

POSTAL BALLOT NOTICE

[Notice pursuant to Section 110 of the Companies Act, 2013, read with Rule 22(1) of the Companies (Management and Administration) Rules, 2014]

Dear Member(s),

Notice is hereby given that pursuant to Section 110 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with Rule 22 of the Companies (Management and Administration) Rules, 2014 ("Rules"), Secretarial Standard on General Meetings ("SS-2"), Securities and Exchange Board of India (Listing obligation and Disclosure Requirements) Regulations, 2015, Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("ICDR Regulations"), including any statutory modification or re-enactment thereof for the time being in force and pursuant to other applicable laws and regulations, the resolutions appended below are proposed to be passed as Special Resolution by the members of the Company by way of postal ballot.

The Explanatory Statement pertaining to the resolution proposed in this notice setting out all material facts and reasons thereof along with Postal Ballot Form is annexed hereto for your consideration.

The Board of Directors of the Company (the "Board"), has appointed Mr. Advitiya Vyas (M.No 44150 , CP No 16257), Prop. of M/s Advitiya Vyas & Company, Practicing Company Secretary, as Scrutinizer for conducting the Postal Ballot process in a fair and transparent manner.

The notice is sent to all members/beneficiaries whose names appear on the Record of Depositories and Share Transfer Agents as on Friday, 08th November, 2019 ('Cut-off date').

You are requested to carefully read the instructions printed in the Postal Ballot Form, record your assent (for) or dissent (against) therein by filling necessary details and affixing your signature at the designated place in the Form and return the Form in original duly completed and signed in the attached self-addressed postage pre-paid envelope so as to reach the Scrutinizer at Mr. Advitiya Vyas, Practicing Company Secretary, Scrutinizer, 114, First Floor, Usha Kiran Building, Azadpur, New Delhi-110033 on or before 5:00 P.M on Wednesday , 11th day of December, 2019. Postal Ballot Forms received after the aforementioned date and time shall be treated as if reply from the member has not been received.

With reference to the Rule 20 of Companies (Management and Administration) Rules, 2014 and other applicable provisions of the Companies Act, 2013, Listing Agreement signed between the Touchwood Entertainment Limited and National Stock Exchange of India Limited, the Companies Listed on SME Platform of NSE are exempted from e-voting provisions. Therefore, the Company is not providing e-voting facility to its members.

TOUCHWOOD ENTERTAINMENT LIMITED

CIN: L92199DL1997PLC088865

Reg. Office : Plot No. - 645, Opp E.P.T. Block, Sarojini Nagar, New Delhi - 110023
Contact: +91-9810108253 ; Website: www.touchwood.in E-mail: delhi@touchwood.in



On completion of the scrutiny of the Forms, the Scrutinizer will submit his report to the Chairman. The result of the Postal Ballot would be announced by the Chairman of the Company on 12th December, 2019 on or before 5.00 P.M, at the Registered Office of the Company situated at Plot No. 645, Near E.P.T Block, Sarojini Nagar, Delhi-110023. The said result would be placed on the website of the company "www.touchwood.in" and shall also be intimated to National Stock Exchange of India Limited (NSE).

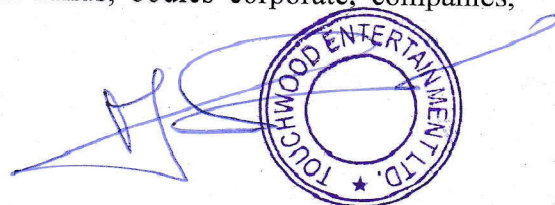
SPECIAL BUSINESSES

RESOLUTION No. 1:

To raise Equity Capital through Further Public Issue, Rights issue, Preferential Issue, Qualified Institutional Placement, Private Equity and/or any other available means not exceeding Rs. 50 Crores in aggregate including share premium.

