

28.10.2016

<b>BOMBAY STOCK EXCHANGE LIMITED</b> P. J. TOWERS, DALAL STREET, MUMBAI - 400 001  SCRIP CODE 532307	<b>NATIONAL STOCK EXCHANGE OF INDIA LIMITED</b> Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051  MELSTAR	<b>NATIONAL SECURITIES DEPOSITORY LTD.</b> Trade World, 4th Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai - 400 013  ISIN INE817A01019 ISSUER CODE 817A	<b>CENTRAL DEPOSITORY SERVICES (I) LTD.</b> P. J. Towers, Dalal Street, Mumbai - 400 001  ISIN INE817A01019 ISSUER ID 325
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Dear Sirs,

**Sub: Intimation for Postal Ballot**

The details of Postal Ballot programme are as under:

PERIOD OF E-VOTING	SUNDAY, 30 <sup>TH</sup> OCTOBER, 2016 9:00 A.M.  TO  MONDAY, 28 <sup>TH</sup> NOVEMBER, 2016 5:00 P.M.
DATE OF DECLARATION OF RESULTS	TUESDAY, 29 <sup>TH</sup> NOVEMBER, 2016

Kindly acknowledge the same.

Thanking you,

Yours faithfully,

For **Melstar Information Technologies Limited**

  
**(ANIL KORPE)**  
**Chief Financial Officer)**



Registered / Corporate Office:  
 Melstar House, G-4, M.I.D.C.  
 Cross Road "A", Andheri (East),  
 Mumbai 400 093. INDIA.  
 Phone : +91(22) 4056 6464  
 Fax : +91(22) 2831 0520  
 URL : www.melstar.com



**MELSTAR INFORMATION TECHNOLOGIES LIMITED**

Registered Office- Melstar House, MIDC Cross Road A, Andheri (East), Mumbai 400093.

Tel: 91(22)40566464 FAX NO.: 91(22)28319520 CIN: L99999MH1986PLC040604

E-Mail: Website: [www.melstar.com](http://www.melstar.com)

Sr. No. \_\_\_\_\_

Name and Registered Address of the sole/first named member	
Name(s) of Joint shareholder(s), if any	
Registered Folio No. / DP ID No./ Client ID No.* *(Applicable to investors holding Shares in dematerialized Form)	
Number of Shares held	

<b>EVEN</b>	<b>User Id</b>	<b>Password</b>
105729		

I/We hereby exercise my/our vote in respect of the special resolution to be passed through postal ballot /e-voting for the business stated in the postal ballot notice and explanatory statement annexed thereto by sending my/our consent (for) or dissent (against) to the said resolution by placing tick ( ✓ ) mark at the appropriate box below:

<b>Item No.</b>	<b>Description</b>	<b>No. of equity shares</b>	<b>Favour</b>	<b>Against</b>
1	Consent of the company u/s 180(1) (a) of the act to the Board of Directors to create charge on the moveable and immovable assets of the company both present & future in respect of borrowings up to Rs. 200 Crores.			
2	Consent of the company u/s 186 of the Act to the Board of Directors to make loan or give guarantee provide security or make investment not exceeding at any time Rs. 200 Crores.			
3	To close the business of the Wholly Owned Subsidiaries MELSTAR INC. of the Company.			
4	Sale of Melstar House situated at G 4 MIDC Cross Road-A, Andheri (east), Mumbai-400093			
5	Sale of Bangalore Premises situated at 335, Connection Point A-Block, Mazzanine Floor, HAL-Airport Exit Road, Bangalore-560017.			

Place:

Date:

Signature of the member(s)

Please read the instructions printed overleaf.

