October 30, 2015

Bombay Stock Exchange Ltd
PJ Towers
Dalal Street
Mumbai 400 023

National Stock Exchange of India Ltd
Exchange Plaza, 5th Floor, Plot No. C/1
G Block, Bandra-Kurla Complex,
Bandra (East), Mumbai 400 051

Dear Sir,

Sub.: Intimation of Postal Ballot & E-Voting

Ref.: Scrip Code – 533329 / INDTERRAIN

With reference to the above subject, please find enclosed herewith Postal Ballot Notice for your records.

The exchanges are requested to take the same on record.

Yours faithfully,
For Indian Terrain Fashions Limited

J Manikandan
Company Secretary

INDIAN TERRAIN FASHIONS LIMITED
SDF-IV & C2, 3rd Main Road, MEPZ / SEZ, Tambaram, Chennai - 600 045. Tel : +91-44-4227 9100, Fax : +91-44-2262 2897
Registered office : No. 208, Velachery Tambaram Main Road, Narayanapuram, Pallikaranai, Chennai-600 100.
Email Id : response.itfl@indianterrain.com
Website : www.indianterrain.com
U18101TN2009PLC073017

INDIAN TERRAIN

INDIAN TERRAIN FASHIONS LIMITED

CIN No.: L18101TN2009PLC073017
Registered Office: 208, Velachery Tambaram Road, Narayanapuram,
Pallikaranai,Chennai-600 100
Website: www.indianterrain.com Email: response.itfl@indianterrain.com
Phone: 044 4227 9100; Fax: 044 2266 2897

POSTAL BALLOT NOTICE

[Pursuant to Section 110 of the Companies Act, 2013, read with the Companies (Management and Administration) Rules, 2014]

Dear Member(s),

Notice is hereby given pursuant to Section 110 of the Companies Act, 2013 read with Rule 22 of Companies (Management and Administration) Rules, 2014 ("the Rules") (including any statutory modification(s) or re-enactment thereof, for the time being in force), Clause 35B of the Listing Agreement with stock exchanges and other applicable laws and regulations that the resolutions appended are proposed to be passed by way of Postal Ballot/E-voting.

The Board of Directors of the Company has appointed Mr. Bhaskar Swaminathan, Practicing Company Secretary, as the Scrutinizer for conducting the postal ballot and e-voting process in a fair and transparent manner.

Members desiring to exercise their vote by postal ballot are requested to carefully read the instructions printed in the Postal Ballot Form and return the duly completed form so as to reach the Scrutinizer not later than 1st December 2015.

The Company is also offering remote e-voting facility to the shareholders. Members desiring to opt for e-voting as per the facilities arranged by the Company are requested to read the instructions under 'Voting through electronic means' in this Notice.

The Scrutinizer will submit his report to the Chairman or any Director or Company Secretary of the Company on or before 3rd December 2015. The result of postal ballot (including e-voting) shall be declared on or before 3rd December 2015 at the company's registered office of the Company. In addition to the results being communicated to Bombay Stock Exchange Limited and National Stock Exchange of India Limited, it shall also be displayed at the company's website www.indianterrain.com

Item no. 1 - Sub-Division of Equity Shares from the Face Value of Rs. 10/- per share to Rs. 2/- per share

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

"RESOLVED THAT pursuant to the provisions of Section 61 and all other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof, for the time being in force)and the provisions of the Memorandum and Articles of Association of the Company and subject to such approvals, consents, permissions and sanctions as may be necessary from the concerned authorities or bodies, each of the Equity Shares of the Company having a face value of Rs. 10/- each in the Authorized Share Capital of the Company be sub-divided into 5 (Five) Equity Shares having a face value of Rs. 2/- each.

RESOLVED FURTHER THAT, on sub-division, 5 (Five) Equity Shares having a face value of Rs. 2/- each be allotted in lieu of existing 1 (one) Equity shares of 10/-each subject to the terms of the Memorandum and Articles of Association of the Company and shall rank pari passu in all respects with the existing fully paid Equity Shares of 10/- each of the Company.

RESOLVED FURTHER THAT, upon the sub-division of the Equity Shares as aforesaid, the existing Share Certificate(s) in relation to the existing Equity Shares of the face value of Rs. 10/- each held in physical form shall be deemed to have been automatically cancelled and be of no effect on and from the Record Date and the Company may without requiring the surrender of the existing Share Certificate(s) directly issue and despatch the new Share Certificate(s) of the Company, in lieu of such existing issued Share Certificate(s) and in the case of the Equity Shares held in the dematerialized form, the number of sub-divided Equity Shares be credited to the respective beneficiary accounts of the Shareholders with the Depository Participants, in lieu of the existing credits representing the Equity Shares of the Company before sub-division.