To consider and if thought fit, to give the assent/ dissent, to the following resolution Special Resolution:

“RESOLVED THAT pursuant to applicable provisions of Companies Act, 2013 and all other rules framed thereunder, including but not limited to the Companies (Share Capital and Debenture) Rules, 2014, the Companies (Prospectus and Allotment of Securities) Rules, 2014 (including any amendments/ modifications thereto or re- enactment thereof, for the time being in force) (collectively the **“Companies Act”**) and in accordance with the relevant clauses of the Memorandum and Articles of Association of the Company and subject to and in accordance with all other applicable rules, regulation, guidelines, notification and circulars prescribed by the Securities and Exchange Board of India (**“SEBI”**), the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (**“SEBI (ICDR) Regulations”**), the Securities Contracts (Regulation) Act, 1956, as amended (**“SCRA”**) and the rules framed thereunder (including any amendment thereto or re- enactment thereof, for the time being in force), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**“SEBI (LODR) Regulations”**), the listing agreement entered into by the Company with National Stock Exchange of India Limited (**“NSE”** or **“Stock Exchange”**) where the equity shares of the Company having face value of Rs. 10/- each are listed, the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2018, as amended and in accordance with the rules, regulations, guidelines, notifications, circulars and clarification issued thereon, from time to time, by the Government of India (**“GOI”**), Securities and Exchange Board of India (**“SEBI”**), Reserve Bank of India (**“RBI”**), Stock Exchanges, the Registrar of Companies (**“RoC”**), Ministry of Finance (**“MoF”**) and any other Competent Authority and subject to such condition(s) and modification(s) as may be prescribed, stipulated or imposed by such Competent Authorities while granting such approval(s), consent(s), permission(s) and sanction(s), which may be agreed to by the Board of Directors of the Company (hereinafter referred as the **“Board”**) which expression shall deemed to include any committee(s) constituted by the Board of the Company, the consent and approval of the Shareholders of the Company be and is hereby accorded to the Board and the Board be and is hereby authorized to create, offer, issue and allot, from time to time, in one or more tranches, Equity Shares, aggregating to a nominal amount not exceeding Rs.50,00,00,000/- Crores (Rupees Fifty Crore Only) for cash, at par or at a premium to be subscribed in Indian Rupees by such person or persons as the Board in its absolute discretion think fit, including one or more of the shareholders, promoters, financial institutions, banks, mutual funds, bodies corporate, companies,



private or public or otherwise, whether through Public Issue, Rights issue, Preferential Issue, Qualified Institutional Placement, Private Equity and/or any other means and on such terms and conditions as may be decided by the Board.

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the Board be and is hereby authorised to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in regard to the offer/issue, allotment, list the equity shares thereof on the stock exchange(s) and utilization of the proceeds and further to do all such acts, deeds, matters and things and to finalize and execute all documents and writings as may be necessary, proper, desirable or expedient, as it may deem fit, and to give such directions and/or instructions as it may from time to time decide and to accept and give effect to such modifications, changes, variations, deletions, additions as regards the terms and conditions, including the premium to be charged on the Equity shares, to appoint any institution/ bank, merchant banker(s)/ advisor(s) or any other body or such person(s) for underwriting the whole or part of the issue.

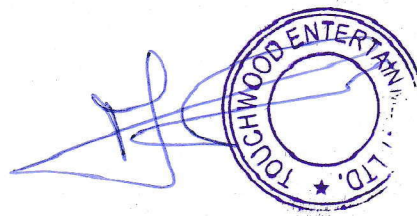
RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred to any Committee of Directors or any Director(s) or executive(s)/officer(s) of the Company to do all such acts, deeds, matters and things as also to execute such documents, writings etc. as may be necessary to give effect to the aforesaid resolution”

RESOLUTION NO. 2

Approval of Touchwood Employee Stock Option Scheme – 2019 for the eligible employees of the Company:

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

“**RESOLVED THAT** pursuant to the provisions of Section 62(1)(b) and other applicable provisions, if any, of the Companies Act, 2013 and the rules framed there under, Regulation 6(1) and the other relevant provisions of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 read with provisions of Circular No. CIR/CFD/POLICY CELL/2/2015 dated June 16, 2015 issued thereunder (collectively referred to as “**SEBI (SBEB) Regulations**”) (including any statutory modification(s), or re-enactment(s) thereof, for the time being in force), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the relevant provisions of the Memorandum and Articles of Association of the Company and subject to such other rules, regulations and guidelines that may be issued by Securities and Exchange Board of India and/or other appropriate authorities, from time to time, the consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the “**Board**” which term shall be deemed to include the Nomination and Remuneration Committee of Directors (hereinafter referred as “**the NRC**”) which has been duly constituted by the Board, *inter alia*, to act as the Compensation Committee under Regulation 5 of SEBI (SBEB) Regulations and to exercise its powers, including the powers conferred by this resolution) to create and grant from time to time, in one or more tranches not more than 5,00,000 (Five Lakh) employee stock options under Touchwood Employee Stock Option Scheme – 2019 (hereinafter referred to as the “**Touchwood ESOS - 2019**”) to the eligible employees of the Company (including the present and future employees) whether whole-time director or not, whether in India or abroad, (other than Promoters of the Company, Independent Directors and Directors holding directly or indirectly more than 10% of the outstanding equity shares of the Company) (hereinafter referred to as “**Employees**”)