## INSTRUCTIONS

1. Please complete the postal ballot form in all respects and send it duly signed to the scrutinizer in the attached self addressed postage pre-paid envelope which shall be properly sealed with adhesive or adhesive tape. Envelopes containing postal ballot form if sent by courier at the expense of the member but using the postage pre-paid envelope will also be accepted.
2. The postal ballot form should be signed by the member as per specimen signature registered with the Company. In case, shares jointly held this form should be completed and signed (as per specimen signature registered with the company) by the 1<sup>st</sup> named member and in his/her absence by the next named member. Holders of power of attorney (POA) on behalf of the member may vote on the postal ballot mentioning the registration no. of the POA or enclosing an attested copy of POA. Unsigned postal ballot form will be rejected.
3. Duly completed postal ballot forms should reach the scrutinizer not later than the close of working hours (**5.00p.m**) on **MONDAY, the 28<sup>TH</sup> NOVEMBER, 2016**. Postal ballot form received after that date will strictly treated as if reply from such member has not been received. The members are requested to send the duly completed postal ballot forms well before **MONDAY, the 28<sup>TH</sup> NOVEMBER, 2016** providing sufficient time for postal transit.
4. The voting shall be reckoned on the paid up value of shares registered in the name of shareholders as on **FRIDAY, the 21<sup>ST</sup> OCTOBER, 2016**.
5. In case shares held by Companies, trusts, societies etc the duly completed postal ballot should be accompanied by a certified copy of the board resolution authority and preferably attested specimen signature(s) of the duly authorized signatory (ies) giving requisite authority to the person voting on the postal ballot form.
6. A shareholder may request duplicate postal ballot form, if so required. However duly completed duplicate postal ballot form should reach the scrutinizer not later that last date of receipt of postal ballot form **MONDAY, the 28<sup>TH</sup> NOVEMBER, 2016**.
7. Members are requested not to send any paper (other than the resolution/authority as mentioned (under number 3 & 6 above) along with postal ballot form in the enclosed self-addressed postage prepaid envelope. As all such envelopes will be sent to the scrutinizer and if any extraneous is found in such envelope the same would not be considered and would be destroyed by the scrutinizer.
8. A shareholder need not use all the vote nor needs to cast all the votes in the same way.
9. The exercise of vote by postal ballot is not permitted through proxy.
10. There will be only 1 (one) postal ballot form for every registered folio /client ID irrespective of the number of joint member(s)
11. Incomplete or improperly or incorrectly tick marked postal ballot forms will be rejected.
12. Members from whom no postal ballot form is received or the same is received after the aforesaid stipulated period shall not be counted for the purpose of passing the resolutions.
13. The scrutinizer's decision on the validity of postal ballot shall be final.
14. The result of the voting on the resolutions will be declared at the registered office of the company on **TUESDAY, the 29<sup>th</sup> NOVEMBER, 2016**. The date of result of postal ballot will be taken to be date of passing the resolution.
15. For any query in relation to the proposed resolution proposed to be passed by ballot may be addressed to the Chief Financial Officer Email: [anil@melstar.com](mailto:anil@melstar.com)
16. The company is pleased to offer e-voting facilities as an alternate for all the shareholders of the Company to enable them to caste their voted electronically instead of dispatching postal ballot form.



## MELSTAR INFORMATION TECHNOLOGIES LIMITED

Registered Office- Melstar House, MIDC Cross Road A, Andheri (East), Mumbai 400093.

Tel: 91(22)40566464 FAX NO.: 91(22)28319520 CIN: L99999MH1986PLC040604

E-Mail: Website: [www.melstar.com](http://www.melstar.com)

### POSTAL BALLOT NOTICE

TO THE MEMBERS OF THE COMPANY

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

NOTICE IS HEREBY GIVEN that the Resolutions set out hereunder for various matters bearing serial **No. 1 to 5** of this Notice are proposed to be passed by means of Postal Ballot and Electronic Voting (e-voting). The Explanatory Statement pursuant to **Section 102** of the Companies Act, 2013 relating to the said 5 Resolutions is annexed.

The Board of Directors of your Company at the meeting held on **THURSDAY, the 29<sup>TH</sup> SEPTEMBER, 2016** has appointed **Ragini Chokshi & Associates, Company Secretary**, having **Certificate of Practice Number 1436** as the Scrutinizer for scrutinizing the Postal Ballot and e-voting process.

