# TALWALKARS BETTER VALUE FITNESS LIMITED

**Registered Office:** 801-813, Mahalaxmi Chambers, 22, Bhulabhai Desai Road, Mumbai - 400 026.
Tel.: 6612 6300 Fax : 6612 6314 Website : www,talwalkars.net

Talwalkars
Spreading fitness since 1932

## NOTICE OF POSTAL BALLOT

Dear Member(s),

**Notice Pursuant to Section 192A of the Companies Act, 1956**

Notice is hereby given pursuant to Section 192A of the Companies Act, 1956, read with the Companies (Passing of the Resolution by Postal Ballot) Rules, 2001 **("Postal Ballot Rules")** that the resolutions, appended below, are proposed to be passed as Special Resolutions by the way of Postal Ballot. The Company is seeking the consent of the members of **Talwalkars Better Value Fitness Limited** for the proposed resolutions as set out below. The Explanatory Statement under Section 173(2) of the Companies Act, 1956, pertaining to the said resolutions setting out the material facts and the reasons thereof are annexed hereto along with a Postal Ballot Form for your consideration.

The Board of Directors has appointed Mr. Bharat Upadhyay, Practicing Company Secretary as the Scrutinizer for conducting the Postal Ballot process in a fair and transparent manner.

You are requested to carefully read the instructions printed on the Postal Ballot Form and return the same duly completed in the attached self-addressed, postage pre-paid envelope so as to reach the Scrutinizer on or before 6.00 p.m. on Saturday, 30th June, 2012. Please note that any Postal Ballot Form received after the said date will be treated as not having been received in terms of Rule 5(f) of the Postal Ballot Rules.

Upon completion of the scrutiny of the Postal Ballot Forms, the Scrutinizer will submit his report to Chairman of the Company on Thursday, 5th July, 2012 at 4.00 p.m. at the Registered Office of the Company at 801-813, Mahalaxmi Chambers, 22, Bhulabhai Desai Road, Mumbai - 400026.

The Consent of the Shareholders is sought for passing of the following Special Resolutions by way of Postal Ballot as detailed in Item No. 1, 2 and 3 of the Notice.

**SPECIAL BUSINESS:**

**Item No. 1:**

**Resolution under Section 81(1A) of the Companies Act, 1956.**

**To Consider and if thought fit, to pass the following resolution as a Special Resolution:**

**"RESOLVED THAT** pursuant to the provisions of Section 81(1A) and all other applicable provisions, if any, of the Companies Act, 1956 (including any amendments thereto or re-enactment thereof, for the time being in force), listing agreements(s) entered into with the stock exchanges where the Company's equity shares are listed and subject to the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2009, as amended ("SEBI ICDR Regulations") and subject to all other applicable rules, regulations, notifications and guidelines issued by the Securities and Exchange Board of India ("SEBI") and the applicable provisions of the Foreign Exchange Management Act, 1999, as amended ("FEMA"), the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulation, 2000, as amended, the Issue of Foreign Currency Convertible Bonds and Ordinary Shares (through Depository Receipt Mechanism) Scheme, 1993 (including any amendments thereto or re-enactment thereof, for the time being in force) and the Memorandum and Articles of the Company, as amended and subject to the provisions of all other applicable statutes, guidelines, regulations, approvals, consents, permissions and sanctions, if any, of the Government of India, the Reserve Bank of India ("RBI"), the Securities Exchange Board of India ("SEBI"), the Foreign Investment Promotion Board "FIPB"), the Stock Exchanges, the concerned Registrar of Companies and other appropriate authorities, institutions or bodies as may be required and subject to such conditions and modifications as may be prescribed by them while granting such approvals, consents, permissions and sanctions ("Requisite Approvals") which may be agreed to by the Board of Directors of the Company subject to such terms and conditions as may be determined by them (hereinafter called "the Board", which term shall be deemed to include any other Committee of the Board, which the Board may have constituted for the aforementioned purpose or hereinafter constitute for the time being, to exercise its powers including the powers conferred on the Board of Directors by this resolution or any person(s) authorised by the Board or its Committee for such purposes), the consent and approval of the Company be and is hereby accorded to Board of the Company, at its absolute discretion, to issue, offer and allot rights, public and/or private offerings in domestic and/or international markets, including by way of a public issue, right issue, preferential issue(s), private placement(s), qualified institutional placement under the ICDR Regulations ("QIP") or any combination thereof, such number of equity shares and/or any securities linked to, convertible into or exchangeable for equity shares, including but without limitation through Global Depository Receipts ("GDRs") and/or American Depository Receipts ("ADRs") and/or convertible preference shares /debentures (compulsorily and/or optionally, fully and/or partly) and/or non-convertible debentures (or other securities) with warrants and/or warrants with a right exercisable by the warrant holder to exchange or convert such warrants with equity shares of the Company at a later date simultaneously or separately with the issue of non-convertible debentures and/or Foreign Currency Convertible Bonds ("FCCBs") and/or Foreign Currency Exchangeable Bonds ("FCEBs") and/or any other permitted fully and/or partly paid securities/instruments/warrants, convertible into or exchangeable for equity shares at the option of the Company and/or the holder(s) of the security(ies), and/or securities linked to equity shares (hereinafter collectively referred to as the "Securities"), at such time or times in one or more tranch or tranches, whether rupee-denominated or denominated in foreign currency, to such investors who are eligible to acquire such Securities in accordance with all applicable laws, rules, regulations, guidelines and approvals, through public issue(s), rights issue(s), preferential issue(s), private placement(s) or any combination thereof, through any prospectus, offer document, offer letter, offer circular, placement document or otherwise, at such time or times and at such price or prices subject to compliance with all