exercisable into not exceeding 5,00,000 (Five Lakh) equity shares of face value of Rs. 10 /- (Rupees Ten only) each fully paid up (or such adjusted numbers from any bonus, stock splits, or consolidation or other re-organisation of the capital structure of the Company, as may be applicable, from time to time), in aggregate, on such terms and in such manner as the Board may decide in accordance with the provisions of the applicable laws and the provisions of TOUCHWOOD ESOS – 2019.

RESOLVED FURTHER THAT the Board be and is hereby authorized to take necessary steps for listing of equity shares allotted under TOUCHWOOD ESOS - 2019 on National Stock Exchange of India Limited or any other Stock Exchange where the securities of the Company may be listed, as per Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), 2015, SEBI (SBEB) Regulations and other applicable laws and regulations.

RESOLVED FURTHER THAT subject to the terms stated herein, the equity shares allotted pursuant to TOUCHWOOD ESOS - 2019 shall rank *pari passu* and with the then existing equity shares of the Company, in all respects.

RESOLVED FURTHER THAT the Company shall conform to the accounting policies prescribed under Regulation 15 of the SEBI (SBEB) Regulations and any other applicable laws and regulations to the extent relevant and applicable in connection with implementation of TOUCHWOOD ESOS - 2019.

RESOLVED FURTHER THAT without prejudice to the generality of the above but subject to the terms mentioned in the explanatory statement to this resolution, which are hereby approved by the Members, the Board be and is hereby authorised to make modifications, changes, variations, alterations or revisions in the terms and conditions of TOUCHWOOD ESOS – 2019, from time to time, as it may in its sole and absolute discretion decide, which shall not be detrimental to the interests of the Employees, subject to the conformity with the SEBI (SBEB) Regulations and issue clarifications in this regard.

RESOLVED FURTHER THAT the Board be and is hereby authorised to settle all questions, difficulties or doubts that may arise in relation to the formulation and implementation of TOUCHWOOD ESOS – 2019 without being required to seek any further consent or approval of the Members or otherwise to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds, matters and things and execute all such deeds, documents, instruments and writings as may be deemed necessary, expedient and incidental thereto and to delegate all or any of its powers herein conferred to the NRC and/or director(s) and/ or officer(s) of the Company, to give effect to this resolution.”

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RESOLUTION NO. 3

Migration of Equity Shares of the Company from Emerge platform of National Stock Exchange of India Limited to Main Board of National Stock Exchange of India Limited,

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

Note: In accordance with Regulation 277 of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, the below mentioned Resolution shall be acted upon if and only if the votes cast by shareholders other than promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

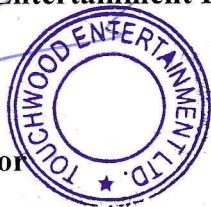
RESOLVED THAT pursuant to provisions laid down in Chapter IX of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ('ICDR Regulations'), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') and other applicable provisions, if any, the Companies Act, 2013 ('the Act') and the rules framed there under, including any amendment, modification, variation or re-enactment thereof, and subject to the approval of National Stock Exchange of India Limited ('NSE') and in ratification of earlier resolution passed postal ballot dated 11th July, 2019, the consent of the Members of the Company be and is hereby accorded for migration of the Company's present listing from Emerge Platform of NSE to the Main Board of NSE and to follow such procedures specified under ICDR Regulations, as amended from time to time, to give effect to the this resolution.

RESOLVED FURTHER THAT any Director and/or Company Secretary of the Company be and are hereby authorised jointly and/or severally to deal with any government or semi-government authorities or any other concerned intermediaries including but not limited to NSE, Securities and Exchange Board of India, Registrar of Companies, etc. to apply, modify, rectify and submit any application(s) and/or related documents on behalf of the Company and to do all such acts, deeds and things as may be necessary and expedient to give effect to the this resolution."