Members have the option to vote either by Postal Ballot or through e-voting. Members desiring to exercise their votes by Postal Ballot are requested to read carefully the instructions printed on the Postal Ballot Form and return the same, completed and signed, in the enclosed self-addressed postage prepaid envelope, so as to reach the Scrutinizer on or before the close of working hours on **MONDAY, the 28<sup>TH</sup> NOVEMBER, 2016**. Members desiring to opt for e-voting are requested to read carefully instructions given in the Notes forming part of the Notice.

Based on the Scrutinizer's Report to the Chairman of the Company, the Results of the Postal Ballot and e-voting will be declared on **TUESDAY, the 29<sup>TH</sup> NOVEMBER, 2016 at 5.00 p m** at the Registered of the Company.

Such Results, along with the Scrutinizer's Report, will be available on the Company's corporate website [www.melstar.com](http://www.melstar.com) under the section 'Investor Relations' and will be forwarded to the Stock Exchanges where the Company's shares are listed.

National Securities Depository Limited (NSDL), engaged by the Board of Directors of the Company for facilitating e-voting, will also display these Results on its website [www.evoting.nsdl.com](http://www.evoting.nsdl.com)

To consider and, if thought fit, to accord assent/dissent, the following Resolutions as a **Special Resolutions**:

#### **Special Business:**

- 1. Consent of the company u/s 180(1) (a) of the Act to the Board of Directors to create charge on the moveable and immovable assets of the company both present & future in respect of borrowings up to Rs. 200 Crores.**

**RESOLVED THAT** pursuant to the provisions of **Section 180(1)(a)** and other applicable provisions, if any, of the Companies Act, 2013, as amended from time to time, consent of the Company be and is hereby given to the Board of Directors of the Company (hereinafter referred to as "**the Board**") which term shall be deemed to include any committee thereof) to create such charges, mortgages and hypothecations in addition to the existing charges, mortgages and hypothecations created by the Company, on such movable and immovable properties, both present and future, and in such manner as the Board may deem fit, together with power to take over the substantial assets of the Company in certain events in favor of banks/financial institutions, other investing agencies and trustees for the holders of debentures/bonds/other instruments to secure rupee/or the issue of debentures whether partly/fully convertible or non-convertible and/or securities linked to Equity Shares/ and/ or rupee/ (hereinafter collectively referred to as "Loans") provided that the total amount of Loans together with interest thereon, additional interest, compound interest, liquidated damages, commitment charges, premium on pre-payment or on redemption, costs, charges, expenses and all other monies payable by the Company in respect of the said Loans for which the charge is to be created, shall not, at any time exceed **Rs. 200 crores.**"

**"RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all such acts, deeds and things, to execute all such documents, instruments and writings as may be required to give effect to this Resolution."

- 2. Consent of the company u/s 186 of the Act to the Board of Directors to make loan or give guarantee provide security or make investment not exceeding at any time Rs. 200 Crores.**

**"RESOLVED THAT** pursuant to the provisions of **Section 186** of the Companies Act, 2013 and any other applicable provisions of the Act, and rules made there under (including any statutory modification thereof for the time being in force and as may be enacted from time to time), subject to such approvals, consents, sanctions and permissions, as may be necessary, and the Articles of Association of the Company and all other provisions of applicable laws, consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "Board", which term shall include any Committee constituted by the Board or any person(s) authorized by the Board to exercise the powers conferred on the Board by this Resolution), to give loans to any Company (s) (including overseas Company (s)) and / or give any guarantee or provide security in connection with a loan to any Company(s) (including overseas Company (s)) and / or acquire by way of subscription, purchase or otherwise, the securities of any Company(s) (including overseas Company (s)) up to an aggregate amount not exceeding 200 crores notwithstanding that the aggregate of the loans or guarantees or securities so far given or to be given and/ or securities so far acquired or to be acquired by the Company may collectively exceed the limits prescribed under **Section 186** of the Companies Act, 2013."