RESOLVED FURTHER THAT, the Board be and is hereby authorized to make fair and appropriate adjustments due to sub-division of shares to the outstanding options granted to the employees of the Company under Employee Stock Option Plan 2011 and administered the SEBI (Employee Stock Options and Employee Stock Purchase Scheme) Guidelines, 1999, such that the exercise price for all outstanding options as on the 'record date' (as determined by the Board) (vested and unvested options) shall be proportionately adjusted and the number of options which are available for grant and those already granted but not exercised as on 'record date' shall be appropriately adjusted.

RESOLVED FURTHER THAT, the Board of Directors of the Company (which expression shall also include a Committee thereof) be and hereby authorised to fix a Record date and to take such steps as may be necessary for obtaining approvals, statutory, contractual or otherwise, in relation to the above and to settle all matters and difficulties arising out of and incidental thereto, and to execute all deeds, applications, documents and writings that may be required, on behalf of the Company to effect to the aforesaid resolution.

RESOLVED FURTHER THAT, the Board be and is hereby authorised to delegate all or any of its powers herein conferred to any Committee or any one or more executives of the Company to do all such acts, deeds, matters and things as may be necessary for obtaining such approvals in relation to the above and to execute all such documents, instruments and writings as may be required to give effect to the aforesaid resolution.

Item no. 2 – Alteration of the Capital Clause in the Memorandum of Association

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

"RESOLVED THAT, pursuant to the provisions of Sections 13, 61 and other applicable provisions of the Companies Act, 2013 and

the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Clause V of the Memorandum of Association of the Company be and is hereby amended and substituted by the following :

The Authorized share capital of the Company shall be Rs. 12,00,00,000 (Rupees Twelve Crores) divided into 6,00,00,000 (Six Crores) Equity Shares of Rs. 2/-(Rupees Two) each"

RESOLVED FURTHER THAT, the Board be and is hereby authorised to delegate all or any of its powers herein conferred to any Committee or any one or more executives of the Company to do all such acts, deeds, matters and things as may be necessary for obtaining such approvals in relation to the above and to execute all such documents, instruments and writings as may be required to give effect to the aforesaid resolution.

Item no. 3 – Alteration of the Capital Clause of the Articles of Association

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

"RESOLVED THAT, pursuant to the provisions of Section 14 and other applicable provisions of the Companies Act, 2013 and the rules issued there under (including any statutory modification(s) or re-enactment thereof for the time being in force), Article 3 of the Articles of Association of the Company be and is hereby amended and substituted by the following:

The Authorized share capital of the Company shall be Rs. 12,00,00,000 (Rupees Twelve Crores) divided into 6,00,00,000 (Six Crores) Equity Shares of Rs. 2/-(Rupees Two) each"

RESOLVED FURTHER THAT, the Board be and is hereby authorised to delegate all or any of its powers herein conferred to any Committee or any one or more executives of the Company to do all such acts, deeds, matters and things as may be necessary for obtaining such approvals in relation to the above and to execute all such documents, instruments and writings as may be required to give effect to the aforesaid resolution.

Item no. 4 – Alteration of Articles of Association

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

"RESOLVED THAT pursuant to the provisions of Section 14 and all other applicable provisions of the Companies Act, 2013 read with the Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the draft regulations contained in the Articles of Association be and are hereby approved and adopted in substitution and to the entire exclusion of the regulations contained in the existing Articles of Association of the Company."

RESOLVED FURTHER THAT, for the purpose of giving effect to this resolution, the Board, be and is hereby authorized to do all such acts, deeds, matters andthings as may be necessary for obtaining such approvals in relation to the above and to execute all such documents, instruments and writings as may be required in this connection and to delegate all or any of its powers herein conferred to its Directors or any other officers."