applicable laws, rules regulations, guidelines and approvals, at a discount or premium to market price or prices in such manner and on such terms and conditions including as regards security, rate of interest, etc., as may be deemed appropriate by the Board, in its absolute discretion, subject to compliance with all applicable laws, rules, regulations, guidelines and approvals, for an aggregate amount, in one or more offering(s) and/or in one or more tranches, not exceeding Rs.100,00,00,000 Crores (Rupees One Hundred Crores Only) or equivalent thereto in any currency(inclusive of any green shoe or over-allotment option), either by way of offer for sale or a sponsored issue of Securities (by one or more existing Members of the Company) or through a fresh issue of Securities or in any combination thereof and the Board shall have the discretion to determine the categories of eligible investors to whom the offer, issue and allotment shall be made to the exclusion of all other categories of investors at the time of such offer, issue and allotment considering the prevailing market conditions and all other relevant factors and wherever necessary in consultation with advisor(s), lead manager(s), and underwriter(s) appointed by the Company.

**RESOLVED FURTHER THAT** the "relevant date" for the purpose of pricing of the Securities by way of GDRs/ADRs/FCCBs/FCEBs or by way of any preferential issue(s), shall be the date as specified under the applicable law or regulation.

**RESOLVED FURTHER THAT** the "relevant date" for the purpose of pricing of the Securities issued and allotted by way of QIP, in accordance with the provisions of Chapter VIII of the SEBI ICDR Regulations shall mean the date of meeting in which the Board of Directors or the Committee of the Directors duly authorised by the Board of Directors of the Company decides to open the proposed issue.

**RESOLVED FURTHER THAT** the allotment of Securities under any Qualified Institutional Placement shall only be to qualified institutional buyers within the meaning of Regulation 2(1)(zd) of the ICDR Regulations, such Securities shall be fully paid–up and the allotment of such Securities shall be completed within 12 months from the date of this resolution or such other time as may be allowed by SEBI Regulations from time to time.

**RESOLVED FURTHER THAT** in case of the issue and allotment of the Securities by way of QIP, a minimum of 10% of the shares issued pursuant to the SEBI ICDR Regulation shall be allotted to the mutual funds and if no mutual funds is agreeable to take up the minimum portion or part thereof, then such minimum portion or part thereof may be allotted to other Qualified Institutional Buyers.

**RESOLVED FURTHER THAT** for the purpose of giving effect to any issue or allotment of the Securities, the Board be and is hereby authorised on behalf of the Company to do all such acts, deeds, matters and things, as it may at its discretion, deem necessary or desirable for such purpose, including without limitation, appointment of lead manager(s) in accordance with the SEBI ICDR Regulations, guarantors, financial and/or legal advisors, depositories, custodians, registrars, trustees, bankers, underwriters and any other advisors, professionals and intermediaries, as may be required and the payment of such fees, commission and other expenses to such intermediaries on such terms as it deems fit and entering into or execution of all such agreements / arrangement(s) / MOU(s) / placement agreement(s) / underwriting agreement(s)/ deposit/escrow agreement, syndicate agreement, agreement(s)/ trust deed(s)/ subscription agreement/ payment and conversion agency agreement/ any other agreement(s) or document(s) with any such agencies, listing of equity shares , Securities and the equity shares to be issued on conversion of the said Securities in domestic and/or international stock exchanges, as the Board may in its absolute discretion deem fit.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to make all filings including the requisite listing application/prospectus/offer document/registration statement or any draft(s) thereof or any amendments or supplements thereof, and of any other relevant documents with the stock exchanges (in India or abroad), the RBI, the FIPB, the SEBI, the Registrar of Companies and other intermediaries, authorities or institutions in India and/or abroad for this purpose and to do all such acts, deeds and things as may be necessary or incidental to give effect to the above resolutions and the Common Seal of the Company be affixed wherever necessary as per the provisions of the Articles of Association of the Company;