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

**3. To close the business of the Wholly Owned Subsidiaries MELSTAR INC. of the Company.**

“RESOLVED THAT pursuant to the provisions of, **Section 180(1)(a)** and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, consent of the Company be and is hereby accorded for the closure of the Company’s wholly owned subsidiary “**MELSTAR INC.**” incorporated in USA.”

“RESOLVED FURTHER THAT the Board be and is hereby authorized to do and perform all such acts, matters, deeds and things, as may be necessary, without further referring to the Members of the Company, including methods and modes in respect thereof, finalizing and executing necessary documents as may be necessary in its own discretion and in the best interest of the Company, to give effect to above Resolution.”

**4. Sale of Melstar House situated at G 4 MIDC Cross Road-A, Andheri (east), Mumbai-400093.:**

**RESOLVED THAT** in pursuant to the provisions of **Section 180(1)(a)** and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modifications or re-enactments thereof), the Memorandum and Articles of Association of the Company and subject to such other approvals and permissions as may be required, consent of the Members be and is hereby accorded to the Board of Directors of the Company (“the Board” which expression shall include a committee thereof), to sell the **Melstar House, G 4 MIDC Cross Road A, Andheri (east), Mumbai -400093** to such entity as the Board deems appropriate at such price and on such terms and conditions as deems appropriate and with effect from such date and in such manner as may be decided by the Board and with power to the Board or Committee of Board to finalize the terms & conditions (broad particulars of which in respect of sale/transfer are set out in the explanatory statement attached hereto) as well as means, methods and modes in respect thereof and to finalize and execute all required MOU, deeds, documents, agreements, writings, deeds of assignment /conveyance with such modifications as may be deemed necessary and/ or expedient in its discretion for completion and conclusion of the transaction as aforesaid in the best interest of the Company.”

“RESOLVED FURTHER THAT in connection with the above, the Board/Committee of Directors be and is hereby authorized to do all such acts, deeds, matters and things as may be deemed necessary, desirable, proper or expedient for the purpose of giving effect to this Resolution and for matters connected therewith or incidental thereto and to resolve any question, difficulty or doubt relating thereto, or otherwise considered to be in the best interests of the Company.”

**5. Sale of Bangalore Premises situated at 335, Connection Point A-Block, Mazzanine Floor, HAL-Airport Exit Road, Bangalore-560017:**

“RESOLVED THAT in pursuant to the provisions of **Section 180(1)(a)** and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modifications or re-enactments thereof), the Memorandum and Articles of Association of the Company and subject to such other approvals and permissions as may be required, consent of the Members be and is hereby accorded to the Board of Directors of the Company (“the Board” which expression shall include a committee thereof), to sell the **Bangalore Premises situated at 335, Connection Point A-Block, Mazzanine Floor, HAL-Airport Exit Road, Bangalore-560017** to such entity as the Board deems appropriate at such price and on such terms and conditions as deems appropriate and with effect from such date and in such manner as may be decided by the Board and with power to the Board or Committee of Board to finalize the terms & conditions (broad particulars of which in respect of sale/transfer are set out in the explanatory statement attached hereto) as well as means, methods and modes in respect thereof and to finalize and execute all required MOU, deeds, documents, agreements, writings, deeds of assignment /conveyance with such modifications as may be deemed necessary and/ or expedient in its discretion for completion and conclusion of the transaction as aforesaid in the best interest of the Company.”

“RESOLVED FURTHER THAT in connection with the above, the Board/Committee of Directors be and is hereby authorized to do all such acts, deeds, matters and things as may be deemed necessary, desirable, proper or expedient for the purpose of giving effect to this Resolution and for matters connected therewith or incidental thereto and to resolve any question, difficulty or doubt relating thereto, or otherwise considered to be in the best interests of the Company.”