By Order of the Board of Directors

For Touchwood Entertainment Limited


Manjit Singh
Managing Director
DIN: 00996149



**Registered Office: Plot No. 645,
Near E.P.T Block, Sarojini Nagar,
Delhi-110023**

Date: 02/11/2019

NOTES:

1. In accordance with Section 102 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014 ("The Rules"), explanatory statement setting out material facts and reasons for proposed resolution is annexed with the Notice of Postal Ballot.
2. The Board of Directors has, at its meeting held on 02nd November, 2019, appointed Mr. Advitiya Vyas (M. No. 44150, CP No. 16257), Practicing Company Secretary, Prop. of M/s Advitiya Vyas & Company to act as the Scrutinizer, for conducting the Postal Ballot in a fair and transparent manner.
3. The Postal Ballot Notice is being sent to all the members, whose names appear in the Register of Members/List of Beneficial Owners, received from Registrar and Transfer Agents (RTA) as on Friday, 08th November, 2019. The Postal Ballot Notice is being sent to Members whose address is registered with their Depository Participants (in case of electronic shareholding) / the Company's Registrar and Share Transfer Agents (in case of physical shareholding). The physical copies of the Postal Ballot Notice are being sent by permitted mode along with postage prepaid self-addressed envelope.
4. A copy of this notice has also been placed on the website of the Company www.touchwood.in and shall remain on the website until the last date for receipt of postal ballots from the shareholders.
5. The postal ballot form for voting by shareholders is enclosed.
6. In accordance with the sub rule (3) of Rule 22 of the Rules, after the completion of dispatch of postal ballot Notice along with its requisite annexures, an advertisement will be published at least once in a vernacular newspaper in the principal vernacular language of the district where the registered office of the company is situated i.e in Hindi and at least once in English language in an English newspaper having a wide circulation in the district where the registered office of the company is situated.
7. Members whose names appear on the Register of Members / List of Beneficial Owners on 08th November, 2019 (Cut-Off date) will only be considered for the purpose of voting.
8. Voting rights shall be reckoned on the paid-up value of shares registered in the names of the Members as on 08th November, 2019.
9. Members who have received Postal Ballot notice by email and who wish to vote through physical Postal Ballot Form or in case a member is desirous of obtaining a duplicate Postal



Ballot Form, he or she may send an e-mail at cs@touchwood.in. The Company shall forward the same along with postage prepaid self-addressed Business Reply Envelope to the Member.

10. A Member cannot exercise his/her vote by proxy on postal ballot.
11. Members exercising their vote are requested to read carefully the instructions printed in the Postal Ballot form and record their assent (for) or dissent (against) thereon by filling necessary details and affixing the signature at the designated place in the Form and return the duly completed Form and signed, in the enclosed self-addressed pre-paid postage business reply envelope, so as to ensure that the duly filled Postal Ballot forms reach the Scrutinizer not later than 05:00 P.M, on or before 11th December 2019 ("Last Date"). Postal ballot Form(s) received after the aforementioned date and time shall be treated as if reply from the Shareholder has not been received, the same shall not be considered valid for the purpose of Postal Ballot.
12. The Scrutinizer will submit his report to the Chairman as soon as possible after the last date of receipt of all Postal Ballots but not later than 48 hours thereof. Upon completion of the scrutiny of the Postal Ballot votes, the result of the voting by Postal Ballot will be announced by the Chairman of the Company at the Registered Office of the company at Plot No. 645 Near EPT Block, Sarojini Nagar, New Delhi-110023. The result of postal ballot along with the Scrutinizer's report will be placed on the Company website at "www.touchwood.in" and will also be communicated to the Stock Exchange where the equity shares of the Company are listed, Depository, Registrar and Share Transfer Agent on the said date.
13. All the material documents referred to in the explanatory statement will be available for inspection at the registered office of the Company during office hours on all working days from the date of dispatch of the Notice until the last date for receipt of votes by Postal Ballot.
14. The Scrutinizer's decision on the validity of the postal ballot shall be final and binding.
15. Please note that any postal ballot form(s) received after the last date (i.e. 11th December, 2019) will be treated as if no reply has been received from the member.
16. The last date of receipt of postal ballot i.e. 11th December, 2019 shall be the date on which the resolution would be deemed to have been passed, if approved by requisite majority.
17. Resolution passed by the Members by means of Postal Ballot is deemed to have been passed at a General Meeting of the Members.



