Zicom Electronic Security Systems Limited

Regd. Office: 501, Silver Metropolis, Western Express Highway, Goregaon East, Mumabi 400063.

NOTICE FOR POSTAL BALLOT

Dear Member(s),

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

Notice is hereby given pursuant to Section 192A(2) of the Companies Act, 1956 (the "Companies Act"), read with the Companies (Passing of the Resolution by Postal Ballot) Rules, 2011, that the resolutions appended below ("Resolutions") are proposed to be passed by way of Postal Ballot. Members' consent is requested for the proposals contained in the Resolutions appended below. The Explanatory Statement pertaining to the said Resolutions setting out the material facts and the reasons thereof is annexed hereto along with a Postal Ballot Form.

Proposed Resolutions:

To consider and if thought fit, to pass with or without modification(s), the following Resolutions:

1. As a **Special Resolution:**

   "**RESOLVED THAT** in supercession of the Special Resolution passed by the Members on November 24, 2008 through Postal Ballot and pursuant to Section 372A and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) (hereinafter referred to as "the Act"), and all other applicable statutory provisions, rules, regulations and guidelines, and also subject to necessary approvals, consents and permissions from appropriate authorities as may be required and subject to such conditions, stipulations and requirements as may be imposed by the appropriate authorities while granting their approvals, consents and permissions; consent of the Members of the Company be and is hereby accorded to further invest by subscription/purchase or otherwise in securities of, and/or place inter-corporate deposits with, and/or make loan(s) or any other form of debt to, and/or give guarantee(s) or provide any security(ies) in connection with any loan(s) given by any other person for the benefit of Unisafe Fire Protection Specialists LLC, Dubai ("Unisafe Dubai"), upto an aggregate sum of ₹ 500 crores (Rupees Five Hundred Crores only), notwithstanding that the aggregate of all the loans and investments so far made in, or to be made in and the guarantees/securities so far given or to be given, by the Company to all bodies corporate, exceeds the limits laid down by the Act. PROVIDED HOWEVER THAT, if the limits prescribed under the Act for making investment by the Company in Unisafe Dubai or for aggregate inter-corporate investments is higher than the limits fixed by this Resolution, then the higher limit available under the Act will be applicable without further reference to the Members.

   RESOLVED FURTHER THAT the Board of Directors of the Company/the Committee of Directors be and are hereby authorised to take from time to time, all decisions and steps necessary or expedient or proper in respect of the above investment/debt/guarantee/security, including the timing, the amount and other terms and conditions of such transactions and also to take all other decisions including varying any of them through recall, renewal, transfer, sale, disinvestment or otherwise, either in part or in full, as it may, in its absolute discretion, deem appropriate, subject to the limits specified above."

2. As a **Special Resolution:**

   "**RESOLVED THAT** in supercession of the Special Resolution passed by the Members on March 11, 2011 through their Extraordinary General Meeting and pursuant to Section 372A and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) (hereinafter referred to as "the Act"), and all other applicable statutory provisions, rules, regulations and guidelines, and also subject to necessary approvals, consents and permissions from appropriate authorities as may be required and subject to such conditions, stipulations and requirements as may be imposed by the appropriate authorities while granting their approvals, consents and permissions; consent of the Members of the Company be and is hereby accorded to further invest by subscription/purchase or otherwise in securities of, and/or place inter-corporate deposits with, and/or make loan(s) or any other form of debt to, and/or give guarantee(s) or provide any security(ies) in connection with any loan(s) given by any other person for the benefit of Zicom SaaS Private Limited ("Zicom SaaS"), upto an aggregate sum of ₹ 100 crores (Rupees One Hundred Crores only), notwithstanding that the aggregate of all the loans and investments so far made in, or to be made in and the guarantees/securities so far given or to be given, by the Company to all bodies corporate, exceeds the limits laid down by the Act. PROVIDED HOWEVER THAT, if the limits prescribed under the Act for making investment by the Company in Zicom SaaS or for aggregate inter-corporate investments is higher than the limits fixed by this Resolution, then the higher limit available under the Act will be applicable without further reference to the Members.

   RESOLVED FURTHER THAT the Board of Directors of the Company/the Committee of Directors be and are hereby authorised to take from time to time all decisions and steps necessary or expedient or proper in respect of the above

investment/debt/guarantee/security, including the timing, the amount and other terms and conditions of such transactions and also to take all other decisions including varying any of them through recall, renewal, transfer, sale, disinvestment or otherwise, either in part or in full, as it may, in its absolute discretion, deem appropriate, subject to the limits specified above."

3. As a **Special Resolution:**

"**RESOLVED THAT** pursuant to Section 372A and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) (hereinafter referred to as "the Act"), and all other applicable statutory provisions, rules, regulations and guidelines, and also subject to necessary approvals, consents and permissions from appropriate authorities as may be required and subject to such conditions, stipulations and requirements as may be imposed by the appropriate authorities while granting their approvals, consents and permissions; consent of the Members of the Company be and is hereby accorded to further invest by subscription/purchase or otherwise in securities of, and/or place inter-corporate deposits with, and/or make loan(s) or any other form of debt to, and/or give guarantee(s) or provide any security(ies) in connection with any loan(s) given by any other person for the benefit of Unisafe Fire Protection Specialists India Private Limited ("Unisafe India"), upto an aggregate sum of ₹ 50 crores (Rupees Fifty Crores only), notwithstanding that the aggregate of all the loans and investments so far made in, or to be made in and the guarantees/securities so far given or to be given, by the Company to all bodies corporate, exceeds the limits laid down by the Act. PROVIDED HOWEVER THAT, if the limits prescribed under the Act for making investment by the Company in Unisafe India or for aggregate inter-corporate investments is higher than the limits fixed by this Resolution, then the higher limit available under the Act will be applicable without further reference to the Members.