**Registered Office:**

Melstar House, G-4, MIDC,  
Cross Road ‘A’, Andheri (East),  
Mumbai-400 093

Place: Mumbai,  
Date: **29.09.2016**

By Order of the Board of Directors  
For **MELSTAR INFORMATION TECHNOLOGIES LIMITED**

**ANIL KORPE**  
Chief Financial Officer

**NOTES:**

- (i) The Postal Ballot Notice is being sent to the Members, whose names appear in the Register of Members of the Company or in the Register of Beneficial Owners maintained by the Depositories on **FRIDAY, the 21<sup>ST</sup> OCTOBER, 2016**. The Postal Ballot Notice being sent in electronic mode to those Members who have registered their e-mail addresses with the Company or with the Depositories and in physical mode to the other Members.
- (ii) Voting rights will be reckoned on the paid-up value of shares registered in the name of the Members on **FRIDAY, the 21<sup>ST</sup> OCTOBER, 2016 (cut-off date)**. Only those Members whose names are recorded in the Register of Members of the Company or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date will be entitled to cast their votes by Postal Ballot or e-voting. A person who is not a Member on the cut-off date should accordingly treat this Notice as for information purposes only.
- (iii) **Members can opt for only one mode of voting i.e. either Postal Ballot or e-voting.** In case any Member votes both by Postal Ballot and e-voting, the votes cast through e-voting shall prevail and the votes cast through Postal Ballot shall be considered invalid.
- (iv) The Resolutions, if passed by requisite majority, will be deemed to be passed on the last date specified for receipt of duly completed Postal Ballot Forms or e-voting i.e. **MONDAY, the 28<sup>TH</sup> NOVEMBER, 2016**.

The procedure with respect to is provided below: - e-voting

**I. In case of Members who receive the Postal Ballot Notice in electronic mode:**

- (a) Open the e-mail and the PDF file viz. ‘**MITL e-voting.pdf**’ with your Client ID No. or Registered Folio No. as password. The said PDF file contains your user ID and password for e-voting. Please note that the password is an initial password.
- (b) Launch internet browser by typing the URL: <https://www.evoting.nsdl.com/> and click on ‘**Shareholder – Login**’.
- (c) Insert user ID and password as initial password stated in (a) above. Click on. ‘**Login**’.

- (d) Password change menu appears. Change the password with a new password of your choice with minimum 8 digits / characters or combination thereof. Please do not share your password with any other person and take utmost care to keep your password confidential.
  - (e) Home page of e-voting opens. Click on '**e-voting: Active Evoting Cycles**' and select the Electronic Voting Event Number (EVEN) of MITL.
  - (f) Now you are ready for e-voting. '**Cast Vote**' as page opens
  - (g) Cast your vote by selecting appropriate option and click on '**Submit**'. Thereafter click on '**Confirm**' when prompted; upon confirmation, your vote is cast and you will not be allowed to change your vote.
  - (h) Thereafter the message '**Vote cast successfully**' will be displayed.
  - (i) Corporate and institutional shareholders (companies, trusts, societies etc.) are required to send a scanned copy (in PDF JPG format) of the relevant Board Resolution / appropriate authorization to the Scrutinizer through email at [ragini.c@rediffmail.com](mailto:ragini.c@rediffmail.com) [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) with a copy marked to NSDL's e-mail ID [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
- II. In case of Members who receive the Postal Ballot Notice by post:**
- (a) User ID and initial password is provided in the Postal Ballot Form.
  - (b) Please follow the steps from Sl. Nos. (b) to (i) mentioned in (I) above, to cast your vote.
- III. Members already registered with NSDL for e-voting can use their existing user ID and password for Login.**  
Thereafter please follow the steps from Sl. Nos. (e) to (i) mentioned in (I) above, to cast your vote.
- IV. In case of any query / grievance, you may refer to the Frequently Asked Questions for Shareholders and e-voting User Manual for Shareholders available under the Downloads section of NSDL's e-voting website [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or contact the following:**
- (a) Mr. Amit Vishal, Senior Manager, National Securities Depository Limited, Trade World, "A" Wing, 4th & 5th Floors, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai 400 013 at telephone no. 022-2499 4360 or toll free no. 1800222990 or at e-mail ID: [AmitV@sdl.co.in](mailto:AmitV@sdl.co.in).
  - (b) You may also send your queries to the e-mail ID [anil@melstar.com](mailto:anil@melstar.com).
- V. The period for e-voting starts at 9.00 A.M. on SUNDAY, the 30<sup>th</sup> OCTOBER, 2016 and ends at 5.00 P.M. on MONDAY, the 28<sup>th</sup> NOVEMBER, 2016. E-voting will be blocked by NSDL at 5.00 P.M. on MONDAY, 28<sup>th</sup> NOVEMBER, 2016.**
- VI. There will be one e-vote for every Client ID No. / Registered Folio No. irrespective of the number of joint holders.**