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EXPLANATORY STATEMENT
(PURSUANT SECTION 102 OF THE COMPANIES ACT, 2013)

RESOLUTION 1: TO RAISE EQUITY CAPITAL BY WAY OF VARIOUS METHODS

The members are hereby informed that taking into consideration, the performance and positive outlook of the Company, as well as the growth plan, and in order to finance the ongoing expansion programme and in order to generate long term resources for implementing future growth plans, it is propose to issue Equity Shares of the Company for any one or more of the following purposes: (i) augmenting long term finance for funding growth and capital expenditure (ii) working capital requirements and (iii) general corporate purposes like acquisition of technologies, hiring more employees etc.

The detailed terms and conditions including denomination, price, dividend etc., will be decided by the Board with regard to the prevailing market conditions and applicable regulations at the time of the issue.

None of the Directors of the Company is in any way, concerned with or interested in this resolution except to the extent of their shareholding held by them in the Company and to the extent of the number of equity share to be offered to the Companies/ Bodies Corporate in which they are Directors/ Shareholders.

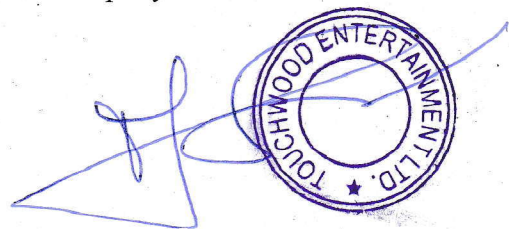
RESOLUTION 2: APPROVAL OF TOUCHWOOD EMPLOYEE STOCK OPTION SCHEME
- 2019 FOR THE ELIGIBLE EMPLOYEES OF THE COMPANY

Stock options in the hands of the employees have long been recognised as an effective instrument to align the interests of the employees with that of the Company and its shareholders, providing an opportunity to the employees to share in the growth of the Company and to create wealth in the hands of the employees.

Accordingly, the Company intends to reward, attract, motivate and retain employees and directors of the Company for their high level of individual performance and for their efforts to improve the financial performance of the Company. The eligible employees shall be granted employee stock options in the form of options ("Options") which will be exercisable into equity shares of face value of Rs. 10/- each of the Company (the "Equity Shares") upon such terms and conditions applicable to the Options, as the case may be. Towards this end, the Company has proposed to adopt the 'Touchwood Employee Stock Option Scheme - 2019' (the "TOUCHWOOD ESOS- 2019"). The Board of Directors of the Company through a resolution dated 02nd November, 2019 approved the broad framework of the TOUCHWOOD ESOS- 2019.

The Members are informed that the Company intends to offer not more than 5,00,000 (Five Lakh) Equity Shares under the TOUCHWOOD ESOS- 2019 by way of grant of Options. Options are collectively referred to as "Stock Options". The TOUCHWOOD ESOP- 2019 will be administered by the Nomination and Remuneration Committee of the Board constituted pursuant to the provisions of Section 178 of the Companies Act, 2013 through direct route.

To promote the culture of employee ownership, approval of Members is being sought for grant of Stock Options to certain employees and directors of the Company.



The TOUCHWOOD ESOP- 2019 is being formulated in accordance with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 ("SEBI (SBEB) Regulations").

The following would, *inter alia*, be the broad terms and conditions of TOUCHWOOD ESOS-2019:

a. Brief Description of the Scheme:

In order to retain the existing employees and also to attract and retain the best talent, the Company proposes to grant stock options to the present and future Employees of the Company, under TOUCHWOOD ESOS - 2019 in terms of this resolution and in accordance with SEBI (SBEB) Regulations. After vesting of options, the eligible Employees earn a right (but not an obligation) to exercise the vested options within the exercise period and obtain equity shares of the Company subject to payment of exercise price and satisfaction of any tax obligation arising thereon. The TOUCHWOOD ESOS - 2019 shall be implemented and administered directly by the Company by way of new issue of shares.

b. Total number of options to be granted:

The total number of employee stock options to be granted under TOUCHWOOD ESOS - 2019 shall not exceed 5,00,000 (Five Lakh) options in one or more tranches, from time to time, exercisable into not more than 5,00,000 (Five Lakh) fully paid-up equity shares of face value of Rs. 10 (Rupees Ten) each of the Company.

