Regulations, 2018.

#### **14. Valuation Report of Registered Valuer:**

Considering that the allotment through this preferential issue shall be more than 5% of the post issue fully diluted share capital of the Company, to an allottee or to allottees acting in concert, the price of Rs.42/- (Rupees Forty Two only) of the Convertible Equity Warrants to be issued and allotted to the proposed allottees has been determined taking into account the valuation report dated January 27, 2023 issued by Mr. Sanka Hari Surya, Registered Valuer (Regd. No. IBBI/RV/07/2019/12576) in accordance with Regulation 166A of the SEBI (ICDR) Regulations, 2018 ("Valuation Report").

The Valuation Report will be available for inspection at registered office of the Company till February 28, 2023 during business hours, considering the proposed preferential issue, and the same is also available on the website of the Company at <https://corporate.virinchi.com/postalBallot.php>.

#### **15. The justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer:**

Not Applicable as the allotment will be made for cash.

#### **16. SEBI Takeover code:**

In the present case none of the proposed allottees would attract SEBI Takeover Code and therefore is not under obligation to give open offer to the public except making certain disclosures to Stock Exchanges, if required.

#### **17. Holding of shares in demat form, non-disposal of shares by the proposed allottees and lock-in period of shares:**

The entire shareholding of the proposed allottees in the Company, if any is held by them in dematerialized form. The proposed allottees have not sold their shares during the 90 trading days prior to the relevant date and are eligible for allotment of convertible equity warrants on preferential basis. The proposed allottees have Permanent Account Number. The entire pre preferential allotment shareholding of such allottees shall be under lock-in as required under Regulation 167 of SEBI (ICDR) Regulations, 2018.

**18. Lock In Period:**

The convertible warrants and resultant equity shares to be allotted shall be subject to 'lock-in' for such a period as the case may be from the date of trading approval from BSE Limited where the securities of the Company are listed as per Clause 167 of the SEBI (ICDR) Regulations, 2018.

**19. Listing:**

The Company will make an application to BSE Limited at which the existing equity shares are presently listed, for listing of the equity shares that will be issued on conversion of warrants. Such Equity Shares, once allotted, shall rank pari-passu with the then existing Equity Shares of the Company, in all respects, including voting rights and dividend.

**20. Payment of Consideration:**

- 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.

**21. Allotment:**

The Convertible Equity Warrants shall be issued and allotted by the Company within a period of 15 (Fifteen) days from the date of passing of special resolution by the members of the Company.

**22. Change in control, if any, in the Company consequent to the Preferential Issue:**

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

**23. 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.

**24. Number of Persons to whom allotment on Preferential basis has been made in terms of number of securities as well as price Post March 31, 2022 and up to the date of this Notice:**

During the year, the Company has not made any preferential allotment.

**25. Class or Classes of persons to whom the allotment is proposed to be made:**

The allotment is proposed to be made to the identified persons and entities of Promoter/Promoter Group and Non-Promoter/Public.

**26. Compliances:**

The Company has complied with the requirement of Rule 19A of the Securities Contracts (Regulation) Rules, 1957 and Regulation 38 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 maintaining a minimum of 25% of the paid up capital in the hands of the public.

**27. Confirmation that all the Equity Shares held by the Proposed Allottees in the Company are in dematerialized form only:**

All the Equity Shares held by the Proposed Allottees in the Company are in dematerialized form only.

**28. Monitoring Agency:**

Since the issue size is not exceeding Rupees One hundred Crores, the Company is not required to appoint a Monitoring Agency i.e. Credit Rating Agency registered with SEBI for monitoring the use of proceeds of the issue, pursuant to Regulation 162A of SEBI (ICDR) Regulations, 2018.

**29. Other Disclosures/Undertaking:**

- i. None of the Directors or Promoters of the Company are fugitive economic offenders as defined under the SEBI (ICDR) Regulations, 2018.
- ii. None of the Warrant Holders/proposed Allottees except Mr. Viswanath Kompella hold any equity shares and none of the warrant holders/proposed allottees has sold any equity shares during the 90 Trading Days preceding the Relevant Date.
- iii. The Warrant Holders/proposed Allottees has not subscribed to any warrants of the Company during last one year.
- iv. The Company does not have any outstanding dues to SEBI, Stock Exchanges or the Depositories.

- v. The Company has obtained the Permanent Account Numbers (PAN) of the proposed allottees, except those allottees which may be exempt from specifying PAN for transacting in the securities market by SEBI before an application seeking in-principle approval is made by the Company to the stock exchange(s) where its equity shares are listed.
- vi. The Company shall be making application seeking in-principle approval to the stock exchange(s), where its equity shares are listed, on the same day when this notice will be sent in respect of the proposed postal ballot seeking shareholders' approval by way of special resolution.
- vii. The Company is in compliance with the conditions for continuous listing.
- viii. The Company is eligible to make the Preferential Allotment under Chapter V of the SEBI (ICDR) Regulations, 2018.

### **30. Approval under the Companies Act:**

Section 62(1) of the Companies Act, 2013 provides, inter alia, that whenever it is proposed to increase the subscribed capital of a Company by further issue and allotment of shares/convertible warrants, such shares/ convertible warrants shall be first offered to the existing shareholders of the Company in the manner laid down in the said Section, unless the shareholders decide otherwise in General Meeting by way of special resolution. Accordingly, the consent of the shareholders is being sought pursuant to the provisions of Section 62(1) of the Companies Act, 2013 and all other applicable provisions, SEBI Guidelines or Regulations and the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for authorizing the Board to offer, issue and allot convertible warrants as stated in the resolution, which would result in a further issuance of securities of the Company to the promoters and non- promoters on a preferential allotment basis, in such form, manner and upon such terms and conditions as the Board may in its absolute discretion deem fit.

The Board of Directors of the Company recommends the Resolution to be passed as a Special Resolution as set out in Item No. 1 of the Notice.

#### **Memorandum of Interest:**

None of the Directors, Key Managerial Personnel and/or their relative(s), is in any way concerned or interested, financially or otherwise, in the proposed resolution.

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

**Place: Hyderabad  
Date: January 27, 2023**

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