Item no.5- Purchase of Immovable Property from Related Party

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

"RESOLVED THAT pursuant to Section 188 of the Companies Act, 2013 and other applicable provision of the Companies Act, 2013 and the Rules made there under and Listing Agreement entered into with the stock exchanges (including any amendment or modification thereof), and pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), and subject to such other consent, approvals, permission, sanctions of any authorities as may be necessary, the approval of the shareholders be and is hereby accorded to the Board of Directors to purchase of Immovable Property situated at No. 70/2&3A, Agaram Road, Thiruvanchery Village, Chennai – 600 073 from M/s.Celebrity Fashions Ltd. related party, for an aggregate value of an amount not exceeding Rs. 16 Crores (Rupees Sixteen Crores Only) on such terms and conditions, as may be decided by the Board and to finalise and execute all such documents including agreements, deeds of assignment/conveyance and other documents as the Board may deem necessary or required and to do all such other acts, deeds, matters and things which are incidental and consequential thereto in the best interest of the Company.

RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of the powers conferred on it by or under this Resolution to any committee of Directors of the Company or to any one or more Directors of the Company or any other officer (s) or employee (s) of the Company as it may consider appropriate in order to give effect to this Resolution.

By Order of the Board
For INDIAN TERRAIN FASHIONS LIMITED

Place : Chennai
Date : 23rd October 2015

J Manikandan
Company Secretary

Notes:

1. An Explanatory Statements pursuant to Section 102 (1) read with Section 110 and other applicable provision of the Companies Act, 2013 in respect of all the businesses specified above is annexed.
2. The Postal Ballot Notice is being sent to all Members, whose names appear on the Register of Members/List of Beneficial Owners/Record of Depositories as on 16th October 2015 (Record date). The notice is being sent to members in the electronic form to the email addresses registered with their Depository Participant. In case of members whose e-mail addresses are not registered, physical copies of notice are being sent by permitted mode along with a postage prepaid self addressed business reply envelope.
3. The dispatch of the Postal Ballot Notices will be completed before 1st November 2015. Please read carefully the instructions printed on the enclosed Postal Ballot form before exercising your vote and return the same duly completed, signifying your assent/dissent, in the attached self-addressed business reply envelope, so as to reach the Scrutinizer on or before 17:00 hours on 1st December 2015. Postal Ballots received after the said date will be treated as not having been received.
4. The Members can opt for only one mode of voting, i.e either by physical ballot or by e-voting. In case any Member casts votes through both the modes, voting done by e-voting shall prevail and votes cast through physical postal ballot form will be treated as invalid.
5. In compliance with provisions of Clause 35B of the Listing Agreement, Section 110 of the Companies Act,2013 read with the Companies (Management and Administration) Rules, 2014, the Company is offering e-voting facility to all the Members of the Company. For this purpose, the Company has entered into an agreement with CDSL for facilitating e-voting facility to enable the Members to cast their votes electronically instead

of dispatching Postal Ballot Form. Please note that e-voting is optional for Members. The Company has appointed Link Intime India Pvt.Ltd as e-voting facilitator to co-ordinate with CDSL for uploading the Notice of Postal Ballot and Postal Ballot Form on the website of the CDSL.

Members desire to exercise vote either by Postal Ballot Form or by e-voting are requested to carefully read the instructions printed in the notice enclosed with Postal Ballot Form.

1. The Board of Directors of the Company has appointed Mr. Bhaskar Swaminathan, Practising Company Secretary as Scrutinizer for conducting the Postal Ballot process in a fair and transparent manner and to receive and scrutinize the completed ballot paper and the votes received electronically from the Members. After completion of his scrutiny, Scrutinizer will submit his report to the Chairman and in his absence to the Company Secretary of the Company. The Scrutinizer's decision on the validity of a Postal Ballot e-voting shall be final and binding.
2. A copy of each of the document with reference to the items mentioned in the notice will be available for inspection to the Members at the Corporate Office of the Company between 10 A.M. to 1.00 P.M on any working day excluding Saturdays, Sundays and national holidays till the last date of receiving Postal Ballots by Scrutinizer i.e. 1st December 2015.
3. The e-voting period commences on Monday, 2nd November 2015 (9 a.m.) and ends on Tuesday, 1st December 2015 (5 p.m.). During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on 16th October 2015 may cast their vote electronically.The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the Member, he shall not be allowed to change it subsequently.
4. Members who are holding shares in electronic form are requested to notify any correction/change in their name/address immediately to the Depository Participant. Members who hold shares in physical form are requested to notify any change in their particulars like change in address, bank particulars, etc, to the Company's Registrars and TransferAgents viz.,. Link Intime India Private Limited C-13J, Pannalal Silk Mills Compound, L.B.S.Marg, Bhandup (W), Mumbai-400 078, Telephone-022-25963838, Fax-022-25946969
5. The Scrutinizer will submit his report to the Chairman or Director or Company Secretary within three days from the last date of receipt of Postal Ballots.The results of the Postal Ballot and e-voting will be declared by the Chairman and Managing Director or Executive Directors or Company Secretary on receipt of scrutinizer report and the resolution will be deemed to have been passed on the date of announcement/declaration of the results if the results of the Postal Ballot/e-voting indicate that the requisite majority of the members had assented to the resolution.Further, the results of the Postal Ballot along with the Scrutinizer's report shall be placed on Company's website www.indianterrain.com and communicated to the BSE Limited and the National Stock Exchange of India Limited where the equity shares of the company is listed.
6. The voting rights of Members shall be in proportion to the number of shares held by them each fully paid-up in the paid -up Equity Share Capital of the Company as on 16th October, 2015