RESOLVED FURTHER THAT the Board of Directors of the Company/the Committee of Directors be and are hereby authorised to take from time to time all decisions and steps necessary or expedient or proper in respect of the above investment/debt/guarantee/security, including the timing, the amount and other terms and conditions of such transactions and also to take all other decisions including varying any of them through recall, renewal, transfer, sale, disinvestment or otherwise, either in part or in full, as it may, in its absolute discretion, deem appropriate, subject to the limits specified above."

4. As a **Special Resolution:**

"**RESOLVED THAT** in supercession of the Special Resolution passed by the Members on March 11, 2011 through their Extraordinary General Meeting and pursuant to Section 372A and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) (hereinafter referred to as "the Act"), and all other applicable statutory provisions, rules, regulations and guidelines, and also subject to necessary approvals, consents and permissions from appropriate authorities as may be required and subject to such conditions, stipulations and requirements as may be imposed by the appropriate authorities while granting their approvals, consents and permissions; consent of the Members of the Company be and is hereby accorded to further invest by subscription/purchase or otherwise in securities of, and/or place inter-corporate deposits with, and/or make loan(s) or any other form of debt to, and/or give guarantee(s) or provide any security(ies) in connection with any loan(s) given by any other person for the benefit of Institute of Advanced Security Training and Management Private Limited ("ASTM"), upto an aggregate sum of ₹ 50 crores (Rupees Fifty Crores only), notwithstanding that the aggregate of all the loans and investments so far made in, or to be made in and the guarantees/securities so far given or to be given, by the Company to all bodies corporate, exceeds the limits laid down by the Act. PROVIDED HOWEVER THAT, if the limits prescribed under the Act for making investment by the Company in ASTM or for aggregate inter-corporate investments is higher than the limits fixed by this Resolution, then the higher limit available under the Act will be applicable without further reference to the Members.

RESOLVED FURTHER THAT the Board of Directors of the Company/the Committee of Directors be and are hereby authorised to take from time to time all decisions and steps necessary or expedient or proper in respect of the above investment/debt/guarantee/security, including the timing, the amount and other terms and conditions of such transactions and also to take all other decisions including varying any of them through recall, renewal, transfer, sale, disinvestment or otherwise, either in part or in full, as it may, in its absolute discretion, deem appropriate, subject to the limits specified above."

5. As a **Special Resolution:**

"**RESOLVED THAT** pursuant to Section 372A and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) (hereinafter referred to as "the Act"), and all other applicable statutory provisions, rules, regulations and guidelines, and also subject to necessary approvals, consents and permissions from appropriate authorities as may be required and subject to such conditions, stipulations and requirements as may be imposed by the appropriate authorities while granting their approvals, consents and permissions; consent of the Members of the Company be and is hereby accorded to further invest by subscription/purchase or otherwise in securities of, and/or place inter-corporate deposits with, and/or make loan(s) or any other form of debt to, and/or give guarantee(s) or provide any security(ies) in connection with any loan(s) given by

any other person for the benefit of Unisafe Fire Protection Specialists Singapore Pte. Ltd., Singapore ("Unisafe Singapore") and its subsidiaries/ventures in Qatar, U.A.E. and Saudi Arabia, upto an aggregate sum of ₹ 200 crores (Rupees Two Hundred Crores only), notwithstanding that the aggregate of all the loans and investments so far made in, or to be made in and the guarantees/securities so far given or to be given, by the Company to all bodies corporate, exceeds the limits laid down by the Act. PROVIDED HOWEVER THAT, if the limits prescribed under the Act for making investment by the Company in Unisafe Singapore or for aggregate inter-corporate investments is higher than the limits fixed by this Resolution, then the higher limit available under the Act will be applicable without further reference to the Members.

RESOLVED FURTHER THAT the Board of Directors of the Company/the Committee of Directors be and are hereby authorised to take from time to time all decisions and steps necessary or expedient or proper in respect of the above investment/debt/guarantee/security, including the timing, the amount and other terms and conditions of such transactions and also to take all other decisions including varying any of them through recall, renewal, transfer, sale, disinvestment or otherwise, either in part or in full, as it may, in its absolute discretion, deem appropriate, subject to the limits specified above."

6. As a **Special Resolution:**

"**RESOLVED THAT** pursuant to Section 372A and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) (hereinafter referred to as "the Act"), and all other applicable statutory provisions, rules, regulations and guidelines, and also subject to necessary approvals, consents and permissions from appropriate authorities as may be required and subject to such conditions, stipulations and requirements as may be imposed by the appropriate authorities while granting their approvals, consents and permissions; consent of the Members of the Company be and is hereby accorded to further invest by subscription/purchase or otherwise in securities of, and/or place inter-corporate deposits with, and/or make loan(s) or any other form of debt to, and/or give guarantee(s) or provide any security(ies) in connection with any loan(s) given by any other person for the benefit of Zicom Security Projects Pte. Ltd., Singapore ("ZSPPL"), upto an aggregate sum of ₹ 50 crores (Rupees Fifty Crores only), notwithstanding that the aggregate of all the loans and investments so far made in, or to be made in and the guarantees/securities so far given or to be given, by the Company to all bodies corporate, exceeds the limits laid down by the Act. PROVIDED HOWEVER THAT, if the limits prescribed under the Act for making investment by the Company in ZSPPL or for aggregate inter-corporate investments is higher than the limits fixed by this Resolution, then the higher limit available under the Act will be applicable without further reference to the Members.