## **EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 (HEREINAFTER REFERRED TO AS THE "ACT")**

### **Item No. 1:**

Under Section **180(1)(a)** of the Companies Act, 2013, the Board of Directors of a Company could, with the consent of the shareholders obtained by an Special Resolution, create charge/ mortgage/ hypothecation on the Company's assets, both present and future, in favor of the lenders/ trustees for the holders of debentures/ bonds, to secure the repayment of monies borrowed by the Company (including temporary loans obtained from the Company's Bankers in the ordinary course of business).

As such, it is necessary to obtain approval of the shareholders by means of a Special Resolution, to enable the Board of Directors of the Company to create charge/ mortgage/ hypothecation on the Company's assets, both present and future, in favor of the lenders/ trustees for the holders of debentures/ bonds, to secure the repayment of monies borrowed by the Company (including temporary loans obtained from the Company's Bankers in the ordinary course of business). Standard market terms of long term debt finance include conditions whereby lenders/ trustees in certain circumstances (such as non-payment or other events of default) can take over the management of the Company, to recover their dues. It is therefore, necessary to obtain members approval by way of a Special Resolution under **Section 180 (1)(a)** of the Act for creation of charges/mortgages/ hypothecations for an amount not exceeding **200 crores** or the aggregate of the paid up capital and free reserves of the Company, whichever is higher.

The proposed borrowings of the Company may, if necessary, be secured by way of charge/ mortgage/ hypothecation on the Company's assets in favor of the lenders/ holders of securities / trustees for the holders of the said securities as mentioned in the Resolution at Item No. 1. As the documents to be executed between the lenders/security holders/ trustees for the holders of the said securities and the Company may contain provisions to take over substantial assets of the Company in certain events, it is necessary to pass a special resolution under **Section 180(1)(a)** of the Act, for creation of charges/mortgages/hypothecations for an amount not exceeding **200 crores** or the aggregate of the paid up capital and free reserves of the Company, whichever is higher.

The Board recommends the resolution at **Item No. 1** of the Notice for approval of the shareholders by a Special Resolution.

### **Item No.: 2**

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

As a measure of achieving greater financial flexibility and to enable optimal financing structure, this permission is sought pursuant to the provisions of **Section 186** of the Companies Act, 2013 to give powers to the Board of Directors or any duly constituted committee thereof, for making investment, providing loans or give guarantee or provide security in connection with loans to Company (s) (including overseas Company (s)) for an amount not exceeding **200 crores**.

The investment(s), loan(s), guarantee(s) and security (ies), as the case may be, will be made in accordance with the applicable provisions of the Companies Act, 2013 and relevant rules made there under. These investments are proposed to be made out of owned / surplus funds/internal accruals and or any other sources including borrowings, if necessary, to achieve long term strategic and business objectives

The Special Resolution at **Item No.2** of the accompanying Notice is being proposed in furtherance of and supplemental to the existing limit for making investments. The Board recommends the resolution at **Item No. 2** of the Notice for approval of the shareholders by a Special Resolution.

**Item No.: 3**

Melstar Inc. USA is a wholly owned subsidiary of Melstar Information Technologies Limited.

The Company offers IT technical staffing and product customization services. The Company delivers these services to a variety of technical environments including client servers, mainframes, internet development products and enterprise resource management systems.