In case of any corporate action(s) such as rights issues, bonus issues, merger, sale of division and others, the Board shall be entitled to determine the procedure for making a fair and reasonable adjustment to the entitlement including adjustment to the number of options and to the exercise price and the following shall, *inter alia*, be taken into consideration: (a) the number and price of options shall be adjusted in a manner such that total value of the options in the hands of the option grantee remains the same after such corporate action; and (b) the vesting period and the life of the options shall be left unaltered as far as possible to protect the rights of the option grantees.

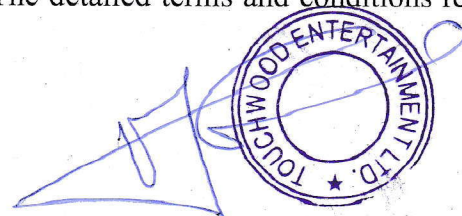
c. Identification of classes of employees entitled to participate in TOUCHWOOD ESOS - 2019:

"Employee" means (i) a permanent employee of the Company, including Whole-time Directors, working in India or out of India; or (ii) a Director of the Company but excluding an Independent Director; or (iii) an employee, as defined in sub-clauses (i) or (ii) in this paragraph, of a Holding Company, Subsidiary Company of the Company, in India or out of India but excludes:

- a. an employee who is a promoter or a person belonging to the promoter group;
- b. a director who either by himself or through his relatives or through any body corporate, directly or indirectly, holds more than 10% of the outstanding equity shares of the Company.

d. Requirements of vesting and period of vesting:

The Board or the Nomination, Remuneration and Compensation Committee may, at its discretion, lay down certain criteria including, but not limited to, the performance metrics on the achievement of which the granted Stock Options would vest and which may be specified in the respective grant letters or the vesting letters to be issued in this regard. The detailed terms and conditions relating to



such criteria for vesting, the period over which and the proportion in which the Stock Options granted would vest will be subject to the minimum and maximum vesting period. The Options would vest not earlier than one year and not later than four years from the date of grant of Options or such other period as may be determined by the Nomination, and Compensation Committee. The vesting schedule (i.e. exact proportion in which and the exact period over which the Options would vest) would be determined by the Nomination and Remuneration Committee, subject to the minimum vesting period of one year from the date of grant of Options. The Options granted under TOUCHWOOD SCHEME - 2019 shall vest in one or more tranches.

e. Pricing formula and Exercise Price:

The Equity Shares to be transferred pursuant to the exercise of the Options would be transferred at the market price of the Equity Shares or at such other price as may be decided by the Board or the Nomination, Remuneration and Compensation Committee from time to time in compliance with the SEBI (SBEB) Regulations. Provided that the exercise price per option shall not be less than the face value of the equity share of the Company.

f. Exercise period and process of exercise:

The exercise period would commence from the date of vesting and will expire on completion of such period as may be determined by the Board subject to a maximum of 4 (Four) years from the date of respective vesting.

The vested option shall be exercised when the Company receives the written notice of exercise of options in the manner and as per the prescribed format which is complete in all respects from the concerned option grantee (or his/her legal heir/ nominee in case of death of option grantee) entitled to exercise the options along with full payment of the exercise price for the equity shares underlying such vested options subject to payment/ recovery of applicable tax, if any. The vested options shall lapse if not exercised within the specified exercise period.

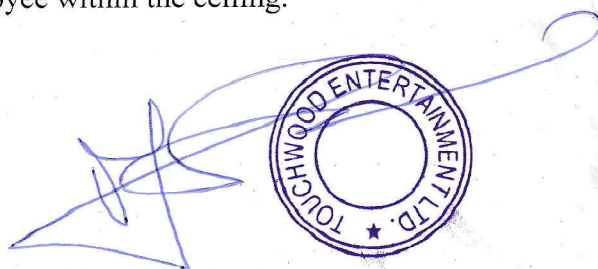
g. Appraisal process for determining eligibility of the employees:

Whilst granting the options to the employees under TOUCHWOOD ESOP – 2019, the Board or Nomination and Remuneration Committee would, *inter alia*, consider performance, merit, grade, conduct and length of service of the Employee and such other criteria as may be determined by the Board or Nomination and Remuneration Committee, at its absolute discretion.

