



# Technocraft Industries (India) Limited

**Registered Office:** A-25, Technocraft House, MIDC, Marol Industrial Area, Road No.03, Opp. ESIS Hospital, Andheri (East), Mumbai - 400093, Maharashtra, India  
Tel: 4098 2222/0002; Fax No. 2835 6559; **CIN No.** L28120MH1992PLC069252  
E-mail: [investor@technocraftgroup.com](mailto:investor@technocraftgroup.com) ; website: [www.technocraftgroup.com](http://www.technocraftgroup.com)

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November 17, 2017

To,  
**National Stock Exchange of India Limited**  
Exchange Plaza,  
Bandra Kurla Complex,  
Bandra (E),  
Mumbai- 400051  
**Ref: Script Name: TIIL**

**BSE Limited**  
Listing Department  
P.J. Towers, 1<sup>st</sup> Floor,  
Dalal Street, Fort,  
Mumbai – 400 001  
**Script Code: 532804**

**Sub: Submission of Notice and Form of Postal Ballot**

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Dear Sir,

Please find enclosed herewith copy of Postal Ballot Notice and Form for your records.

Kindly take the same on your records and acknowledge the receipt.

Thanking you,

Yours truly,

For Technocraft Industries (India) Limited

  
Neeraj Rai  
Company Secretary



Encl: a.a.



## Technocraft Industries (India) Limited

A-25, Technocraft House, MIDC, Marol Industrial Area, Road No. 3, Opp. ESIS Hospital, Andheri (E), Mumbai - 400093

Corporate Identification Number (CIN): L28120MH1992PLC069252

Telephone: +91: 22-4098-2222; Fax: +91 22-2836-7037;

Email: [investor@technocraftgroup.com](mailto:investor@technocraftgroup.com) Website: [www.technocraftgroup.com](http://www.technocraftgroup.com)

### Notice of Postal Ballot to the Shareholders

(Notice issued to members pursuant to Section 110 of the Companies Act, 2013)

Dear Member(s),

Notice is hereby given pursuant to Section 110 and other applicable provisions of the Companies Act, 2013, (the Act) if any, read together with the Companies (Management and Administration) Rules, 2014, including any statutory modification or re-enactment thereof for the time being in force, that the Resolutions set out below are proposed to be passed by way of Postal Ballot/e-Voting. An Explanatory Statement pertaining to the said Resolution setting out the material facts concerning each item and the reasons thereof is annexed to the Notice, along with a Postal Ballot form (the Form) for your consideration.

The Board of Directors has appointed M/s Nitesh Jain & Co., Company Secretaries (Membership No. FCS 6069 and Certificate of Practice No. 8582), as the Scrutinizer for conducting the Postal Ballot and e-voting process in a fair and transparent manner. You are requested to carefully read the instructions printed on the Form, record your assent (for) or dissent (against) therein and return the Form, in original, duly completed in all respects, in the enclosed self-addressed, postage pre-paid envelope (if posted in India) so as to reach the Scrutinizer, on or before the close of working hours on Thursday, December 28, 2017.

Members desiring to opt for e-voting as per facilities arranged by the Company are requested to read the notes to the Notice and instructions overleaf the Form. Upon completion of the scrutiny of the Forms, the Scrutinizer will submit his report to the Chairman or to any other person duly authorised in this regard. The result of the Postal Ballot would be announced by the Chairman or any other person duly authorised, on Friday, December 29, 2017 at the Registered Office of the Company. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website i.e. [www.technocraftgroup.com](http://www.technocraftgroup.com) and on the website of NSDL within two (2) days of passing of the resolutions and shall also be communicated to the Stock Exchanges, where the shares of the Companies are listed.

#### SPECIAL BUSINESS:

##### 1. To approve the Buy-back of Equity Shares of the Company

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

**“RESOLVED THAT** in accordance with Article 61 of the Articles of Association of the Company and the provisions of Sections 68 Section 69, Section 70 of the Companies Act, 2013, the Companies (Share Capital and Debenture) Rules, 2014 (**Share Capital Rules**), the Companies (Management and Administration) Rules, 2014 (**Management and Administration Rules**) and all other applicable provisions, if any, of the Companies Act, 2013 (**“Act”**) and in compliance of the Securities and Exchange Board of India (Buy-back of Securities) Regulations, 1998 (**“the Buy-back Regulations”**), and subject to such other approvals, permissions and sanctions as may be necessary and subject to any modifications and conditions, if any, as may be prescribed by the appropriate authorities which the Board of Directors of the Company (which expression includes a Buy-back Committee of the Company constituted for this purpose) is authorized to accept, the consent of the Members be and is accorded for the Buy-back by the Company of its fully paid-up Equity Shares of a face value of ₹ 10/- each (**“Equity Share”**), from the shareholders of the Company on a proportionate basis through the tender offer route in accordance and consonance with the provisions contained in the Buy-back Regulations and the Act, for an amount not exceeding ₹ 147,00,00,000/- (Rupees One Hundred Forty Seven Crores Only) (hereinafter referred to as the **“Buyback Offer Size”**), (being less than 25% of the total paid-up equity capital and free reserves of the Company as per latest audited standalone balance sheet as on March 31, 2017), at a price not exceeding ₹ 525/- (Rupees Five Hundred Twenty Five only) per Equity Share on a proportionate basis through the **“Tender Offer”** route prescribed under the Buy-back Regulations and the Act and Mechanism for acquisition of Shares through Stock Exchange pursuant to Tender Offers vide circular no. CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 and circular no. CFD/DCR2/CIR/P/2016/131 dated December 9, 2016 of

SEBI (hereinafter referred to “**SEBI Circulars**”) (hereinafter referred to as the “**Buyback**”), in accordance and consonance with the provisions contained in the Buy-back Regulations and the Act.

**RESOLVED FURTHER THAT** the Company shall implement the Buyback from out of its securities premium account and other free reserves and that the Buyback shall be through the tender offer route in such manner as may be prescribed under the Act and the Buy-back Regulations and on such terms and conditions as the Board of Directors may deem fit, subject to shareholder’s approval.

**RESOLVED FURTHER THAT** as required by Regulation 6 of the Buy-back Regulations, the Company shall Buyback Equity Shares from the shareholders on a proportionate basis under the Tender Offer, provided 15% of the number of Equity Shares which the Company proposes to buy back or number of Equity Shares entitled as per the shareholding of small shareholders at Record Date, whichever is higher, shall be reserved for small shareholders, as defined in the Buyback Regulations.

**RESOLVED FURTHER THAT** the Buy-back from non-resident shareholders, Overseas Corporate Bodies (OCB’s) Foreign Institutional Investors and shareholders of foreign nationality, if any, shall be subject to such approvals, if and to the extent necessary or required from concerned authorities including approvals from the Reserve Bank of India under Foreign Exchange Management Act, 1999 and rules and regulations framed there under, if any.

**RESOLVED FURTHER THAT** nothing contained hereinabove shall confer any right on the part of any shareholder to offer, or any obligation on the part of the Company or the Board of Directors to buyback any shares and/or impair any power of the Company or the Board of Directors to terminate any process in relation to such Buyback if so permissible by law.