Voting through electronic means:

In compliance of with section 108 of the Companies Act, 2013 and relevant rules there under, the company is required to conduct the voting process electronically. The company is providing the facility for voting by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services (India) Limited:

The instructions for shareholders voting electronically are as under:

(i) The voting period begins on 2nd November 2015 9.00A.M and ends on 1st December 2015 5.00 P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 16th October 2015, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently. Members who do not have access toe-voting facility may send duly completed Ballot Form (part of Notice) so as to reach the Scrutinizer appointed by the Board of Directors of the Company, not later than 5.00 P.M on Tuesday, 1st December 2015 in postage prepaid self addressed envelope.

(ii) The shareholders should log on to the e-voting website www.evotingindia.com.

(iii) Click on "Shareholders" tab.

(iv) Now Enter your User ID

a. For CDSL: 16 digits beneficiary ID,

b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

(v) Next enter the Image Verification as displayed and Click on Login.

(vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

(vii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) Members who have not updated their PAN with the Company/ Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.

Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction.

(viii) After entering these details appropriately, click on"SUBMIT" tab.

(ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL Platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

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

(xi) Click on the EVSN for the relevant <Indian Terrain Fashions Ltd.> on which you choose to vote.

(xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xiii) Ciick on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the voting page.

(xvii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xviii)Note for Non-Individual Shareholders &Custodians:

- Non-Individual Shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to https://www.evotingindia. com and register themselves as Corporates and Custodians respectively.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- Aftr receiving the login details they have to create compliance user should be created using the admin login and password. The Compliance user would be able to link the depository account(s)/ folio numbers on which they wish to vote on.
- The list of accounts should be mailed to helpdesk. evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian,if any, should be uploaded in PDF Format in the system for the scrutinizer to verify the same.

(xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdsl india. com.

PROCEDURE FOR VOTING THROUGH POSTAL BALLOT FORM:

- A Member desiring to exercise vote by Postal Ballot Form may complete this Postal Ballot form and send it to the Scrutinizer in the enclosed postage prepaid self addressed business reply envelope. However, Postal Ballots deposited in person or sent by courier or by registered/speed post, at the expense of the Member, will also be accepted. No other form or photocopy of the Postal Ballot form will be accepted.
- The self-addressed envelope bears the address of the Scrutinizer appointed by the Board of the Directors of the Company.
- The Postal Ballot Form should be completed and signed by the Member and in case of joint holding, the form should be completed and signed by the first named member and in his absence by the next named Member, as per the specimen signature recorded with the Company or furnished by National Securities Depository Limited/ Central Depository Services (India) Limited to the Company, in respect of shares held in the physical form or dematerialised form respectively.
- In case of shares held by institutions, companies, trusts, societies etc. (i.e. other than individuals, HUF, NRI etc.) completed Postal Ballot Form should be accompanied by a certified copy of the Board Resolution/appropriate Authorisation with the specimen signature(s) of the authorized signatory(ies), duly attested.
  - Unsigned, incomplete and incorrect Postal Ballot Form will be rejected.
- Duly completed Postal Ballot Form should reach the Scrutinizer not later than close of working hours on 1st December 2015 at the address as appearing in the self-addressed Business Reply Envelope. Postal Ballot Forms received after the above date will be treated as if, reply from such Members has not been received.
- The consent must be accorded by recording the assent in the Column "FOR" and dissent in the Column "AGAINST" by placing a tick mark ( ) in the appropriate column.
- There shall be one ballot for every folio/DPID &Client ID irrespective of the number of joint holders.
- Members are requested not to send any other paper along with the Postal Ballot Form in the enclosed self addressed Business Reply Envelope.
- Duplicate copy of the Postal Ballot Form can be obtained on written request from Link Intime India Private Limited, the Registrar and Share Transfer Agents at C-13, Pannalal Silk Mills Compound,L.B.S.Marg, Bhandup(West), Mumbai-400078 or can be downloaded from Company's website www.indianterrain.com. However, the duly filled in duplicate Postal Ballot Form should reach the Scrutinizer not later than the date specified under instructions above.