Provided that the approval of the members of the Company by way of a separate resolution shall be required if Grant of Employee Stock Options, during one year, is equal to or exceeds 1% of the issued capital (excluding outstanding warrants and conversions) of the Company.

h. Maximum number of options to be issued per employee and in aggregate:

The maximum number of Options that may be granted to each employees shall vary depending upon the designation and the appraisal/ assessment process, however shall not exceeds 20,000 (Twenty Thousands) in number per eligible employees. However the Nomination and Remuneration Committee reserves the right to decide the number of Options to be granted and the maximum number of Options that can be granted to each employee within the ceiling.



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i. Maximum quantum of benefits to be provided per employee under the Scheme:

Any benefit other than grant of options or consequential issue of equity shares is not envisaged under the Scheme. Maximum benefit shall accordingly refer to the maximum number of options that may be issued per employee.

j. Implementation and Administration:

The TOUCHWOOD ESOS – 2019 shall be implemented and administered directly by the Company.

k. Whether the Scheme involves new issue of shares by the Company or secondary acquisition or both:

The TOUCHWOOD ESOS – 2019 involves only new issue of equity shares by the Company. No secondary acquisition is envisaged.

l. Amount of loan to be provided to the trust for implementation of the Scheme:

Not applicable.

m. Maximum percentage of the secondary acquisition that can be made by the trust for the purpose of the Scheme:

Not applicable.

n. Accounting policies:

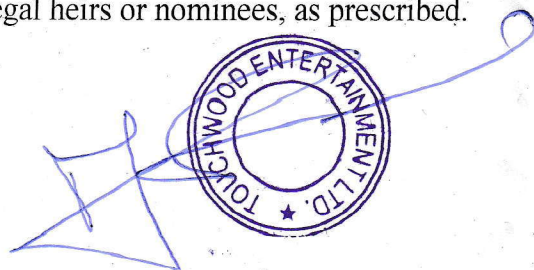
The Company shall comply with the laws/ regulations applicable to accounting and disclosure related to Options including but not limited to the Guidance Note on accounting for employees share based payments ('Guidance Note') or Accounting Standards as may be prescribed by the Institute of Chartered Accountants of India (ICAI) from time to time, including disclosure requirements prescribed therein.

o. The method for valuation of options:

To calculate the employee compensation cost, the Company shall use the Fair Value Method for valuation of the Options granted or such valuation method as may be prescribed from time to time in accordance with applicable laws. In the event the Company undertakes valuation as per the intrinsic value method, the difference between the employee compensation cost so computed and the cost that shall have been recognised if it had used the fair value of the Stock Options, shall be disclosed in the Directors' Report and also the impact of this difference on profits and on Earnings Per Share of the Company shall also be disclosed in the Directors' Report.

p. Transferability of Stock Options

The Stock Options granted to an employee will not be transferable to any person and shall not be pledged, hypothecated, mortgaged or otherwise alienated in any manner. However, in the event of the death of a Stock Option holder while in employment, the right to exercise all the Stock Options granted to him till such date shall be transferred to his legal heirs or nominees, as prescribed.



q. Listing:

Subject to the approval of the stock exchanges, the Shares issued and allotted on Exercise of the Options shall be listed on the stock exchanges on which the shares of the Company are listed.

None of the Directors, Key Managerial Personnel or their relatives are in any way concerned or interested in the resolutions set forth in Item No. 2 of this Notice except to the extent of their shareholding held by them in the Company.

RESOLUTION 3: MIGRATION OF EQUITY SHARES OF THE COMPANY FROM EMERGE PLATFORM OF NATIONAL STOCK EXCHANGE OF INDIA LIMITED TO MAIN BOARD OF NATIONAL STOCK EXCHANGE OF INDIA LIMITED.

The Company was listed on NSE SME Platform on 21st December 2017 and intends to migrate to the Main Board of NSE Ltd. as per the guidelines specified by the procedures laid down under Chapter IX of SEBI ICDR Regulations, 2018. . The Migration of the Company from EMERGE Platform to Main Board of National Stock Exchange of India Limited is also subject to approval of Members by way of passing Special Resolution in terms of Chapter IX of ICDR Regulations. Provided Special Resolution shall be acted upon if and only if the votes cast by shareholders other than promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal. Listing on the Main Board of National Stock Exchange of India Limited will take the Company into a different league altogether with enhanced recognition and increased participation by retail investors.

Accordingly, the Board recommends the resolution set forth in Item No. 3 to be passed as Special Resolution by the Members of the Company through Postal Ballot.