**RESOLVED FURTHER THAT** the Board of Directors (which expression includes a Buy-back Committee constituted for this purpose) be and is authorised to do all such acts, deeds, matters and things as it may, in its absolute discretion deem necessary, expedient or proper, to be in the best interest of the shareholders for the implementation of the Buyback, carry out incidental documentation as also to make applications to the appropriate authorities for their approvals and to initiate all necessary actions for preparation and issue of various documents, opening of accounts including public announcement, letter of offer, declaration of solvency, extinguishment of share certificates and ‘Certificates of Extinguishment’ required to be filed in connection with the Buyback on behalf of the Board and such other undertakings, agreements, papers, documents and correspondence as may be necessary for the implementation of the Buyback to the Securities and Exchange Board of India, Reserve Bank of India, BSE Limited, National Stock Exchange of India Limited, Registrar of Companies, Depositories and/ or other authorities.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board be and is hereby authorized to accept and make any alteration(s), modification(s) to the terms and conditions as it may deem necessary, concerning any aspect of the Buyback, in accordance with the statutory requirements as well as to give such directions as may be necessary or desirable, to settle any questions, difficulties or doubts that may arise and generally, to do all acts, deeds, matters and things as it may, in absolute discretion deem necessary, expedient, usual or proper in relation to or in connection with or for matters consequential to the Buyback without seeking any further consent or approval of the Members or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution.”

**2. To approve the revision in the terms of appointment and remuneration of Mr. Navneet Kumar Saraf (DIN: 00035686) Whole-time Director of the Company:**

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:  
“**RESOLVED THAT** in partial modification to the Ordinary Resolution passed by the Members of the Company at the Twenty Third Annual General Meeting held on September 29, 2015 and pursuant to the provisions of Sections 196, 197, read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), and the Articles of Association of the Company and such other approval(s), permission(s) and sanction(s), as may be required, approval of the Members of the Company be and is hereby granted to the revision in the remuneration of Mr. Navneet Kumar Saraf, Whole-time Director (DIN: 00035686) with effect from April 01, 2017 as recommended by the Nomination & Remuneration Committee and approved by the Board at its meeting held on November 10, 2017 and as set out in the explanatory statement annexed to the Notice of Postal Ballot; and that his office shall be liable to retire by rotation, for the remaining term;

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to do and perform or cause to be done, all such acts and deeds necessary to give effect to the foregoing resolution, including inter-alia, approving on behalf of the Company, any changes or modifications from time to time in the terms and conditions of the appointment and remuneration of Mr. Navneet Kumar Saraf as Whole-time Director of the Company.”

**3. To approve the revision in the terms of appointment and remuneration of Mr. Ashish Kumar Saraf (DIN: 00035549) Whole-time Director of the Company:**

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

“**RESOLVED THAT** in partial modification to the Ordinary Resolution passed by the Members of the Company at the Twenty Third Annual General Meeting held on September 29, 2015 and pursuant to the provisions of Sections 196, 197, read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), and the Articles of Association of the Company and such other approval(s), permission(s) and sanction(s), as may be required, approval of the Members of the Company be and is hereby granted to the revision in the remuneration of Mr. Ashish Kumar Saraf, Whole-time Director (DIN: 00035549) with effect from April 01, 2017 as recommended by the Nomination & Remuneration Committee and approved by the Board at its meeting held on November 10, 2017 and as set out in the explanatory statement annexed to the Notice of Postal Ballot; and that his office shall be liable to retire by rotation, for the remaining term;

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to do and perform or cause to be done, all such acts and deeds necessary to give effect to the foregoing resolution, including inter-alia, approving on behalf of the Company, any changes or modifications from time to time in the terms and conditions of the appointment and remuneration of Mr. Ashish Kumar Saraf as Whole-time Director of the Company.”

**By order of the Board of Directors,  
For Technocraft Industries (India) Limited,**

**Neeraj Rai  
Company Secretary**

Mumbai, November 10, 2017

Registered Office:

A-25, Technocraft House, MIDC,  
Marol Industrial Area, Road No. 3,  
Opp. ESIS Hospital, Andheri (E),  
Mumbai - 400093, India.

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CIN: L28120MH1992PLC069252

e-mail: [investor@technocraftgroup.com](mailto:investor@technocraftgroup.com)

website: [www.technocraftgroup.com](http://www.technocraftgroup.com)

**Notes:**

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 setting out material facts is annexed hereto.
2. The Notice is being sent to all the Shareholders, whose names appear on the Register of Members/list of Beneficial Owners on Friday, November 10, 2017, as received from National Securities Depository Limited (NSDL)/Central Depository Services (India) Limited (CDSL).
3. The Company has appointed M/s Nitesh Jain & Co., Company Secretaries (Membership No. FCS 6069 and Certificate of Practice No. 8582), as a Scrutinizer for conducting the Postal Ballot and e voting process in a fair and transparent manner.
4. Shareholders who have registered their e-mail IDs for receipt of documents in electronic mode under the Green Initiative of Ministry of Corporate Affairs are being sent Notice of Postal Ballot by e-mail and others are sent by post along with Postal Ballot Form. Shareholders who have received Postal Ballot Notice by e-mail and who wish to vote through Physical Postal Ballot Form can download Postal Ballot Form from the website of the Company, [www.technocraftgroup.com](http://www.technocraftgroup.com). To seek duplicate Postal Ballot Form, please contact our Registrars and Transfer Agent, M/s. Link Intime India Private Limited, C 101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai – 400083 and request you to fill in the details and send the same to the Scrutinizer.
5. In compliance with provisions of Section 110 of the Act read with the Companies (Management and Administration) Rules, 2014, the Company is offering e-voting facility to all the Shareholders of the Company. The Company has availed the e-voting services of NSDL. The instructions for Shareholders for e-voting are given separately in this Notice.

6. Kindly note that the Shareholders can opt only one mode of voting, i.e., either by Physical Ballot or e-voting. If you are opting for e-voting, then do not vote by Physical Ballot also and vice versa. However, in case Shareholders cast their vote by Physical Ballot and e-voting, then voting done through valid Physical Ballot shall prevail and voting done by e-voting will be treated as invalid.
7. Shareholders desiring to exercise vote by Physical Postal Ballot are requested to carefully read the instructions printed in the Postal Ballot Form and return the Form duly completed and signed in the enclosed self-addressed business reply envelope to the Scrutinizer. The postage cost will be borne by the Company. However, envelopes containing Postal Ballots, if sent by courier or registered/speed post at the expense of the Shareholders will also be accepted.
8. The voting rights of Shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on Friday, November 10, 2017.
9. The voting period ends on the close of working hours (i.e. 17:00 hours), Thursday, December 28, 2017. The e-voting module shall also be disabled by NSDL for voting thereafter.
10. Postal Ballot forms received after 17:00 hours of Thursday, December 28, 2017, will not be valid and, voting, whether by post or electronic means, is not allowed after Thursday, December 28, 2017. Postal ballot Forms received after this date will be strictly treated as if the reply has not been received from the Member(s).
11. In case, shares are jointly held, the Postal Ballot Form should be completed and signed (as per the specimen signature registered with the company) by the first named Member and in his/her absence, by the next named Member.
12. In case of shares held by companies, trusts, societies, etc. the duly completed Postal Ballot Form should be accompanied by a certified copy of the Board Resolution/Authority letter together with attested specimen signature(s) of the duly authorized signatory/ies, giving requisite authority to the person voting on the Postal Ballot Form.
13. The vote in this postal ballot cannot be exercised through proxy.