RESOLVED FURTHER THAT the Board of Directors of the Company/the Committee of Directors be and are hereby authorised to take from time to time all decisions and steps necessary or expedient or proper in respect of the above investment/debt/guarantee/security, including the timing, the amount and other terms and conditions of such transactions and also to take all other decisions including varying any of them through recall, renewal, transfer, sale, disinvestment or otherwise, either in part or in full, as it may, in its absolute discretion, deem appropriate, subject to the limits specified above."

7. As a **Special Resolution:**

"**RESOLVED THAT** pursuant to the provisions of Sections 198, 269, 309, 310, 311, Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), and subject to approval of the Central Government, if required, the Company hereby approves re-appointment of Mr. Pramoud Rao as the Managing Director of the Company for a period of five years with effect from March 1, 2012 till February 28, 2017, on the terms and conditions including his remuneration, as are set out in the Explanatory Statement to Item No. 7 of this Notice and also in the draft agreement proposed to be entered into by the Company with him, which agreement is hereby specifically approved with liberty to the Board of Directors/Remuneration Committee of Directors to alter and vary the terms and conditions of the said appointment and/or agreement, as may be agreed to between the Board of Directors/Remuneration Committee of Directors and Mr. Pramoud Rao, or as may be varied by the Members, subject to the limits, if any, specified in the applicable provisions of the Companies Act, 1956 and Schedule XIII to the said Act, or any amendments thereto.

RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year of the Company during the tenure of Mr. Pramoud Rao's office as the Managing Director; the remuneration, perquisites and benefits as set out in the Explanatory Statement to Item No. 7 of this Notice (except commission) be paid or granted to Mr. Pramoud Rao as the minimum remuneration for a period not exceeding three years from the date of his re-appointment as above, subject to the ceiling limit specified under Schedule XIII to the Companies Act, 1956; and if the said remuneration is in excess of the ceiling, necessary approval of the Central Government be obtained to make up the shortfalls, without any further reference to the Members.

RESOLVED FURTHER THAT the Board of Directors/Remuneration Committee of Directors of the Company be and is hereby authorised to vary the said remuneration, perquisites/benefits payable to Mr. Pramoud Rao as the Managing Director as may be mutually agreed between the Company and Mr. Pramoud Rao, subject to the applicable statutory provisions and approval of the Central Government, if required."

8. As a **Special Resolution:**

"**RESOLVED THAT** pursuant to the provisions of Section 81(1A) and other applicable provisions, if any, of the Companies Act, 1956 ("the Act", including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and in accordance with the applicable provisions of the rules, regulations, guidelines, notifications and clarifications issued by the Securities and Exchange Board of India ("SEBI") including SEBI's Preferential Issue Guidelines, i.e. Chapter VII of the Securities & Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (the "SEBI ICDR Regulations"), the Reserve Bank of India ("RBI"), applicable statutory provisions of the Foreign Exchange Management Act, 1999 (the "FEMA"), Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000 (the "FEMA Regulations") and rules, regulations, guidelines, notifications and clarifications made or issued thereunder; and other applicable statutory provisions, enabling provisions of the Memorandum and Articles of Association of the Company, Listing Agreement entered into with Stock Exchange(s) on which the securities of the Company are listed (collectively the "Stock Exchanges") and subject to such consents, approvals, permissions or sanctions as may be required from appropriate authorities under any legislations, rules, regulations and guidelines for the time being in force, and subject to such conditions and modifications as may be prescribed or imposed by any one or more of them while granting any such approvals, consents, permissions or sanctions and as agreed to by the Board of Directors of the Company (hereinafter refered to as the "Board", which term shall be deemed to include any Committee of Directors which the Board may have constituted or may hereinafter constitute to exercise its powers including powers conferred on the Board by this Resolution), consent and approval of the Members of the Company be and is hereby accorded to the Board to create, offer, issue and allot, in one or more tranches, on preferential basis, upto 33,00,000 (Thirty Three Lakhs) Equity Shares ("Equity Shares") of ₹10/- (Rupees Ten only) each of the Company for cash, at a price calculated in accordance with SEBI ICDR Regulations for preferential allotment and relevant guidelines under FEMA and of RBI for pricing of such issues, subject to a minimum price of ₹ 46/- (Rupees Forty Six only), i.e. at a premium of ₹ 36/- (Rupees Thirty Six only) per Equity Share, to such persons/entities (collectively the "Proposed Allottees") in the proportion as is set out below, and on such other terms and conditions and in such manner as given herein below and as the Board may think fit:

Sr. No.	Name of Proposed Allottees	Maximum No. of Equity Shares to be allotted
1.	Aark Singapore Pte. Ltd.	29,00,000
2.	Mr. V. Raman Kumar	4,00,000
	Total	**33,00,000**

RESOLVED FURTHER THAT the Equity Shares to be issued by the Company shall be on the following terms and conditions:

(1) the Equity Shares shall be governed by the applicable provisions of the Act, the Memorandum and Articles of Association of the Company and also the applicable guidelines issued by SEBI, RBI or any other appropriate authority as the case may be, or any modifications thereof;

(2) the Equity Shares on issue and allotment, shall rank pari passu in all respects with the existing equity shares of the Company, including for dividend entitlement;

(3) the relevant date for the purpose of determining the price of the Equity Shares in accordance with the SEBI ICDR Regulations be fixed as May 22, 2012, being thirty (30) days prior to the date on which the results of the Postal Ballot would be declared i.e. June 21, 2012;

(4) the Equity Shares and also the entire pre-preferential Equity Shares held, if any, by the Proposed Allottees, shall be subject to lock–in as prescribed under the SEBI ICDR Regulations;