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to create, offer, issue and allot, from time to time, such number of equity shares at such price that may be decided by the Board in accordance with the terms of the offerings of any of the aforesaid Shares ; and

all such additional equity shares shall rank pari-passu in all respects, with the then existing respective Shares, as the case may be, of the Company as provided in the terms of issue and in the placement document(s);
the shares so offered, issued and allotted shall be subject to the provisions of the Memorandum and Articles of Association of the Company;

**RESOLVED FURTHER THAT** in case of offer/ issue / allotment of Shares in Indian and/ or International market under the respective guidelines of SEBI, RBI or other appropriate authorities, as the case may be, the price (inclusive of premium) of Shares shall not be less than the price arrived in accordance with the provisions of respective applicable guidelines, rules, regulations or directions.

**RESOLVED FURTHER THAT** the Company through its Board or any of its Committee and / or any agency or body authorised by the Company, may issue receipts / Certificates or other requisite documents representing the underlying shares issued / to be issued by the Company with such features and attributes as are prevalent in Indian / International Capital Markets, for instruments of this nature and provide for the free tradability or transferability thereof as per laws, rules, regulations and guidelines under the forms and practices prevalent in the Indian / International market.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to delegate all or any of the powers herein conferred, to any Committee of the Board or any executive director(s) or directors or any other officer of the Company and also authorized to do all such acts, deeds and things and to sign all such agreements, documents, papers and writings as may be deemed necessary, expedient or desirable to give effect to above resolutions.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to open one or more bank accounts in the name of the Company in Indian currency or foreign currency (ies) with such bank or banks in India as may be required in connection with the aforesaid issue, subject to requisite approvals from Reserve Bank of India, if any, and the director or directors of the Company or other officer or officers of the Company authorized by the Board be and is or are hereby authorized to sign and execute the application form and other

documents required for opening the account, to operate the said account, and to give such instructions including closure thereof as may be required and deemed appropriate by these signatories, and that the said bank/s be and is/are hereby authorized to honor all cheques and other negotiable instruments drawn, accepted or endorsed and instructions given by the aforesaid signatories on behalf of the Company.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to delegate all or any of its power to any committee of directors or Managing Director / Whole-time Director(s) or any Director(s) or Company Secretary or other officers / authorised representative of the Company, or to any intermediary or agent of the Company, or to such person(s) as the Board may think fit and necessary to give effect to the aforesaid resolutions and to take such steps and do all such acts, deeds, matters and things and accept any alterations or modification(s) as they may deem fit and proper and give such directions as may be necessary to settle any question or difficulty that may arise in regard to issue and allotment of equity shares including but not limited to:

finalization of the allotment of the Securities on the basis of the bids/applications received;

finalization of and arrangement for the submission of the preliminary and final offer document(s), and any amendments supplements thereto, with any applicable statutory and/or regulatory authorities, institutions or bodies, as may be required;

approval of the preliminary and final offer document (including amending, varying or modifying the same, as may be considered desirable or expedient) as finalized in consultation with the lead manager(s)/underwriter(s)/advisor(s), in accordance with all applicable statutory and/or regulatory requirements;

Decide the date for opening and closing of the issue of equity shares;

finalization of the basis of allotment in the event of over-subscription;

acceptance and appropriation of the proceeds of the issue of the Securities;

authorization of the maintenance of a register of holders of the Securities;

authorization of any director or directors of the Company or other officer or officers of the Company, including by the grant of power of attorneys, to do such acts, deeds and things as authorized person in its absolute discretion may deem necessary or desirable in connection with the issue and allotment of the Securities;

seeking, if required, the consent of the Company's lenders, parties with whom the Company has entered into various commercial and other agreements, all concerned government and regulatory authorities in India, and any other consents that may be required in connection with the issue and allotment of the Securities;

seeking the listing of the Securities on any Indian stock exchange, submitting the listing application to such stock exchange and taking all actions that may be necessary in connection with obtaining such listing;

giving or authorizing the giving by concerned persons of such declarations, affidavits, certificates, consents and authorities as may be required from time to time; and

deciding the pricing and terms of the Securities, and all other related matters,

**RESOLVED FURTHER THAT** any whole-time Director(s) and/or Company Secretary of the Company be and are hereby severally / jointly authorised to do all such acts, deeds and things as may be necessary for giving effect to this resolution, whether incidental or ancillary thereto.