**Instructions for E-voting:**

**I. The instructions for shareholders voting electronically are as under:**

- A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/ Depository Participants(s)]:
  - (i) Open email and open PDF file viz; “evoting.pdf” with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for e-voting. Please note that the password is an initial password.
  - (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsd.com>.
  - (iii) Click on Shareholder – Login
  - (iv) Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
  - (v) Password change menu appears. Change the password/PIN with new password of your choice with Minimum 8 digits/characters or combination thereof.
  - (vi) Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
  - (vii) Home page of e-voting opens. Click on e-Voting: Active Voting Cycles.
  - (viii) Select “EVEN” of Technocraft Industries (India) Limited.
  - (ix) Now you are ready for e-voting as Cast Vote page opens.
  - (x) Cast your vote by selecting appropriate option and click on “Submit” and also “Confirm” when prompted.
  - (xi) Upon confirmation, the message “Vote cast successfully” will be displayed
  - (xii) Once you have voted on the resolution, you will not be allowed to modify your vote.
  - (xiii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to [csniteshjain@gmail.com](mailto:csniteshjain@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)
- B. In case a Member receives physical copy of the Notice of Postal Ballot [for members whose email Ids are not registered with the Company/Depository Participants(s) or requesting physical copy]:
  - (i) Initial password is provided at the bottom of the Postal Ballot Form.
  - (ii) Please follow all steps from Sl. No. (ii) to Sl. No.(xii) above, to cast vote.



- II.** In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the Downloads section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com)
- III.** If you are already registered with NSDL for e-voting then you can use your existing user ID and password/PIN for casting your vote.
- IV.** The e-voting period commences on Wednesday, November 29, 2017 and ends on Thursday, December 28, 2017. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Friday, November 10, 2017, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.

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

### **ITEM NO. 1**

With an objective of rewarding Members holding equity shares of the Company, through return of surplus cash, the Board at its meeting held on Friday, November 10, 2017 has approved the proposal of recommending Buyback of equity shares as contained in the resolution in the Notice. As per the relevant provisions of the Companies Act and other applicable provisions of Companies Act and Buyback Regulations, the Explanatory Statement contains relevant and material information to enable the Members holding equity shares of the Company to consider and approve the Special Resolution on the Buyback of the Company's equity shares. Requisite details relating to the Buyback are given below:

#### **a) Objective of the Buyback**

Share buyback is the acquisition by a company of its own shares. The objective is to return surplus cash to the Members holding equity shares of the Company. The Board at its meeting held on Friday, November 10, 2017, considered the increase in accumulated free reserves as well as the cash liquidity reflected in the audited accounts for year ended March 31, 2017 and considering these, the Board decided to allocate a sum of ₹ 147,00,00,000/- (Rupees One Hundred Forty Seven Crores Only) for distributing to the members holding equity shares of the Company as on Record Date through Buy back. After considering several factors and benefits to the members holding equity shares of the Company, the Board decided to recommend Buyback of not exceeding 28,00,000 (Twenty Eight Lakhs equity shares) (representing 10.65% of the total number of equity shares in the paid-up equity share capital of the Company) at a price of ₹ 525 (Rupees Five Hundred Twenty Five only) per equity share for an aggregate consideration of ₹ 147,00,00,000/- (Rupees One Hundred Forty Seven Crores Only). Buyback is a more efficient form of distributing surplus cash to the Members holding equity shares of the Company, inter-alia, for the following reasons:

- i. The Buyback will help the Company to distribute surplus cash to its Members holding equity shares broadly in proportion to their shareholding, thereby, enhancing the overall return to Members;
- ii. The Buyback, which is being implemented through the Tender Offer route as prescribed under the Buyback Regulations, would involve allocation of 15% of the outlay to small shareholders. The Company believes that this reservation of 15% for small shareholders would benefit a large number of public shareholders, who would get classified as "small shareholder";
- iii. The Buyback would help in improving return on equity, by reduction in the equity base, thereby leading to long term increase in shareholders' value;

The Buyback gives an option to the Members holding equity shares of the Company, who can choose to participate and get cash in lieu of Equity Shares to be accepted under the Buyback Offer or they may choose to not participate and enjoy a resultant increase in their percentage shareholding, post the Buyback Offer, without additional investment;

- iv. The Buyback Offer price of ₹ 525/- (Rupees Five Hundred Twenty Five only) per Equity Share represents a premium of 25.51% and 22.63 % over the volume weighted average price of the Equity Shares on BSE and on NSE respectively for Three months from the date of intimation to the Stock Exchanges for the Board Meeting to consider the proposal of the Buyback and 14.66% and 15.04 % over the volume weighted average price of the Equity Shares on BSE and on NSE respectively for Two weeks from the date of intimation to the Stock Exchanges for the Board Meeting to consider the proposal of the Buyback.

#### **b) Method to be adopted for the Buyback**

The Buyback shall be on a proportionate basis from all the Members holding equity shares of the Company through the "Tender Offer" route, as prescribed under the Buyback Regulations. The Buyback will be implemented in accordance with the Companies Act and the Share Capital Rules to the extent applicable and on such terms and conditions as may be deemed fit by the Company.

As required under the Buyback Regulations, the Company will announce a record date (the "Record Date") for determining the names of the Members holding equity shares of the Company who will be eligible to participate in the Buyback.

In due course, each shareholder as on the Record Date will receive a Letter of Offer along with a Tender / Offer Form indicating the entitlement of the shareholder for participating in the Buyback.

The equity shares to be bought back as a part of the buyback is divided in two categories:

- (a) Reserved category for small shareholders; and
- (b) the general category for all other shareholders.

As defined in the Buyback Regulations, a “small shareholder” is a shareholder who holds equity shares having market value, on the basis of closing price on the recognized stock exchange (BSE or NSE) in which highest trading volume in respect of Equity Shares as on Record Date, of not more than ₹ 2,00,000 (Rupees Two Lakhs Only). In accordance with Regulation 6 of the Buyback Regulations, 15% (fifteen percent) of the number of equity shares which the Company proposes to Buyback or number of equity shares entitled as per the shareholding of small shareholders, whichever is higher, shall be reserved for the small shareholders as part of this Buyback. The Company believes that this reservation of 15% for small shareholders would benefit a large number of public shareholders, who would get classified as “small shareholder”.

Basis the holding on the Record Date, the Company will determine the entitlement of each shareholder to tender their shares in the Buyback. This entitlement for each shareholder will be calculated based on the number of equity shares held by the respective shareholder as on the Record Date and the ratio of Buyback applicable in the category to which such shareholder belongs.

Shareholders’ participation in Buyback will be voluntary. Members holding equity shares of the Company can choose to participate and get cash in lieu of shares to be accepted under the Buyback or they may choose to not participate and enjoy a resultant increase in their percentage shareholding, post Buyback, without additional investment. Members holding equity shares of the Company may also accept a part of their entitlement. Members holding equity shares of the Company also have the option of tendering additional shares (over and above their entitlement) and participate in the shortfall created due to non-participation of some other shareholders, if any. The maximum tender under the Buyback by any shareholder cannot exceed the number of equity shares held by the shareholder as on the Record Date.

The equity shares tendered as per the entitlement by Members holding equity shares of the Company as well as additional shares tendered, if any, will be accepted as per the procedure laid down in Buyback Regulations. The settlement of the tenders under the Buyback is expected to be done using the “Mechanism for acquisition of shares through Stock Exchange” notified by SEBI vide circular CIR/ CFD/POLICYCELL/1/2015 dated April 13, 2015 and circular no. CFD/ DCR2/CIR/P/2016/131 dated December 9, 2016 of SEBI.

Detailed instructions for participation in the Buyback (tender of equity shares in the Buyback) as well as the relevant time table will be included in the Letter of Offer which will be sent in due course to the Members holding equity shares of the Company as on the Record Date.

**c) Maximum amount required under the Buyback and the sources of funds from which the Buyback would be financed**

The maximum amount required under the Buyback will be ₹ 147,00,00,000/- (Rupees One Hundred Forty Seven Crores Only). The Buyback would be financed out of free reserves of the Company. The Company shall transfer from its free reserves a sum equal to the nominal value of the equity shares bought back through the Buyback to the Capital Redemption Reserve Account and the details of such transfer shall be disclosed in its subsequent audited Balance Sheet.