(5) the Board be and is hereby authorized to take all necessary steps and do all the acts, deeds, matters and things and to authorize execution of necessary documents, as it may deem expedient and in the interest of the Company, without being required to seek any further consent or approval of the Members of the Company, decide and approve the other terms and conditions of the issue of the said Equity Shares, or to modify any of them, or reducing the size of the issue or cancelling the issue, or utilization of the proceeds of the issue; subject however to compliance with the provisions of all applicable laws, guidelines, notification, rules and regulations;

(6) the offer, issue and allotment of the Equity Shares shall be made at such time or times, as the Board or any Committee of Directors (as duly authorized by the Board) may in its absolute discretion decide, but not later than fifteen (15) days from the date of passing of this Resolution, or within such extended time as any appropriate Authority may allow (subject to the provision of the SEBI ICDR Regulations);

(7) the Board be and is hereby authorized to accept any amendments, modifications, variations and alterations to the proposed issue and allotment of Equity Shares and its terms and conditions, as the Government of India, SEBI, RBI, Stock Exchanges or any other regulatory authority may stipulate in that behalf;

(8) the Board be and is hereby authorized to delegate all or any of the powers herein conferred by this Resolution, to any Director(s) or any Committee of Directors or any other employee(s) or officer(s) or agent(s) of the Company (as it may consider appropriate) to give effect to the aforesaid Resolution;

(9) the number of Equity Shares and the price per Equity Share shall be appropriately adjusted, subject to the provisions of the Companies Act, 1956, FEMA, SEBI and RBI Guidelines, and other applicable legislations, rules, regulations and guidelines; for corporate actions such as bonus issue, rights issue, stock split, merger, demerger, transfer of undertaking, sale of a division or any such capital or corporate restructuring; and

(10) for the purpose of giving effect to this Resolution, the Board be and is hereby authorized to take such steps and to do all such acts, deeds, matters and things, as it may in its absolute discretion deem necessary, proper or incidental to this Resolution and to settle any question, difficulty or doubt that may arise from time to time in regard to the offer, issue and allotment of the Equity Shares to the Proposed Allottees and further to do all such acts, deeds, matters and things and to finalise and execute all documents, papers, agreements, deeds and writings as may be necessary, desirable or expedient as it may deem fit."

9. As a **Special Resolution:**

"**RESOLVED THAT** pursuant to the provisions of Section 81(1A) and other applicable provisions, if any, of the Companies Act, 1956 ("the Act", including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and in accordance with the applicable provisions of the rules, regulations, guidelines notifications and clarifications issued by the Securities and Exchange Board of India ("SEBI") including SEBI's Preferential Issue Guidelines, i.e. Chapter VII of the Securities & Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (the "SEBI ICDR Regulations") and enabling provisions of the Memorandum and Articles of Association of the Company, Listing Agreement entered into with the Stock Exchange(s) on which the securities of the Company are listed (collectively the "Stock Exchanges") and subject to such consents, approvals, permissions or sanctions as may be required from appropriate authorities under any legislations, rules, regulations and guidelines for the time being in force, and subject to such conditions and modifications as may be prescribed or imposed by any one or more of them while granting any such approvals, consents, permissions or sanctions and as agreed to by the Board of Directors of the Company (the "Board", which term shall be deemed to include any Committee of Directors which the Board may have constituted or may hereinafter constitute to exercise its powers including powers conferred on the Board by this Resolution), consent and approval of the Members of the Company be and is hereby accorded to the Board to create, offer, issue and allot in one or more tranches on preferential basis, upto 16,00,000 (Sixteen Lakhs) warrants (the "Warrants"), each Warrant carrying an entitlement to subscribe to one (1) Equity Share of the Company ("Resulting Equity Shares") of ₹ 10/- (Rupees Ten only) each at a price calculated in accordance with SEBI ICDR Regulations for preferential allotment, subject to a minimum price of ₹ 46/- (Rupees Forty Six only) per Equity Share ("Share Price"), i.e. at a premium of ₹ 36/- (Rupees Thirty Six only) per Equity Share, to the following companies belonging to the Promoters' Group (the "Promoters") in the proportion as is set out below, and on such other terms and conditions and in such manner as given herein below and as the Board may think fit:

Sr. No.	Name of the Promoters	Maximum No. of Warrants to be allotted
1.	Baronet Properties & Investments Private Limited	8,00,000
2.	Coronet Properties & Investments Private Limited	8,00,000
	Total	**16,00,000**

That is in aggregate upto 16,00,000 (Sixteen Lakhs) Equity Shares may be issued and allotted as above to the Promoters.

RESOLVED FURTHER THAT the said Warrants to be issued by the Company shall be on the following terms and conditions:

(1) the holder of each Warrant shall be entitled to subscribe to one (1) equity share of ₹ 10/- each of the Company (at its sole option) and in one or more tranches, at any time within a period of eighteen (18) months from the date of allotment of the said Warrants;

(2) an amount equivalent to twenty five percent (25%) of the Share Price shall be payable at the time of allotment of the Warrants towards face value of the Warrant i.e. ₹ 11.50 (Rupees Eleven and Paise Fifty only), which will be adjusted and appropriated against the balance share application money payable by the Promoters at the time of exercising the option to acquire one (1) Equity Share against each Warrant;

(3) the Promoters shall, at the time of exercise of option to acquire one (1) Equity Share of the Company against each Warrant held by it, pay the balance seventy five percent (75%) of the Share Price i.e. ₹ 34.50 (Rupees Thirty Four and Paise Fifty only);

(4) the Warrants shall have a tenure of eighteen (18) months from the date of their allotment. If the option to acquire Equity Share underlying the Warrant is not exercised by the Promoters within eighteen (18) months from the date of allotment of the Warrants or the Promoters have surrendered the Warrants to the Company before expiry of said eighteen (18) months period, then such Warrants shall stand cancelled and the amount per Warrant, as referred in (2) above, paid by the Promoters shall be forfeited;

(5) the Warrants and the Resulting Equity Shares and also the entire pre-preferential Equity Shares held, if any, by the Promoters shall be subject to lock–in as prescribed under the SEBI ICDR Regulations;

(6) each of the Warrants shall be independent of the other and shall form part of the same series, and shall be pari passu with each other in all respects.