EXPLANATORY STATEMENT
(Pursuant to the Provisions of Section 102 of the Companies Act, 2013)

Item No. 1, 2 & 3:
The Equity Shares of your Company are listed on BSE Limited (BSE), The National Stock Exchange of India Limited (NSE) and are actively traded on the BSE and NSE. The Market price of the Equity Shares of the Company has witnessed significant increase over the last few years. In order to facilitate the affordability of the Company's equity shares for the investors at large and to enhance the liquidity of the Company's Equity Shares in the Stock Market, it is proposed that each Equity Share of the Company having a nominal face value of Rs.10/- (Rupees Ten Only) each fully paid-up, be sub-divided into Equity shares of nominal face value of Rs.2/- (Rupees Two Only) each fully paid up, subject to such approvals, as may be required.

After the approval by the Members, the Board of Directors (or a Committee duly constituted by board thereof) of the Company will fix a Record Date for the aforesaid sub-division.

At present the Authorised Share Capital of the Company is Rs. 12,00,00,000/- divided in to 1,20,00,000/- Equity Shares of Rs.10/- each (Rupees Ten each). The Subscribed and Paid up Share Capital of the Company is divided in to 71,86,260 (Seventy One Lakhs Eighty Six Thousand Two Hundred and Sixty Only) Equity Shares of Rs.10/- (Rupees Ten Only) each amounting to Rs. 7,18,62,600 (Seven Crores Eighteen Lakhs Sixty Two Thousand Six Hundred Only). The resolutions as set out in Item Nos. 2 and 3 of the Notice for altering Clause V of the Memorandum of Association (MOA) and Article 3 of the Article of Association (AOA) of the Company respectively are necessary to reflect the changes in the Capital Clause of the Memorandum of Association and Article 3 of the Articles of Association of the Company, consequent upon sub-division of Equity Shares of the Company.

Accordingly, your Directors recommend the Resolutions as set out in Item No.1, 2 and 3 of the Notice for approval of the shareholders. The number of stock option, entitling the employees of the Company to the Company's Equity Shares, granted to the employees and the exercise price thereof will be suitably adjusted such that the total value of such stock options remains the same after the proposed sub-division of the Equity Shares keeping the vesting period and life of the stock options unaltered.

None of the Directors, Promoters, Key Managerial Personnel's of the Company and their relatives are in any way, concerned or interested, financially or otherwise in the proposed resolution except to the extent of their shareholding and outstanding employee stock options in the Company.

Item No. 4
The existing Articles of Association are in line with the erstwhile Companies Act 1956, and several regulation in the existing AOA contain references to specific sections of the Companies Act 1956 and some regulations in the existing AOA are no longer in conformity with the Companies Act, 2013 ('New Act'). Most of the provisions of the Companies Act, 2013 ("Act") are now in force.

With the coming into force of the Companies Act 2013, several articles of the existing Articles of Association of the Company require alteration / deletions. Given this position, it is considered expedient to wholly replace the existing Articles of Association by a new set of Articles in line with Companies Act 2013.

The proposed amended AOA to be substituted in place of the existing AOA are based on Table "F" of the Act which sets out the model articles of association for a company limited by shares.

The proposed draft AOA is available in the Company's website for perusal by the shareholders. The Board recommends the Special resolution given at item no.4 for the members of the Company.

A copy of the proposed set of new Articles of Association of the Company would be available for inspection for the members at the Registered Office of the Company during the office hours on any working day, between 10.00 a.m. to 1.00 p.m.

None of the Directors, Promoters, Key Managerial Personnel's of the Company and their relatives are in any way, concerned or interested, financially or otherwise in the proposed resolution except to the extent of their shareholding and outstanding employee stock options in the Company.