The Company confirms that as required under Section 68(2) (d) of the Companies Act, the ratio of the aggregate of secured and unsecured debts owed by the Company shall not be more than twice the paid-up equity share capital and free reserves after the Buyback.

**d) Buyback Price and the basis of arriving at the Buyback Price**

The equity shares of the Company are proposed to be bought back at a price of ₹ 525/- (Rupees Five Hundred Twenty Five only) per equity share (the “**Buyback Offer Price**”). The Buyback Offer Price has been arrived at after considering various factors such as the average closing prices of the equity shares of the Company on BSE and NSE where the equity shares of the Company are listed, the net worth of the Company and the impact of the Buyback on the key financial ratios of the Company. The Buyback Offer price of ₹ 525/- (Rupees Five Hundred Twenty Five only) per Equity Share represents a premium of 25.51% and 22.63. % over the volume weighted average price of the Equity Shares on BSE and on NSE respectively for Three months from the date of intimation to the Stock Exchanges for the Board Meeting to consider the proposal of the Buyback and 14.66% and 15.04 % over the volume weighted average price of the Equity Shares on BSE and on NSE respectively for Two weeks from the date of intimation to the BSE for the Board Meeting to consider the proposal of the Buyback

**e) Number of shares that the Company proposes to buyback and the time limit for completing the Buyback**

The Company proposes to Buyback not exceeding 28,00,000 (Twenty Eight Lakhs only) equity shares of face value of ₹ 10/- each of the Company. The Buyback is proposed to be completed within 12 months of the date of Special Resolution approving the proposed Buyback.



f) **Compliance with Section 68(2)(c) of the Companies Act**

The aggregate paid-up share capital and free reserves as at year ended March 31, 2017 is ₹ 632.97 crore. Under the provisions of the Companies Act, the funds deployed for the Buyback cannot exceed 25% of the total paid-up capital and free reserves of the Company i.e. ₹ 158.24 crore. The maximum amount proposed to be utilized for the Buyback, is ₹ 147,00,00,000/- (Rupees One Hundred Forty Seven Crores Only) and is therefore within the limit of 25% of the Company's total paid-up equity capital and free reserves as per the audited Balance Sheet as at March 31, 2017. Further, under the Companies Act, the number of equity shares that can be bought back in any financial year cannot exceed 25% of the total paid-up equity capital of the Company in that financial year. Accordingly, the maximum number of equity shares that can be bought back in the current financial year is 65,75,000 equity shares. Since the Company proposes to Buy-back up to 28,00,000 equity shares, the same is within the aforesaid 25% limit.

g) **The aggregate shareholding of the Promoters, the directors of the Promoter where Promoter is a Company and of directors and key managerial personnel of the Company as on the date of this Notice:**

1. *The aggregate shareholding of the Promoters who are in control of the Company:*

Sr. No	Name of Shareholder	No. of Shares held	Percentage
1	Mr. Ashish Kumar Saraf	59,843	0.23%
2	Mr. Navneet Kumar Saraf	951,060	3.62%
3	Mrs. Nidhi Saraf	47,790	0.18%
4	Ms. Ritu Saraf	62,266	0.24%
5	Mrs. Shakuntala Saraf	5,701,135	21.68%
6	Mrs. Shantidevi Saraf	2,317,228	8.81%
7	Mr. Sharad Kumar Saraf	448,647	1.71%
8	Sharad Kumar Madhoprasad Saraf HUF	2,431,995	9.25%
9	Mr. Sudarshan Kumar Saraf	7,493,164	28.49%
10	Sudarshan Kumar Madhoprasad Saraf HUF	82,483	0.31%
11	Mrs. Suman Saraf	129,389	0.49%
	<b>Total</b>	<b>19,725,000</b>	<b>75.00%</b>

2. *None of the Directors or key managerial personnel of the Company hold any Equity Shares in the Company except for the following:*

Sr. No	Shareholding of each Directors & each Key Managerial Personnel	No. of Shares held	Percentage
1	Mr. Sharad Kumar Saraf	448,647	1.71%
2	Mr. Sudarshan Kumar Saraf	7,493,164	28.49%
3	Mr. Ashish Kumar Saraf	59,843	0.23%
4	Mr. Navneet Kumar Saraf	951,060	3.62%

3. *No Equity Shares of the Company have been purchased/ sold by any member of the Promoter/Promoter Group, directors and key managerial personnel of the Company during the period from twelve months preceding the date of the Board Meeting at which the Buyback was proposed and from the date of the Board Meeting till the date of this Notice.*

4. *In terms of the Buyback Regulations, under the Tender Offer route, the promoters of the Company have the option to participate in the Buyback. In this regard, the promoter and promoter group of the Company have expressed their intention vide their letter dated November 10, 2017, to participate in the Buyback and offer up to an aggregate maximum number of equity shares as per their entitlement or such number of equity shares as required in compliance with the Buyback Regulations and/or SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.*

5. *Details of the date and price of acquisition of the Equity Shares that promoters intend to tender are set-out below:*

**Mr. Sharad Kumar Saraf**

Date	No. of Shares	Nominal Value (₹)	Issue Price / Transfer Price (₹)	Consideration
19.03.1994	78	780	-	Amalgamation
01.09.1994	7,020	7,020	Nil	Bonus
07.10.1994	35,490	354,900	Nil	Bonus
05.01.1998	17,815	178,150	10	Transfer
06.03.2002	(6,040)	(60,400)	218	Buyback
27.06.2002	(8,155)	(81,550)	238	Buyback
07.02.2003	(818)	(8,180)	305	Buyback
11.03.2003	13,972	139,720	Nil	Bonus
10.03.2005	59,362	593,620	Nil	Bonus
28.02.2006	89,043	890,430	Nil	Bonus
18.11.2008	7,395	73,950	22	Open Market
19.11.2008	6,891	68,910	23	Open Market
20.11.2008	2,077	20,770	23	Open Market
21.11.2008	672	6,720	23	Open Market
26.11.2008	65,000	650,000	27	Open Market
28.01.2009	15,000	150,000	23	Open Market
28.01.2009	5,000	50,000	23	Open Market
29.01.2009	25,000	250,000	23	Open Market
30.01.2009	25,000	250,000	22	Open Market
03.02.2009	24,800	248,000	23	Open Market
04.02.2009	24,999	249,990	23	Open Market
06.02.2009	13,479	134,790	23	Open Market
11.08.2015	107,281	1,072,810	NIL	Transmission – Partition of HUF
23.02.2016	(81,714)	(8,17,140)	270	Buyback
<b>Total</b>	<b>4,48,647</b>	<b>44,86,470</b>		

**Mr. Sudarshan Kumar Saraf**

Date	No. of Shares	Nominal Value (₹)	Issue Price / Transfer Price (₹)	Consideration
28.10.1992	3,450	34,500	10	Cash
19.03.1994	63	630	NIL	Amalgamation
01.09.1994	316,170	3,161,700	NIL	Bonus
07.10.1994	1,598,415	15,984,150	NIL	Bonus
16.02.1998	830,888	8,308,880	10	Rights Issue
09.10.1999	(307,420)	(3,074,200)	NIL	Transfer (Gift)
06.03.2002	(244,157)	(2,441,570)	218	Buyback
27.06.2002	(331,486)	(3,314,860)	238	Buyback
07.02.2003	(1,060)	(10,600)	305	Buyback
11.03.2003	574,038	5,740,380	NIL	Bonus
10.03.2005	2,438,901	24,389,010	NIL	Bonus
28.02.2006	3,658,351	36,583,510	NIL	Bonus
18.11.2008	7,112	71,120	22	Open Market
19.11.2008	8,449	84,490	23	Open Market
20.11.2008	2,460	24,600	23	Open Market
21.11.2008	13	130	23	Open Market
24.11.2008	1	10	23	Open Market
26.11.2008	65,742	657,420	27	Open Market
28.01.2009	5,000	50,000	23	Open Market
28.01.2009	15,496	154,960	23	Open Market
29.01.2009	25,000	250,000	23	Open Market