None of the Directors, Key Managerial Personnel or their relatives are in any way concerned or interested in the resolutions set forth in Item No.3 of this Notice except to the extent of their shareholding held by them in the Company.

For Touchwood Entertainment Limited

Manjit Singh
Managing Directors
DIN: 00996149



Date: 02/11/2019

**Registered Office: Plot No. 645,
Near E.P.T Block, Sarojini Nagar,
Delhi-110023**

POSTAL BALLOT FORM

Sr. No.	Particulars	Details
1.	Name(s) of Shareholder(s) (Including joint holders, if any)	
2.	Registered address of the sole/first named Shareholder	
3.	Registered folio no./DP Id No.*/Client Id No.* (*Applicable for shares held in dematerialised form)	
4.	Number of share(s) held as on 8 th November, 2019	Equity Share of Rs. 10/- Each

I/We hereby exercise my/our vote in respect of the Ordinary/Special resolution to be passed through Postal Ballot for the business stated in the Postal Ballot Notice of the Company dated 02nd November 2019 by conveying my/our assent or dissent to the said resolution by placing the tick (✓) mark at the appropriate box below:

Item No.	Description	Nature of Resolution	No. of Equity shares	I/We assent to the resolution ("For")	I/We dissent from the resolution ("Against")
1.	Further Issue of Capital.	SPECIAL			
2.	Employee Stock Option Scheme	SPECIAL			
3.	Migration of the Company from SME Platform of National Stock Exchange of India Limited to Main Board .	SPECIAL			

Place: _____

Date: _____

(Signature of the Shareholder)

Note:

1. Kindly read the instructions printed overleaf before filing the form.
2. Please return the duly filled and signed postal ballot form in the envelope enclosed herewith.
3. In case of authorized representative of a body corporate, certified true copy of the relevant authorization viz. Board Resolution/ Power of Attorney should be sent along with the Ballot Form.

TOUCHWOOD ENTERTAINMENT LIMITED

CIN: L92199DL1997PLC088865

Reg. Office : Plot No. - 645, Opp E.P.T. Block, Sarojini Nagar, New Delhi - 110023
Contact: +91-9810108253 ; Website: www.touchwood.in E-mail: delhi@touchwood.in

1. A member voting by Postal Ballot shall complete this Postal Ballot Form and send it to the Scrutinizer in the attached self-addressed business reply envelope.
2. The self-addressed business reply envelope bears the name of the scrutinizer appointed by the Board of Directors of the Company.
3. This Form should be completed and signed by the Shareholder (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 Shareholder and in his absence, by the next named Shareholder.
4. Duly completed Postal Ballot Form should reach the Company not later than 05:00 P.M on or before 11th December 2019. All Postal Ballot Forms received after this date will be strictly treated as if reply from such Shareholder has not been received.
5. There will be only one Postal Ballot Form for every folio irrespective of the number of joint Shareholder(s).
6. In case of shares held by companies, trusts, societies etc. the duly completed Postal Ballot Form should be accompanied by a certified true copy of Board resolution/authority letter.
7. Votes will be considered invalid on the following grounds:
 - a) A form other than one issued by the company has been used;
 - b) It has not been signed by or on behalf of the Member;
 - c) Signature on the postal ballot form doesn't match the specimen signatures with the company;
 - d) It is not possible to determine without any doubt the assent or dissent of the Member;
 - e) Neither assent nor dissent is mentioned;
 - f) Any competent authority has given directions in writing to the company to freeze the Voting Rights of the Member;
 - g) The envelope containing the postal ballot form is received after the last date prescribed;
 - h) The postal ballot form, signed in a representative capacity, is not accompanied by a certified copy of the relevant specific authority;
 - i) It is received from a Member who is in arrears of payment of calls;
 - j) It is defaced or mutilated in such a way that its identity as a genuine form cannot be established;
 - k) Member has made any amendment to the Resolution or imposed any condition while exercising his vote.
8. Members are requested not to send any paper (other than the resolution/authority) along with the Postal Ballot Form in the enclosed self-addressed postage prepaid envelope as all such envelopes will be sent to the Scrutinizer and if any extraneous paper is found in such envelope the same would not be considered and would be destroyed by the Scrutinizer and the Company will not be able to act on the same.
9. Postal Ballot Forms which are incomplete or unsigned or defective in any manner are liable to be rejected. The Scrutinizer's decision in this regard shall be final and binding.
10. The result of the Postal Ballot will also be posted on the website of the Company