The Company has suffered recurring losses in the past and the net worth of the Company eroded substantially. The global economic slowdown has affected the growth of the Company in the past. The Company lost the major customer Citibank N.A. The Company did not trade since October 2013. The Management does not have any plans to revive the operations of the subsidiary in the nearest future. The administrative expenses required to keep the Subsidiary live are not justifiable in view of no operation in the subsidiary for past three years. Hence the Management has taken a decision to close the US subsidiary and if there is any opportunity in future the same would be explored after detailed analysis of the prevailing economic environment.

As members of the Company, you are aware that the Company had established a wholly owned subsidiary namely “**MELSTAR INC.**” in USA, for boosting the international business operations of the Company. However, on account of various changes in the dynamics of domestic as well as international business operations and the customers’ preferences to do business directly with the Company, the operations of the subsidiary could not take off in the real business sense. Hence, the Board of the Company in its meeting held on **29<sup>TH</sup> SEPTEMBER, 2016**, has decided to close down the operations of the Company’s subsidiary, subject to the approval of the Members of the Company.

The Board recommends the resolution at **Item No. 3** of the Notice for approval of the shareholders by a Special Resolution.

**Item No.: 4**

According to section 180(1)(a) of the Companies Act, 2013 sale or disposal of all or any of the moveable/immoveable property of the Company requires approval of members by way of special resolution.

The Board of Directors proposing to sell Melstar House situated at **G 4 MIDC Cross Road-A, Andheri (east), Mumbai-400093** at such price and on such terms and conditions as deemed appropriate considering all relevant & related factors prevailing at the time of sale, in the best interest of the Company.

The amount realized on sale of **Melstar House, G 4 MIDC Cross Road A Andheri (east) Mumbai 400093** will be used to repay dues to the Bank, general corporate purpose, and for working capital requirements.

The Board recommends the resolution at Item No.4 of the Notice for approval of the shareholders by a Special Resolution.

**Item No.: 5**

According to **Section 180(1)(a)** of the Companies Act, 2013 sale or disposal of all or any of the moveable/immoveable property of the Company requires approval of members by way of special resolution.

The Board of Directors proposing to sell the **Bangalore Premises situated at 335, Connection Point A-Block, Mazzanine Floor, HAL-Airport Exit Road, Bangalore-560017** at such price and on such terms and conditions as deemed appropriate considering all relevant & related factors prevailing at the time of sale, in the best interest of the Company.

The amount realized on sale of **Bangalore Premises situated at 335, Connection Point A-Block, Mazzanine Floor, HAL-Airport Exit Road, Bangalore-560017** will be used to repay dues to the Bank, general corporate purpose, and for working capital requirements. The Board recommends the resolution at **Item No.5** of the Notice for approval of the shareholders by a Special Resolution.

You are requested to communicate your assent or dissent in respect of **Item no. 1 to 5** in writing in the postal ballot form sent herewith in accordance with instruction there in set out.

None of the Directors and key managerial personnel of the Company or their respective relatives are concerned or interested in the Resolution mentioned at **Item No.1 to 5** of the Notice.

**Registered Office:**

Melstar House, G-4, MIDC,  
Cross Road ‘A’, Andheri (East),  
Mumbai-400 093

Place: Mumbai,  
Date: **29.09.2016**

By Order of the Board of Directors  
For **MELSTAR INFORMATION TECHNOLOGIES LIMITED**

**ANIL KORPE**  
Chief Financial Officer

## **BUSINESS REPLY ENVELOPE**

POSTAGE  
WILL BE  
PAID BY  
THE  
ADDRESSE

B.R. Permit No.: MHY/BYN/677  
Chakala, MIDC Post Office,  
Andheri (East), Mumbai-400093

NO  
POSTAGE STAMP  
NECESSARY IF  
POSTED  
IN INDIA

**To,**  
**M/S RAGINI CHOKSHI & ASSOCIATES**  
**Scrutinizer**  
**MELSTAR INFORMATION TECHNOLOGIES LIMITED**  
Melstar House, G-4, MIDC Cross Road A,  
Andheri (East), Mumbai 400093. India