Date	No. of Shares	Nominal Value (₹)	Issue Price / Transfer Price (₹)	Consideration
30.01.2009	24,594	245,940	22	Open Market
03.02.2009	25,000	250,000	23	Open Market
04.02.2009	24,500	245,000	23	Open Market
06.02.2009	11,132	111,320	23	Open Market
11.08.2015	107,280	1,072,800	NIL	Transmission – Partition of HUF
23.02.2016	(1,364,768)	(13,647,680)	270	Buyback
<b>Total</b>	<b>7,493,164</b>	<b>74,931,640</b>		

**Ms. Shakuntala Saraf**

Date	No. of Shares	Nominal Value (₹)	Issue Price / Transfer Price (₹)	Consideration
28.10.1992	3,450	34,500	10	Cash
19.03.1994	75	750	-	Amalgamation
01.09.1994	317,250	3,172,500	Nil	Bonus
07.10.1994	1,603,875	16,038,750	Nil	Bonus
06.03.2002	(192,465)	(1,924,650)	218	Buyback
27.06.2002	(259,828)	(2,598,280)	238	Buyback
11.03.2003	453,218	4,532,180	Nil	Bonus
10.03.2005	1,925,575	19,255,750	Nil	Bonus
28.02.2006	2,888,362	28,883,620	Nil	Bonus
23.02.2016	(1,038,377)	(10,383,770)	270	Buyback
<b>Total</b>	<b>5,701,135</b>	<b>5,70,11,350</b>		

**Ms. Shantidevi Saraf**

Date	No. of Shares	Nominal Value (₹)	Issue Price / Transfer Price (₹)	Consideration
28.10.1992	1,475	14,750	10	Cash
19.03.1994	75	750	-	Amalgamation
01.09.1994	139,500	1,395,000	Nil	Bonus
07.10.1994	705,250	7,052,500	Nil	Bonus
06.03.2002	(84,630)	(846,300)	218	Buyback
27.06.2002	(114,251)	(1,142,510)	238	Buyback
11.03.2003	199,287	199,28,70	Nil	Bonus
10.03.2005	846,706	8,467,060	Nil	Bonus
28.02.2006	1,270,059	12,700,590	Nil	Bonus
27.01.2015	94,759	947,590	Nil	Transmission of shares of Late Shri Madhoprasad Saraf, to his wife
23.02.2016	(471,190)	(4,711,900)	270	Buyback
12.05.2016	(28,090)	(2,80,900)	225	Open Market
13.05.2016	(50,450)	(504,500)	230	Open Market
19.05.2016	(191,272)	(1,912,720)	235	Open Market
<b>Total</b>	<b>2,317,228</b>	<b>23,172,280</b>		

**Sharad Kumar Madhoprasad Saraf HUF**

Date	No. of Shares	Nominal Value (₹)	Issue Price / Transfer Price (₹)	Consideration
28.10.1992	1,475	14,750	10	Cash
01.09.1994	132,750	1,327,500	Nil	Bonus
07.10.1994	671,125	6,711,250	Nil	Bonus
05.01.1998	(17,815)	(178,150)	10	Transfer
06.03.2002	(66,086)	(660,860)	218	Buyback

Date	No. of Shares	Nominal Value (₹)	Issue Price / Transfer Price (₹)	Consideration
27.06.2002	(93,370)	(933,700)	238	Buyback
11.03.2003	193,334	1,933,340	Nil	Bonus
10.03.2005	821,413	8,214,130	Nil	Bonus
28.02.2006	1,232,120	12,321,200	Nil	Bonus
23.02.2016	(442,951)	(4,429,510)	270	Buyback
<b>Total</b>	<b>2,431,995</b>	<b>24,319,950</b>		

**Ms. Suman Saraf**

Date	No. of Shares	Nominal Value (₹)	Issue Price / Transfer Price (₹)	Consideration
19.03.1994	80	800	-	Amalgamation
01.09.1994	7,200	72,000	Nil	Bonus
07.10.1994	36,400	364,000	Nil	Bonus
06.03.2002	(4,368)	(43,680)	218	Buyback
27.06.2002	(5,897)	(58,970)	238	Buyback
11.03.2003	10,286	102,860	Nil	Bonus
10.03.2005	43,701	437,010	Nil	Bonus
28.02.2006	65,552	655,520	Nil	Bonus
23.02.2016	(23,565)	(235,650)	270	Buyback
<b>Total</b>	<b>1,29,389</b>	<b>1,293,890</b>		

**Sudarshan Kumar Madhoprasad Saraf HUF**

Date	No. of Shares	Nominal Value (₹)	Issue Price / Transfer Price (₹)	Consideration
28.10.1992	50	500	10	Cash
19.03.1994	1	10	-	Amalgamation
01.09.1994	4,590	45,900	Nil	Bonus
07.10.1994	23,205	232,050	Nil	Bonus
06.03.2002	(2,785)	(27,850)	218	Buyback
27.06.2002	(3,759)	(37,590)	238	Buyback
11.03.2003	6,557	65,570	Nil	Bonus
10.03.2005	27,859	278,590	Nil	Bonus
28.02.2006	41,788	417,880	Nil	Bonus
23.02.2016	(15,023)	(150,230)	270	Buyback
<b>Total</b>	<b>82,483</b>	<b>824,830</b>		

**Ms. Ritu Saraf**

Date	No. of Shares	Nominal Value (₹)	Issue Price / Transfer Price (₹)	Consideration
17.06.1993	50	500	10	Transfer from Eskidee Metal Crafts Pvt. Ltd (Cash)
19.03.1994	25	250	-	Amalgamation
01.09.1994	6,750	67,500	Nil	Bonus
07.10.1994	34,125	341,250	Nil	Bonus
06.03.2002	(4,095)	(40,950)	218	Buyback
27.06.2002	(20,375)	(203,750)	238	Buyback
07.02.2003	(400)	(4,000)	305	Buyback
08.03.2003	4,950	49,500	Nil	Bonus
10.03.2005	21,030	210,300	Nil	Bonus
01.03.2006	31,545	315,450	Nil	Bonus
23.02.2016	(11,339)	(113,390)	270	Buyback
<b>Total</b>	<b>62,266</b>	<b>622,660</b>		

**Mr. Navneet Kumar Saraf**

Date	No. of Shares	Nominal Value (₹)	Issue Price / Transfer Price (₹)	Consideration
19.03.1994	25	250	-	Amalgamation
01.09.1994	2,250	22,500	Nil	Bonus
07.10.1994	11,375	113,750	Nil	Bonus
09.10.1999	307,420	3,074,200	Nil	Transfer (Gift)
06.03.2002	(32,107)	(321,070)	218	Buyback
27.06.2002	(43,345)	(433,450)	238	Buyback
08.03.2003	75,605	756,050	Nil	Bonus
10.03.2005	321,223	3,212,230	Nil	Bonus
01.03.2006	481,834	4,818,340	Nil	Bonus
23.02.2016	(173,220)	(1,732,200)	270	Buyback
<b>Total</b>	<b>9,51,060</b>	<b>9,510,600</b>		