RESOLVED FURTHER THAT:

(1) the issue of the Warrants, their surrender or cancellation as well as the issue of the Resulting Equity Shares shall be governed by the applicable provisions of the Act, the Memorandum and Articles of Association of the Company and also the applicable guidelines issued by SEBI or any other authority as the case may be, or any modifications thereof;

(2) the Resulting Equity Shares on their issue and allotment shall rank pari passu in all respects with the existing Equity Shares of the Company, including for dividend entitlement;

(3) the relevant date for the purpose of determining the price of the Warrants and the Resulting Equity Shares in accordance with the SEBI ICDR Regulations be fixed as May 22, 2012, being thirty (30) days prior to the date on which the results of the Postal Ballot would be declared i.e. June 21, 2012;

(4) the Board be and is hereby authorized to take all necessary steps and do all the acts, deeds, matters and things and to authorize execution of necessary documents, as it may deem expedient and in the interest of the Company, without being required to seek any further consent or approval of the Members of the Company, decide and approve the other terms and conditions of the issue of the Warrants to the Promoters, or relating to acquisition of the shares or reducing the size of the issue or cancelling the issue, or surrender of the Warrants, or utilization of the proceeds of the issue, subject however to compliance with the provisions of all applicable laws, guidelines, notification, rules and regulations;

(5) the offer, issue and allotment of the Warrants, shall be made at such time or times as the Board or any Committee of Directors (as duly authorized by the Board) may in its absolute discretion decide, but not later than fifteen (15) days from the date of this Resolution, or within such extended time as any of the appropriate Authority may allow (subject to the provision of the SEBI ICDR Regulations);

(6) the Board be and is hereby authorized to accept any amendments, modifications, variations and alterations to the proposed issue and allotment of Warrants and Resulting Equity Shares, and their terms and conditions, as the Government of India, SEBI, Stock Exchanges or any other regulatory authority may stipulate in that behalf;

(7) the Board be and is hereby authorized to delegate all or any of the powers herein conferred by this Resolution, to any Director(s) or any Committee of Directors or any other employee(s) or officer(s) or agent(s) of the Company (as it may consider appropriate) to give effect to this Resolution;

(8) the number of Warrants and the price per Warrant and the Resulting Equity Shares shall be appropriately adjusted, subject to the provisions of the Companies Act, 1956 and SEBI Guidelines, and other applicable legislations, rules, regulations and guidelines, for corporate actions such as bonus issue, rights issue, stock split, merger, demerger, transfer of undertaking, sale of a division or any such capital or corporate restructuring; and

(9) for the purpose of giving effect to this Resolution, the Board be and is hereby authorized to take such steps and to do all such acts, deeds, matters and things, as it may in its absolute discretion deem necessary, proper or incidental to this Resolution and to settle any question, difficulty or doubt that may arise from time to time in regard to the offer, issue and allotment of the Warrants and the Resulting Equity Shares to the Promoters and further to do all such acts, deeds, matters and things and to finalize and execute all documents, papers, agreements, deeds and writings as may be necessary, desirable or expedient as it may deem fit."

By **Order of the Board of Directors**

Kunjan Trivedi
Company Secretary

Date: May 17, 2012
Place: Mumbai

Registered Office:
501, Silver Metropolis,
Western Express Highway,
Goregaon East, Mumbai 400063.

NOTES:

1. Pursuant to Section 173(2) read with Section 192A(2) of the Companies Act, 1956, the relative Explanatory Statement and reasons for the proposed Resolutions under Item Nos. 1 to 9 above is annexed herewith and forms part of this Notice.
2. The Board of Directors has appointed Mr. Ganesh Narayan, Practising Company Secretary, as Scrutinizer for the purpose of Postal Ballot exercise.

3. A Member desiring to exercise vote by Postal Ballot may complete the enclosed Postal Ballot Form and send it to the Scrutinizer in the enclosed self addressed business reply envelope. Postage will be borne and paid by the Company. However, envelopes containing Postal Ballots, if sent by courier or by Registered Post at the expense of the registered Member, will also be accepted. The envelopes containing the Postal Ballot should reach the Scrutinizer not later than the close of working hours on June 20, 2012. Any Postal Ballot Form received after the said date shall be treated as if the reply from the Members has not been received. Facility of voting through electronic mode is not being provided by the Company.

4. The Result of the Postal Ballot will be announced by the Chairman or in his absence by any other person, so authorized by the Chairman on June 21, 2012 at 4.00 p.m. at the Registered Office of the Company situated at 501, Silver Metropolis, Western Express Highway, Goregaon East, Mumbai 400063.

5. The declaration by Chairman as stated above shall be treated as declaration of the result by the Chairman at a meeting of the Members as per the provisions of the Companies (Passing of the Resolution by Postal Ballot) Rules, 2011.

6. A copy of all the documents referred to in this Notice and the accompanying Explanatory Statement are open for inspection of the Members at the Registered Office of the Company on all working days, except Sundays and holidays, between 11.00 a.m. to 1.00 p.m., up to the date of declaration of the Result of Postal Ballot.

7. Members are requested to carefully read the instructions printed on the backside of the Postal Ballot Form before exercising their vote.