Item No. 5
Presently the Company operates its Warehouse in a premises situated at 70/2&3A, Agaram Road, Thiruvancherry, Chennai – 600 073. The Company has invested in existing systems and processes and other operational infrastructure which allows it service efficiently the current level of business. The above property belonging to Celebrity Fashions Limited has been leased by the Company for its warehousing operations for the last 4 years; the property which is spread around 1 acre presently has a built up area of about 45,000 sq.ft. of which Indian Terrain occupies 35,000 sq.ft. at an annual rentals of about Rs.1.20 crs. The existing warehouse is located with close proximity to factories and has good connectivity and access. The warehouse has been under the LEAN management for the last 4 years and has been certified as a workplace following "Best 5S Practices".

With the launch of boys wear and also to cater to the needs of the new market place model in e-retailing, the Company has an immediate requirement for an additional 10,000 sq.ft. of warehousing space. The incremental space coupled with rental escalations will increase the annual rentals to Rs.1.80 crs. Further in keeping with the business plans and growth ambitions and also considering the changes in the retail landscape, the Company has estimated an eventual requirement of 60,000 sq.ft. as Warehouse space. The removal of constraint of space will enable the Company to move forward swiftly and maximize its multi-channel opportunities, supply chain visibility and thereby improved and more responsive trading decisions. In light of the above, the Company has evaluated multiple options to meet its warehousing requirements including leasing out of additional space and relocating to a new premises. However the alternative options have not proven any comparative significant advantages both economically and operationally given that:

- the total rentals of the expanded warehouse is around Rs.2 crs;
- the option of multiple warehouses will only lead to inefficiencies in operations and inventory management besides increase to incidental costs
- Relocation which is possible only far outside the city, will result in disruption of operations and also poses challenges on controls and quality management

In view of the circumstances, the Company's Board of Directors after due consideration and evaluation of all the above in terms of the costs and benefits have given their approval to acquire the existing property in whole from Celebrity Fashions Limited for an amount not exceeding Rs.16 crs subject to requisite shareholders approval. The acquisition will allow for immediate increase in Warehousing Capacity and will also pave way for necessary expansion, create more storage

space and thereby improve efficiencies in and serviceability of operations. The proposed transaction is based on the prevailing fair market conditions with the valuation being arrived by two independent valuers including one from the Company's Banker. The means of finance for the proposed transaction will only include internal accruals and term loan from Bank at competitive rates. The Company has approached the Bank and the loan process has been initiated. The Company does not intend to use the funds raised through Qualified Institutional Placement to fund the transaction.

The proposed transaction is being placed before the shareholders and the approval is being sought through a Postal Ballot / e-Voting under applicable laws and regulatory framework.

The Company has noted that Celebrity Fashions Limited fall under the category of Related Party of the Company in terms of the provisions of section 2(76) of the Companies Act 2013 and also under Clause 49 of the Listing Agreement. In accordance with Section 188 of the Companies Act 2013 read with Companies (Meetings of Board and its Powers) Rules, 2014 and Clause 49 of the Listing Agreement, prior approval of Audit Committee and Board of Directors has been obtained.

The provisions of the Listing Agreement consider a transaction with a related party is material, if the transaction / transactions to be entered into individually or taken together with previous transactions during a financial year, exceeds ten percent of the annual turnover of the company as per the last audited financial statements of the company. Further, the Listing Agreement requires all material related party transactions to be approved by the shareholders by way of Special Resolution.

However, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), requires all material related party transactions to be approved by the shareholders through ordinary resolution and the related parties shall abstain from voting on such resolutions. This enabling provision is applicable with immediate effect from the notification date i.e. September 2, 2015 .

In brief, a combined reading of all these provisions and other applicable provisions suggest that material related party transactions requires, approval of Audit Committee, Board of Directors and Shareholders' approval by way of Ordinary Resolution.

The Company has obtained approval from the shareholders for a contract value of Rs.40 Crores towards related party transactions on Purchase of Raw Materials, Issue of Job Work Orders and lease rentals. The Company now seeks the approval of the share holders for purchase of property situated at 70/2&3A, Agaram Road, Thiruvancherry Village, Chennai – 600 073 for an amount not exceeding Rs .16 Crores

The proposed transaction with M/s. Celebrity Fashions Limited is on prevailing market conditions, carried at arm's length basis. However, in absence of any specific definition of term 'ordinary course of business', the Board thought it prudent to obtain approval of the shareholders for the proposed transaction.