**Mr. Ashish Kumar Saraf**

Date	No. of Shares	Nominal Value (₹)	Issue Price / Transfer Price (₹)	Consideration
19.03.1994	37	370	-	Amalgamation
01.09.1994	3,330	33,300	Nil	Bonus
07.10.1994	16,835	168,350	Nil	Bonus
06.03.2002	(2,020)	(20,200)	218	Buyback
27.06.2002	(2,727)	(27,270)	238	Buyback
08.03.2003	4,757	47,570	Nil	Bonus
10.03.2005	20,212	202,120	Nil	Bonus
01.03.2006	30,318	303,180	Nil	Bonus
23.02.2016	(10,899)	(108,990)	270	Buyback
<b>Total</b>	<b>59,843</b>	<b>5,98,430</b>		

**Ms. Nidhi Saraf**

Date	No. of Shares	Nominal Value (₹)	Issue Price / Transfer Price (₹)	Consideration
10.10.2001	12,500	125,000	Nil	Transfer (Gift)
07.02.2003	(158)	(1,580)	305	Buyback
08.03.2003	3,799	37,990	Nil	Bonus
10.03.2005	16,141	161,410	Nil	Bonus
01.03.2006	24,212	242,120	Nil	Bonus
23.02.2016	(8,704)	(87,040)	270	Buyback
<b>Total</b>	<b>47,790</b>	<b>477,900</b>		

- h) The Company confirms that there are no defaults subsisting in the repayment of deposits, interest payment thereon, redemption of debentures or interest payment thereon or redemption of preference shares or payment of dividend due to any shareholder, or repayment of any term loans or interest payable thereon to any financial institution or banking company.
- i) The Board of Directors of the Company has confirmed that it has made a full enquiry into the affairs and prospects of the Company and has formed the opinion:
- i. That immediately following the date of the Board Meeting held on November 10, 2017 and the date on which the results of the Postal Ballot will be declared, there will be no grounds on which the Company can be found unable to pay its debts;
  - ii. That as regards the Company's prospects for the year immediately following the date of the board meeting as well as the year immediately following the date on which the results of the Postal Ballot will be declared, approving the Buyback and having regards to the Board's intentions with respect to the management of the Company's business during that year and to the amount and character of the financial resources, which will, in the Board's view, be available to the Company during that year, the Company will be able to meet its liabilities as and when they fall due and will not be rendered insolvent within a period of one year from the date of the board meeting approving the Buyback or within a period of one year from the date on which the results of the Postal Ballot will be declared, as the case may be;



iii. In forming its opinion aforesaid, the Board has taken into account the liabilities (including prospective and contingent liabilities) as if the Company were being wound up under the provisions of the Companies Act, 2013.

j) **Report addressed to the Board of Directors by the Company’s Auditors on the permissible capital payment and the opinion formed by directors regarding insolvency:**

The text of the Report dated November 10, 2017 received from Khandelwal Prakash Murari Bhandari & Co., Chartered Accountants, the Statutory Auditors of the Company, addressed to the Board of Directors of the Company is reproduced below:

*Quote*

To,

The Board of Directors

Technocraft Industries (India) Limited,

A-25, Technocraft House, MIDC,

Marol Industrial Area, Road No.03,

Opp. ESIS Hospital, Andheri (East),

Mumbai - 400093

Dear Sirs,

**Re: Proposed Buy-back of Equity Shares**

In connection with the proposed Buy-back of Equity Shares by Technocraft Industries (India) Limited (the ‘**Company**’) as approved by the Board of Directors at its meeting held on November 10, 2017, in pursuance of the provisions of Section 68, Section 69, Section 70 of the Companies Act, 2013, the Companies (Management and Administration) Rules, 2014 (**Management and Administration Rules**) and other applicable provisions, if any, of the Companies Act, 2013 (“**Act**”) and the provisions contained in the Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998 (“**Buy-back Regulations**”) (including any statutory modification(s) or re-enactment of the Act or Buy-back Regulations, for the time being in force); and based on the information and explanations given to us which were to the best of our knowledge and belief necessary for this purpose, we report that:

1. We have enquired into the state of affairs of the Company in relation to its audited accounts for the year ended March 31, 2017.
2. The amount of permissible capital payment (including premium) for the proposed buy back of equity shares as computed in the table below is properly determined in our view in accordance with Section 68 (2)(c) of the Act. The amounts of share capital and free reserves have been extracted from the audited financial statements of the Company for the year ended March 31, 2017.

<b>Particulars as on March 31, 2017</b>		<b>Amount (₹ in crores)</b>	
Paid up equity share capital (2,63,00,000 shares of ₹ 10/- each)	A		26.30
Free Reserves:			
Profit and loss account balance		388.58	
Securities Premium		0.00	
General reserve		218.09	
Total Free Reserves	B		606.67
Total paid up capital and free reserves	A+B		632.97
Maximum amount permissible under the Act/ Buyback Regulations with Shareholder approval :-25% of total paid-up equity capital and free reserves, if the buyback is carried through tender offer route (in accordance with Chapter IV of the Buyback Regulations and section 68(2)(c) of the Act)			158.24
Maximum amount permitted by Board Resolution dated November 10, 2017 approving Buyback, subject to shareholder approval, based on the audited accounts for the year ended March 31, 2017.			147.00

3. The Board of Directors of the Company, in their meeting held on November 10, 2017, have formed their opinion as specified in clause (x) of Schedule I to the Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 on reasonable grounds, that the Company will not, having regard to its state of affairs, be rendered insolvent within a period of one year from that date.

We have not performed an audit, the objective of which would be the expression of an opinion on the specified elements, accounts or items thereof, for the purpose of this report. Accordingly we do not express such opinion.

This report has been issued at the request of the Company solely for use of the Company in relation to filling information with the explanatory statement to the notice for special resolution and in connection with the proposed buyback of equity shares of the Company and may not be suitable for any other purpose.

**For KHANDELWAL PRAKASH MURARI BHANDARI & CO.**

Chartered Accountants

Firm Registration No. 102454W

**Piyush Patni**

**Partner**

Membership No. 143869

Place : Mumbai

Date : November 10<sup>th</sup>, 2017

*Unqoute*

**k) As per the provisions of the Buyback Regulations and the Companies Act:**

- i. The Company shall not issue any equity shares or other securities (including by way of bonus) till the date of closure of the Buyback;
- ii. The Company shall not raise further capital for a period of one year from the closure of Buyback offer except in discharge of its subsisting obligations;
- iii. The special resolution approving the Buyback will be valid for a maximum period of one year from the date of passing the said special resolution (or such extended period as may be permitted under the Companies Act or the Buyback Regulations or by the appropriate authorities). The exact time table for the Buyback shall be decided by the Board (or its duly constituted Committee) within the above time limits;
- iv. The equity shares bought back by the Company will be compulsorily cancelled and will not be held for re-issuance;
- v. The Company shall not withdraw the Buyback after the public announcement of the offer to Buy-back is made;
- vi. The Company shall not buyback locked-in equity shares and non-transferable equity shares till the pendency of the lock-in or till the equity shares become transferable; and
- vii. The directors, managers, key managerial personnel of the Company and their respective relatives do not have any interest, financial or otherwise, in the proposed resolution for Buyback of equity shares, except to the extent of their shareholding. For any clarifications related to the Buyback process, Members holding equity shares of the Company may contact any one of the following:

Company: Mr. Neeraj Rai – Company Secretary & Compliance Officer

Tel : +91 22-4098-2222/2106; Fax : +91 22-2836-703; Email: [cs@technocraftgroup.com](mailto:cs@technocraftgroup.com)

Systematix Corporate Services Limited (Manager to the Buyback): Mr. Amit Kumar

Tel : +91-6704 8000; Fax : +91-22-6704 8022; Email: [technocraftbuyback@systematixgroup.in](mailto:technocraftbuyback@systematixgroup.in)

All the material documents referred to in the Notice and Explanatory Statement such as the Memorandum and Articles of Association of the Company, relevant Board resolution for the Buyback, the Auditors Certificate dated November 10, 2017 and the audited accounts for the year ended March 31, 2017, are available for inspection by the Members of the Company at its Registered Office of the Company on any working day between 10 a.m. and 4 p.m. up to the last date of receipt of Postal Ballot Form specified in the accompanying Notice.