EXPLANATORY STATEMENTS AND REASONS FOR THE PROPOSED RESOLUTIONS PURSUANT TO SECTION 173(2) AND 192A(2) OF THE COMPANIES ACT, 1956

ITEM NOS. 1, 2, 3, 4, 5 & 6:

As the Members are aware, the Company through its subsidiaries, associates and joint ventures, globally carries various security related business activities. These activities are focused mainly in two spectrums: i) the business of fire detection and protection and ii) the business of providing electronic security solutions including services.

The business of fire detection and protection is been successfully carried out through Company's flagship subsidiary in Dubai namely Unisafe Fire Protection Specialists LLC ("Unisafe Dubai"), which is engaged in the business of fire detection and fire fighting systems, equipments and other related services. Considering promising business prospects for Unisafe Dubai based on various inquiries received by it and large orders in sight, Unisafe Dubai has to arrange suitable resources and Bank Guarantee(s) for performance, advance, etc. in favour of its customers for executing such large orders.

Enthused by promising performance of Unisafe Dubai, your Board has decided to expand the business of fire detection and protection globally including India and Singapore, under the brand 'Unisafe'. As a result, the Company has set-up two subsidiaries for furthering this business, namely Unisafe Fire Protection Specialists India Private Limited ("Unisafe India") and Unisafe Fire Protection Specialists Singapore Pte. Ltd. ("Unisafe Singapore"), both of which at present are wholly owned subsidiaries of the Company. Unisafe Singapore proposes to have subsidiaries/ventures in Qatar, U.A.E and Saudi Arabia to expand its business of fire detection and protection.

Consequent upon restructuring of its business, the Company has also focused its attention on providing Security as a Service (SaaS), for which it has set-up a wholly owned subsidiary, namely Zicom SaaS Private Limited ("Zicom SaaS").

Further, with a view to foray into education and training in security, safety and loss prevention; the Company has promoted Institute of Advanced Security Training and Management Private Limited ("ASTM").

Also, to expand the horizon of its security related activities globally and to take advantage of promising markets in Latin America, the Company has tied-up for setting up a Joint Venture Company in Brazil, namely Ciao-Zicom Security Systems SA and also set-up a wholly owned subsidiary in Singapore namely Zicom Security Projects Pte. Ltd. ("ZSPPL").

In view of the aforesaid various subsidiaries, associates and joint venture, the Company is required to make investments in them by way of its contribution as a promoter, holding company, JV partner, etc.; which may be in the form of acquisition of securities, making of loans, giving of guarantees and providing of securities.

As per requirements of Section 372A of the Companies Act, 1956, investments by a body corporate in other bodies corporate (other than its wholly owned subsidiary) shall not exceed 60% of its paid-up capital and free reserves, or 100% of its free reserves, whichever is higher. In view of the above business scenario of various companies and considering their future business needs, it is thought prudent to provide for/increase the limit for making inter corporate investments by the Company in them as proposed in respective Resolutions above.

Through the Special Resolutions at Item Nos. 1 to 6, approval of Members is being sought for increasing the limits of making further investments/providing loans/giving guarantees or providing securities by the Company in aggregate upto maximum of ₹ 950 crores (Rupees Nine Hundred Fifty Crores only) to its various subsidiaries/associates/joint venture companies to the extent of limits mentioned against each of their names, even if such an increase exceeds the limits as mentioned under the Companies Act, 1956 and other statutory provisions.

Particulars of company-wise break-up of the proposed investments are as mentioned in the table below:

Name & Registered Office of the Company	Investments as on date & % of Holding	Amount of Proposed Investment (in ₹)	Principal Business of the Company	Purpose of Investment	Source of Funds	Nature of Concern / Interest of Director
Unisafe Fire Protection Specialists LLC P.O. Box 31568, Dubai, U.A.E.	₹ 203,64,25,996 49%	500 crores	Fire Safety and Security systems and solutions and other related services	A good business/ investment opportunity	Internal Sources / long term funding from Institutions	No other Directors, except Mr. Manohar Bidaye and Mr. Pramoud Rao, who are also the Directors of the said subsidiary, are interested or concerned in the Resolution.
Zicom SaaS Private Limited 501, Silver Metropolis, Western Express Highway, Goregaon (E), Mumbai 400063.	₹ 32,92,45,472 100%	100 crores	Providing Security as a Service (SaaS) in its various combination.	A good business/ investment opportunity	Internal Sources / long term funding from Institutions	No other Directors, except Mr. Manohar Bidaye and Mr. Pramoud Rao, who are also the Directors of the said subsidiary, are interested or concerned in the Resolution.
Unisafe Fire Protection Specialists India Private Limited 501, Silver Metropolis, Western Express Highway, Goregaon (E), Mumbai 400063.	₹ 5,00,00,000 100%	50 crores	Fire Safety and Security systems and solutions and other related services.	A good business/ investment opportunity	Internal Sources / long term funding from Institutions	No other Directors, except Mr. Manohar Bidaye and Mr. Pramoud Rao, who are also the Directors of the said subsidiary, are interested or concerned in the Resolution.
Institute of Advanced Security Training and Management Private Limited 45, Chimbai Road, Behind St. Andrews Church, Off Hill Road, Bandra (W), Mumbai 400050.	₹ 15,69,86,227 17.14%	50 crores	Imparting education and training in security, safety and loss prevention.	A good business / investment opportunity	Internal Sources / long term funding from Institutions	No other Directors, except Mr. Manohar Bidaye, who is common Director, and Mr. Manohar Bidaye and Mr. Pramoud Rao and their controlled entities as shareholders, are interested or concerned in the Resolution.
Unisafe Fire Protection Specialists Singapore Pte. Ltd. 89 Short Street, #03-01, Golden Wall Centre, Singapore 188216	₹ Nil 100%	200 crores	Installation of fire protection and security alarm systems.	A good business / investment opportunity	Internal Sources / long term funding from Institutions	No other Directors, except Mr. Manohar Bidaye and Mr. Pramoud Rao, who are also the Directors of the said subsidiary, are interested or concerned in the Resolution.
Zicom Security Projects Pte. Ltd. 89 Short Street, #03-01, Golden Wall Centre, Singapore 188216.	₹ Nil 100%	50 crores	Other investment holding companies.	A good business / investment opportunity	Internal Sources / long term funding from Institutions	No other Directors, except Mr. Manohar Bidaye and Mr. Pramoud Rao, who are also the Directors of the said subsidiary, are interested or concerned in the Resolution.