All prescribed disclosures required under Companies (Meetings of Board and its Powers) Rules, 2014 are furnished hereunder:

<table>
<tr><td>1</td><td>Name of the related party</td><td colspan="4">M/s. Celebrity Fashions Limited (CFL)</td></tr>
<tr><td>2</td><td>Name of the Director or Key Managerial Personnel who is related</td><td colspan="4">Mr.Venkatesh Rajagopal &
Mrs.Rama Rajagopal
Mr.Charath Ram Narsimhan</td></tr>
<tr><td rowspan="4">3</td><td rowspan="4">Nature of relationship</td><td colspan="4">Company under same management:</td></tr>
<tr><td>Name</td><td>Position in the Company</td><td>Position in Celebrity Fashions Limited</td><td>Nature of Relation-ship</td></tr>
<tr><td>Mr.Venkatesh Rajagopal</td><td>Chairman & Managing Director</td><td>Director</td><td>Promoter</td></tr>
<tr><td>Mrs. Rama Rajagopal</td><td>Executive Director</td><td>Director</td><td>Belongs to promoter group - spouse of Mr. Venkatesh Rajagopal</td></tr>
<tr><td>Mr.Charath Ram Narsimhan</td><td>Chief Executive Officer</td><td>Managing Directo</td><td>Managing Director in CFL & Senior Managerial position held in the company.</td></tr>
<tr><td>4</td><td>Monetary Value:</td><td colspan="4">Estimated Consideration not exceeding Rs.16 Crores</td></tr>
<tr><td>5</td><td>Nature, material terms and particulars of the management:</td><td colspan="4">Purchase of Property from Related Party situated at "70/2&3A, Agaram Road, Thiruvancherry Village, Chennai – 600 073" .</td></tr>
<tr><td>6</td><td>Any other information relevant or important for the Members to make a decision on the proposed transaction</td><td colspan="4">None.</td></tr>
</table>

Except Mr.Venkatesh Rajagopal, Chairman & Managing Director, Mrs. Rama Rajagopal, Executive Director and Mr.Charath Ram Narsimhan, Chief Executive Officer, none of the Directors, Promoters, Key Managerial Personnel's of the Company and their relatives are in any way, concerned or interested, financially or otherwise in the proposed resolution except to the extent of their shareholding and outstanding employee stock options in the Company.

By Order of the Board
For INDIAN TERRAIN FASHIONS LIMITED

Place : Chennai
Date : 23rd October 2015

J Manikandan
Company Secretary

INDIAN TERRAIN FASHIONS LIMITED

CIN No.: L18101TN2009PLC073017
Registered Office : 208, Velachery Tambaram Road, Narayanapuram,Pallikaranai,Chennai-100
Phone: 044 4227 9100 | Fax: 044 2266 2897
Website: www.indianterrain.com | Email: response.itfl@indianterrain.com

Serial No.:

POSTAL BALLOT FORM

(To be returned to the Scrutinizer)

1. Name(s) of member(s) (including Joint-holders, if any)
   (IN BLOCK LETTERS) :

2. Registered Address of the Sole / First
   Named Shareholder I Beneficial Owner :

3. Registered Folio No.*
   (*Applicable to member(s) holding shares in physical form) :

   DP ID No.& Client ID No** (**Applicable to member(s)
   holding shares in dematerialized form) :

4. No. of Shares held :

5. 1/We hereby exercise my/our vote in respect of the following Ordinary/Special Resolutions to be passed through Postal Ballot for the business stated in the Notice dated 23rd October 2015 of the Company by sending my/our assent or dissent to the said Resolution by placing the Tick (✓) mark at the appropriate box below:

Description	No. of Shares	1/We assent to the Resolution (FOR)	1/We dissent to the Resolution (AGAINST)
Sub-Division of Equity Shares from the Face Value of Rs. 10/- per share to Rs. 2/- per share			
Alteration of the Capital Clause in the Memorandum of Association			
Alteration of the Capital Clause of the Articles of Association			
Alteration of Articles of Association			
Related Party Transation			

Note:

1) Please read the instructions printed in the Postal Ballot Notice before filling the Postal Ballot Form.

2) Last date for receipt of this Form by the Scrutinizer is 1st December 2015

Place:

Date:

(Signature of Member)

If undelivered please return to

INDIAN TERRAIN FASHIONS LIMITED
208, Velachery Tambaram Road,
Narayanapuram,Pallikaranai,Chennai-100
Phone No: 044 - 4227 9100
Fax No: 044 - 2266 2897