In the opinion of the Board, the proposal for Buyback is in the interest of the Company and its Members holding equity shares of the Company. The Directors, therefore, recommend passing of the Special Resolution as set out in the accompanying Notice. None of the Directors of the Company is, in anyway, concerned or interested, either directly or indirectly in passing of the said resolution, save and except to the extent of their shareholding in the Company.

## ITEM NO. 2 & 3

The Members of the Company are informed that the Company had vide Ordinary Resolution passed at the Twenty Third Annual General Meeting held on September 29, 2015, approved the appointment of Mr. Navneet Kumar Saraf and Mr. Ashish Kumar Saraf, Whole-time Directors (herein after referred to 'the Whole-time Directors') for a period of five years w.e.f. February 06, 2015 as well as the terms of their remuneration. Under the guidance of Mr. Navneet Kumar Saraf and Mr. Ashish Kumar Saraf, the Company has witnessed growth, both in terms of revenues and profits. Thus, considering their rich experience and contribution to the growth and performance of the Company, and on the recommendations of the Nomination and Remuneration Committee, the Board of Directors of the Company had revised his remuneration w.e.f. April 01, 2017, subject to the approval of the Members.

The revision in remuneration of whole-time directors was made with the view to make the same commensurate with their efforts given to and involvement in the Company by way of increasing monthly payment so as to maintain a regular distribution of cash flow. The Whole-time Directors are related party as per Section 2(76)(i) of the Companies Act, 2013. As per section 177(4)(iv) of the Companies Act, 2013 and amended terms of reference duly approved by the Board of the Company, the audit committee has to accord its approval to any related party transaction and accordingly the Audit Committee at its meeting held on November 10, 2017 discussed, approved and recommended the same agenda for the approval of the Board.

Pursuant to Sections 196, 197 and other applicable provisions of Companies Act, 2013 ("the Act"), read with Schedule V thereof, approval of the Members is required for such revision in remuneration payable to Mr. Navneet Kumar Saraf and Mr. Ashish Kumar Saraf for his remaining term.

### Details of remuneration:

- A) **Basic Salary:-** ₹ 4.00 Lakhs per month (Rupees Four Lakhs only) with authority to the Board of Directors to revise the basic salary from time to time taking into account the performance of the Company subject to a ceiling of ₹ 5.00 Lakhs per month.
- B) **Commission:-** Payable for each financial year, up to 1% of net profits of the Company for that year, subject to such ceiling as may be fixed by the Board of Directors from time to time, with the present ceiling fixed by the Board being an amount equivalent to the Annual Salary for the relevant financial year. The amount of Commission shall be payable after the Annual Accounts are approved by the Board of Directors and adopted by the Shareholders.
- C) **Bonus:-** Annual Bonus at the same rate as payable to other senior employees of the Company
- D) **House Rent Allowance:-** 60% of salary as House Rent Allowance. The expenditure incurred by the Company on Gas, Electricity, Water and Furnishings shall be subject to a ceiling of 10% of the salary.
- E) **Perquisites:-**
  - (i) **Earned Leave/Privilege Leave:** On full pay and allowance as per the rules of the Company, but not more than one month's leave for every 11 months of service. The balance of leave at the end of each year will be encashable as per the Company's Rules.
  - (ii) **Reimbursement of medical expenses:** Incurred in India or abroad including hospitalization, nursing home and surgical charges for self and family. However, the reimbursement shall not exceed one-month salary in a year or three months salary over a period of three years.
  - (iii) **Leave travel concession:** For self and family once in a year in accordance with the Rules of the Company.
  - (iv) **Telephone:** Free use of Telephone at residence.
  - (v) **Club Fees:** Fees for clubs subject to a maximum of two clubs.
  - (vi) **Servant's salary:** Servant's salary, subject to a maximum of two servants on a salary of up to ₹ 2500/- per servant per month.
  - (vii) **Personal Accident Insurance:** Premium not to exceed ₹ 4000/- per annum.
  - (viii) **Car:** Free use of Company's Car with driver. If the Company does not provide driver, reimbursement of actual salary paid to the driver.
  - (ix) **Entertainment expenses:** Reimbursement of entertainment expenses incurred in the course of business of the Company.
  - (x) **Corporate Credit Card:** For use both in India and Abroad for business purposes.
  - (xi) **Gratuity:** Not to exceed half a month's salary for each completed year of service, subject to a ceiling as may be fixed by the Government.
  - (xii) **Minimum Remuneration :** Where in any financial year, the Company has no profit or its profits are inadequate, the Company shall pay the remuneration as provided in Section II of Part II of Schedule V of the Companies Act, 2013 as notified from time to time.

Accordingly, the Board of Directors recommends Resolution at Item No. 2 and 3 of the Notice of Postal Ballot for approval of Members of the Company as an Ordinary Resolution.

Except Mr. Sharad Kumar Saraf, Mr. Sudarshan Kumar Saraf, Mr. Navneet Kumar Saraf and Mr. Ashish Kumar Saraf and their relatives, none of the other Directors, Key Managerial Personnel of the Company or their relatives are in any way concerned or interested, financially or otherwise in the Ordinary Resolution as set out at Item No. 2 and 3 of this Notice.

**By Order of the Board of Directors**  
**For Technocraft Industries (India) Limited**  
**Neeraj Rai**  
**Company Secretary & Compliance Officer**

Mumbai, November 10, 2017

#### ANNEXURE TO ITEM NO 2 & 3 OF THE NOTICE

#### **Details of Director seeking appointment in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings [SS-2]**

Name of the Directors	Mr. Ashish Kumar Saraf	Mr. Navneet Kumar Saraf
Date of Birth	November 25, 1981	September 25, 1977
Age	36 Years	40 Years
Date of Appointment	06 <sup>th</sup> February, 2015	06 <sup>th</sup> February, 2015
DIN No.	00035549	00035686
Expertise in specific functional areas	He has over 10 years of experience in the yarn, garment, fabrication etc.	He has over 10 years of experience in Information Technology operations, engineering software services etc.
No. of equity shares held in TIIL	59,843	9,51,060
Qualifications	Master in Textile Technology from University of Manchester	B.E.(Mech.) from University of Manchester
List of other directorships in other Indian Companies (Other than TIIL) Directorships held in Section 8 and Foreign Companies have not been considered for the purpose of this disclosure.	BMS Industries Ltd	BMS Industries Ltd.
	Technosoft Engineering Projects Ltd	Technocraft Tabla Formwork System Pvt. Ltd
	Ashrit Holdings Ltd	M.D. Saraf Securities Pvt. Ltd
	Ashrey International Trading Pvt. Ltd	Ashrit Holdings Ltd. Technosoft Engineering Projects Ltd. Hochstein International Trading Pvt. Ltd
Membership/ Chairman of Committees of the other Companies (Other than TIIL)	Member of Audit Committee of Ashrit Holdings Ltd	Member of Audit Committee of Ashrit Holdings Ltd
Number of Board Meetings attended during financial year 2017-18 in the capacity of a Director	2 (Two) Board Meetings held on May 30, 2017 and August 10, 2017	3 (Three) Board Meetings held on May 30, 2017, August 10, 2017 and November 10, 2017.
Remuneration sought to be paid	As mentioned in the explanatory statement annexed to the Notice of Postal Ballot.	As mentioned in the explanatory statement annexed to the Notice of Postal Ballot.
Remuneration last drawn	₹ 73.20 Lakhs during financial year 2016-17 (including perquisites & performance pay)	₹ 73.20 Lakhs during financial year 2016-17 (including perquisites & performance pay)
Relationships, if any, between Directors inter-se	He is the son of Mr. Sharad Kumar Saraf – Chairman & Managing Director of the Company	He is the son of Mr. Sudarshan Kumar Saraf – Co-Chairman & Managing Director of the Company