**RESOLVED FURTHER THAT** all actions taken by the Board in connection with any matter referred to or contemplated in any of the foregoing resolutions be and are hereby approved, ratified and confirmed in all respects."

By Order of the Board of Directors
Talwalkars Better Value Fitness Ltd.

Avanti Sankav
Company Secretary

Place: Mumbai
Date: 22/05/2012

**Registered Office:**
801-813, Mahalaxmi Chambers,
22, Bhulabhai Desai Road,
Mumbai - 400 026, India

**Explanatory Statement as required under Section 173(2) of the Companies Act, 1956.**

Your Company proposes to tap the capital market to raise additional long term resources for the capital expenditure related to the Company's business, import of capital goods, infrastructure projects, upgradation and expansion, investment in joint ventures/ wholly owned subsidiary companies, acquisition, working capital, new business activity, general corporate purposes and for such other purposes as may be permitted by applicable regulations, at such time and in one or more tranches as the Board of Directors of the Company may determine, subject however, to the overall limit of Rs. 100,00,00,000/- (Rupees One Hundred Crores only).

In this regards, the Company proposes to issue, offer and allot rights, public and/or private offerings in domestic and/ or international markets, including by way of public issue, rights issue, preferential issue(s), private placement(s), qualified institutional placement under ICDR Regulations ("QIP") or any combination thereof; such number of equity shares and/or any securities linked to, convertible into or exchangeable for equity shares, including but not limited to Global Depository Receipts ("GDRs") and/or American Depository Receipts ("ADRs") and/or convertible preference shares /debentures (compulsorily and/or optionally, fully and/or partly) and/or non-convertible debentures (or other securities) with warrants and/or warrants with a right exercisable by the warrant holder to exchange or convert such warrants with equity shares of the Company at a later date simultaneously or separately with the issue of non-convertible debentures and/or Foreign Currency Convertible Bonds ("FCCBs") and/or Foreign Currency Exchangeable Bonds ("FCEBs") and/or any other permitted fully and/or partly paid securities/instruments/warrants, convertible into or exchangeable for equity shares at the option of the Company and/or the holder(s) of the security(ies), and/or securities linked to equity shares, whether rupee-denominated or denominated in foreign currency, which shall be listed on the Stock Exchange(s).

The said issue, allotment, offer of the shares/ securities as referred above by the Company, shall be subject to the provisions of Section 81(1A) and all other applicable provisions of the Companies Act, 1956, provisions of the listing agreements(s) entered into with the stock exchanges where the Company's equity shares are listed and subject to the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2009, as amended ("SEBI ICDR Regulations") and subject to all other applicable rules, regulations, notifications and guidelines issued by the Securities and Exchange Board of India ("SEBI") and the applicable provisions of the Foreign Exchange Management Act, 1999, as amended ("FEMA"), the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulation, 2000, as amended, the Issue of Foreign Currency Convertible Bonds and Ordinary Shares (through Depository Receipt Mechanism) Scheme, 1993 (including any amendments thereto or re-enactment thereof, for the time being in force) and the Memorandum and Articles of the Company, as amended and subject to the provisions of all other applicable statutes, guidelines, regulations, approvals, consents, permissions and sanctions, if any, of the Government of India, the Reserve Bank of India ("RBI"), the Securities Exchange Board of India ("SEBI").

For the reasons aforesaid, an enabling resolution is, therefore, proposed to be passed to give adequate flexibility and discretion to the Board to finalise the terms of issue.

This permission was granted last year. However, due to the market conditions, the Company could not open the issue so it is asking for the extension of the permission.

The approval of the members on the said resolution, shall be obtained by the way of voting by Postal Ballot in terms of provisions of Section 192A of the Companies Act, 1956, read with the provisions of the Companies (Passing of resolutions by Postal Ballot) Rules, 2001.

The Board commends passing of the above resolution accompanying Notice.

None of the Directors of the Company is, in any way, concerned or interested in the said resolution, except to the extent of their shareholding.

By Order of the Board of Directors
Talwalkars Better Value Fitness Ltd.

Avanti Sankav
Company Secretary

Place: Mumbai
Date: 22/05/2012

**Registered Office:**
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22, Bhulabhai Desai Road,
Mumbai - 400 026, India