The Directors recommends your approval to the Resolutions as proposed at Item Nos. 1 to 6 of the Notice of Postal Ballot.

Except Mr. Manohar Bidaye and Mr. Pramoud Rao who are interested in the respective Resolutions at Item Nos. 1 to 6 of the Notice to the extent indicated in the table above, no other Director of the Company is any way concerned or interested in the Proposed Resolutions.

ITEM NO. 7:

The tenure of Mr. Pramoud Rao as Managing Director for a period of five years from March 1, 2007 expired on February 29, 2012. The Board of Directors of the Company at its meeting held on February 9, 2012 has re-appointed him as the Managing Director of the Company for a further period of five years i.e. from March 1, 2012 to February 28, 2017 and approved the terms and conditions of his re-appointment including the terms of his remuneration for a period of three years, i.e. from March 1, 2012 till February 28, 2015, as approved by the Remuneration Committee of Directors at its meeting held on the same date.

The said re-appointment of Mr. Pramoud Rao as Managing Director and the terms and conditions for the same were made subject to the applicable provisions of the Companies Act, 1956 and the Schedule XIII thereto. The said Schedule requires the Company, inter alia, to obtain approval of its Members to the appointment by passing a special resolution.

The terms of remuneration of Mr. Pramoud Rao as Managing Director proposed for your approval, are as follows:

Salary & Grade: ₹ 6,00,000/- per month in the grade of ₹ 5,00,000 – ₹ 7,50,000.

Commission: Such remuneration by way of commission in addition to the salary calculated at the rate not exceeding 2% p.a. of the net profit of the Company in a particular financial year, as may be determined by the Board of Directors of the Company at the end of each financial year. In case of inadequacy of profit or loss incurred by the Company in any financial year, no commission shall be paid to the Managing Director.

Other Perquisites / Benefits to Managing Director are as under:

i. Contribution to Provident Fund, Superannuation Fund and other Retirement benefits in accordance with the rules of the Company. The Company's contribution to such funds is not to be included in the computation of the ceiling on perquisites to the extent these either singly or put together are not taxable under the Income Tax Act.

ii. Encashment of Leave at the end of the term as per rules of the Company shall not be considered for the valuation of perquisites.

iii. Gratuity as per the Scheme of the Company provided the Gratuity payable shall not exceed half a month's salary for each completed year of service.

iv. Provision of the Company's owned Car with driver for use of the Company's business and telephone at residence and/or mobile shall not be considered as perquisites. Personal long distance calls and use of car for private purpose, if any, shall be billed by the Company to the Managing Director.

v. No sitting fees to be paid for attending Meetings of the Board of Directors or any of its Committee.

vi. Reimbursement of entertainment, traveling and all other actual expenses properly incurred for the purpose of the Company's business; which shall not be considered as remuneration.

In the event of absence or inadequacy of profit in any financial year during the tenure of Mr. Pramoud Rao as Managing Director, the aforesaid remuneration, perquisites/benefits are proposed to be paid or granted to him as the minimum remuneration, subject to the ceiling limits prescribed under Schedule XIII and other applicable provisions of the Companies Act, 1956; and if the said remuneration is in excess of the ceiling, then necessary approval from the Central Government will be obtained for making-up of the shortfall, without any further reference to the Members.

The aforesaid remuneration may be reviewed by the Board of Directors/Remuneration Committee of Directors after the close of every financial year and Mr. Pramoud Rao will be paid such increment within the limits of the salary grade specified above, as the Board of Directors/Remuneration Committee of Directors may then decide, subject to the ceiling limits laid down aforesaid and under the provisions of the Companies Act, 1956, or any modification(s) or re-enactment(s) thereof.

The Remuneration Committee of Directors and Board of Directors at their respective meetings held on February 9, 2012, have already considered and approved the aforesaid terms of remuneration of Mr. Pramoud Rao as Managing Director for a period of three years, i.e. from March 1, 2012 to February 28, 2015.

Mr. Pramoud Rao shall not be liable to retire by rotation during his tenure as Managing Director of the Company.