**Technocraft Industries (India) Limited**

**CIN L28120MH1992PLC069252**

**Registered Office:** A-25, Technocraft House, MIDC, Marol Industrial Area, Road No.3, Opp. ESIS Hospital, Andheri (East),  
Mumbai-400093, Maharashtra, India

**Tel. No.** 91-22-40982222 **Fax No.:** 91-22-28367037

**Email:** [investor@technocraftgroup.com](mailto:investor@technocraftgroup.com) **Website:** [www.technocraftgroup.com](http://www.technocraftgroup.com)

**POSTAL BALLOT FORM**

(Please read the instructions printed overleaf before completing this form)

**Sr. No. :**

1. Name & Address of the Sole/First named Member / Beneficial Owner as registered with the Company :
2. Name(s) of the joint Member(s), if any, registered with the Company :
3. Registered Folio No./DP ID No. & Client ID No.\* (\* Applicable to investors holding shares in dematerialized form ) :
4. Number of shares held :

I/We, hereby exercise my/our vote in respect of the following resolution to be passed through Postal Ballot for the business stated in the Notice dated November 10, 2017, of the Company by sending my/our assent (For) or dissent (Against) to the said resolutions by placing the tick (✓) mark at the appropriate box below:

Item No.	Description	No. of Shares	I / We assent to the Resolution (For)	I / We dissent to the Resolution (Against)
1.	Special Resolution under Section 68 of the Companies Act, 2013, for buy-back of Equity Shares by the Company			
2.	Ordinary Resolution under Section 196,197 of the Companies Act, 2013, for revision in the terms of appointment and remuneration of Mr. Navneet Kumar Saraf, Whole-time Director & CEO			
3.	Ordinary Resolution under Section 196,197 of the Companies Act, 2013, for revision in the terms of appointment and remuneration of Mr. Ashish Kumar Saraf, Whole-time Director & CFO			

**Place:**

**Date:**

**(Signature of the Member/ Beneficial Owner)**

**Electronic voting particulars**

The e-voting facility is available at the link <https://www.evoting.nsdl.com>. The electronic voting particulars are set out as follows:

EVEN (E-Voting Event Number)	User ID	Password
108010		

**Notes:**

1. If you opt to cast your vote by e-voting, there is no need to fill up and sign this form.
2. Last date for receipt of Postal Ballot Form by the Scrutinizer is Thursday, December 28, 2017.



## INSTRUCTIONS

### Instructions

1. There will be one Postal Ballot Form/e-voting for every Folio / Client ID irrespective of the number of joint holders.
2. Members can opt for only one mode of voting, i.e., either by physical postal ballot or e-voting. If a Member has opted for e-voting, then do not vote through physical postal ballot and vice versa. In case Members cast their vote by both physical postal ballot and e-voting means, then voting done through valid physical postal ballot shall prevail and voting done by e-voting will be treated as invalid.
3. The Notice of Postal Ballot is dispatched/e-mailed to the Members whose names appear on the Register of Members as on Friday, November 10, 2017 and voting rights shall be reckoned on the paid up value of the shares registered in the name of the Members as on the said date.
4. Voting in the Postal ballot/e-voting cannot be exercised by a proxy. However, Corporate and Institutional Members shall be entitled to vote through their Authorised Representatives with proof of their authorization.
5. The Scrutinizer will submit his report to the Chairman or to any other person duly authorised in this regard and the results of the postal ballot will be announced on Friday, December 29, 2017 at the Registered Office of the Company at A-25, MIDC, Road No.3, Marol Industrial Area, Andheri (East), Mumbai-400093, Maharashtra. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website i.e. [www.technocraftgroup.com](http://www.technocraftgroup.com) and on the website of NDSL within two (2) days of passing of the resolutions and shall also be communicated to the Stock Exchanges, where the shares of the Companies are listed.

### Instructions for voting by physical Postal Ballot Form

1. A Member desiring to exercise vote by physical postal ballot should complete this Postal Ballot Form and send it to the Scrutinizer, M/s. Nitesh Jain & Co., Company Secretaries, in the enclosed pre-printed self-addressed postage-prepaid envelope. Envelope containing Postal Ballot Forms, if deposited with the Company in person or if sent by courier/ registered post at the expense of the Registered Member, shall also be accepted by the Company.
2. A (V) mark should be placed in the relevant box signifying assent (For) /dissent (Against) for the resolution, as the case may be. Incomplete or unsigned Postal Ballot Forms will be rejected. Tick in both the boxes would render your Ballot Form invalid. Please note that (X) mark or any other mark other than (V) in the box signifying assent (For) or dissent (Against) shall be deemed as if no mark has been placed and the box is left blank.
3. This Form should be completed and signed by the Member (as per the specimen signature registered with the Company/ Depository Participants). In case of joint holding, this Form should be completed and signed by the first named Member and in his absence, by the next named Member.
4. In respect of shares held by Corporate and Institutional Members (companies, trusts, societies, etc.), the completed Postal Ballot Form should be accompanied by a certified copy of the relevant Board Resolution/appropriate authorization, with the specimen signature(s) of the authorized signatory (ies) duly attested.
5. Members are requested to fill the Postal Ballot Form in indelible ink and avoid filling it by using erasable writing medium(s) like pencil.
6. Members to whom documents have been sent physically have the option to vote either through e-voting or through Postal Ballot Form. In case Members who have received Notice of Postal Ballot through e-mail but who wish to vote through Physical Postal Ballot Form can download Postal Ballot Form from the website of the Company [www.technocraftgroup.com](http://www.technocraftgroup.com) or seek duplicate Postal Ballot Form from M/s. Link Intime India Private Limited, Unit: Technocraft Industries (India) Limited, C 101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai – 400083; fill-in the details and send the same to the Scrutinizer.
7. Duly completed Postal Ballot Form should reach the Scrutinizer not later than closing of working hours i.e. 17:00 hours on Thursday, December 28, 2017. Please note that any response received from the Members after this date will be strictly treated as if the reply from such Member has not been received and voting whether by post or by electronic means shall not be allowed beyond the said date. Accordingly Members are requested to send duly completed Postal Ballot Forms well before the above said date providing sufficient time for postal transit.
8. A Member may request for a duplicate Postal Ballot Form or seek duplicate form M/s. Link Intime India Private Limited, Registrar and Share Transfer Agents of the Company, if required, and the same duly completed, should reach the Scrutinizer not later than the date specified under instruction No. 7 above.
9. Members are requested not to send any other paper along with the Postal Ballot Form. They are also requested not to write anything in the Postal Ballot form except giving their assent or dissent and putting their signature. If any other paper is sent, the same will be destroyed by the Scrutinizer.
10. Incomplete, unsigned or incorrectly ticked Postal Ballot Forms will be rejected. The Scrutinizer's decision on the validity of a Postal Ballot/ E-voting will be final and binding.

### Instructions for e-voting

The detailed instructions for e-voting are provided under notes to the Notice of Postal Ballot.

**(Technocraft Industries (India) Limited)**