The information required under the Sub-clause B (iv) of Para 1 of Section II, Part II, of the Schedule XIII to the Companies Act 1956 is given here below:

I. General Information:

1.	Nature of Industry	Electronic Security Systems	
2.	Date or expected date of commencement of Commercial Production	Not Applicable	
3.	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not Applicable	
4.	Financial performance based on given indications		(₹ in Lakhs)
		2010-2011	**2011-2012**
i.	Total Income	115,74,86,088	219,41,59,063
ii.	Net Profit after taxation	17,88,09,628	3,55,30,528
iii.	Export	Nil	Nil
iv.	Foreign investments or collaborators, if any	133,38,13,856	203,64,25,996

II. Information about the Managing Director – Mr. Pramoud Rao:

i.	***Background details :***	Mr. Pramoud Rao is a Promoter and Managing Director of the Company. He is a Science Graduate and has over 25 years of marketing experience in various conceptual product categories.
ii.	***Past remuneration :***	*₹ 6,00,000/- per month
iii.	***Recognition or Awards:***	Mr. Pramoud Rao has been awarded Bharat Shiromani Award.
iv.	***Job profile and suitability :***	He looks after the day to day affairs and the management of the Company and is responsible for identifying strategic international business partners, strategy planning, overall marketing, sales functions and operations.

v.	***Remuneration proposed :***	*₹ 6,00,000/- per month** in the grade of ₹ 5,00,000 to ₹ 7,50,000, which may be revised by the Board/Remuneration Committee within the above grade. In addition to the above, commission @ 2% p.a. of the net profit of the Company will be paid to Mr. Pramoud Rao. In addition, other perquisites and benefits as mentioned above are to be paid/provided. In case of loss or inadequacy of profits in any financial year, the above remuneration except Commission, is proposed to be paid as the minimum remuneration, subject to the ceiling limits prescribed under the Companies Act, 1956 read with Schedule XIII hereto.
vi.	***Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person as Whole Time Director:*** The remuneration profiles of persons at similar positions in the companies in the industry are either on the similar level or on the higher side.	
vii.	***Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any:*** Mr. Pramoud Rao is the Promoter of the Company holding 3.93% equity shares in the Company in his own name. Besides him there are no other managerial personnel in the Company.	

III. Other Information:

i.	***Reasons of loss or inadequate profits:*** The remuneration of Managing Director is fixed considering the industry standard and with that being paid to companies of similar size and scale of business. However, the same is found to be exceeding the prescribed limits under the Companies Act, 1956 read with Schedule XIII thereto, when calculated with respect to the net profits of the Company as per the last audited accounts as at March 31, 2012. While there has been an improvement in the turnover of the Company, the profitability could not improve in the same scale. This is on account of severe pressure over the margins mainly due to high import cost of material, substantial depreciation in value of Rupee vis-a-vis various currencies, higher interest rates, lack of concessional import duties and incentives for the industry, and high operating and finance costs.
ii.	***Steps taken or proposed to be taken for improvement & expected increase in productivity and Profits:*** The Company has restructured its business in recent past and change its focus to more profitable business of: (i) the business of fire detection and protection and (ii) the business of providing electronic security solutions including Security as a Service. Further, with a view to expand horizon of its activities, the Company is setting up various overseas subsidiaries, so that it can take advantage of promising global markets. Besides, various cost cutting measures have been taken. As a result of all these steps, the profitability of the Company is expected to improve.

* Exclusive of Retirement Benefits.
** If required, necessary application will be made to the Central Government for approval of the terms of remuneration.

The Directors recommend this Resolution for your approval.

Mr. Pramoud Rao is interested in the proposed Resolution upto the extent of his being re-appointed as Managing Director of the Company and the remuneration, perquisites and benefits that he will receive as a Managing Director. Besides him no other Director of the Company is in any way concerned or interested in the said Resolution.

The Resolution given under the above head of item and this Explanatory Statement may be construed as an Abstract and Memorandum of Concern and Interest under Section 302 of the Companies Act, 1956.

ITEM NO. 8:

Section 81(1) of the Companies Act, 1956 ("the Act") inter alia provides that when it is proposed to increase the subscribed capital of a company by allotment of further shares, such further shares shall be offered to the existing members of the company in the manner laid down in the said Section, unless the members in general meeting decide otherwise by way of a special resolution.

The Special Resolution at Item No. 8 in the Notice, have been proposed under the provisions of Section 81(1A) of the Act, in view of the fact that the Equity Shares of the Company of ₹ 10/- each, proposed to be issued by the Company will be offered to person(s) who are not the existing members of the Company. Further, under the Listing Agreement entered with the Stock Exchanges, the Company, in the first instance is required to offer all shares to be issued for subscription, pro-rata to the existing equity shareholders, unless they decide otherwise in a meeting of members.

Accordingly, consent of the Members is being sought pursuant to and subject to the provisions of Section 81(1A) and other applicable provisions, if any of the Act, the Preferential Issue Guidelines under Chapter VII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (the "SEBI ICDR Regulations"), provisions of the Listing Agreement executed by the Company with the Stock Exchanges and other applicable statues, rules, regulations, guidelines, notifications and clarifications.

The Special Resolution proposed under Item No. 8 relates to the proposal by the Company to issue and allot upto 33,00,000 (Thirty Three Lakhs) Equity Shares of ₹ 10/- (Rupees Ten only) each of the Company, at a minimum price of ₹ 46/- (Rupees Forty Six only) per Equity Share, i.e. at a premium of ₹ 36/- (Rupees Thirty Six only) per Equity Share or the price calculated in accordance with SEBI ICDR Regulations, or the price as per the applicable guidelines of the Reserve Bank of India ("RBI") or other appropriate Authority for preferential issue and allotment of Equity Shares, whichever is higher, to the Proposed Allottees mentioned in this Resolution. The Equity Shares will be issued in accordance with and subject to SEBI ICDR Regulations, applicable statutory provisions of the Foreign Exchange Management Act, 1999 (the "FEMA"), Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000 (the "FEMA Regulations") and other relevant rules, regulations, guidelines, notifications and clarification of SEBI, RBI and other appropriate authorities.

The Equity Shares proposed to be allotted to the Proposed Allottees shall be locked-in for such period as is prescribed under the applicable provisions of SEBI ICDR Regulations.

The Company proposes the Special Resolution as mentioned at Item No. 8 in the accompanying Notice for approval of the Members.

Disclosures as required under the provisions of the SEBI ICDR Regulations:

a) Objects of the Preferential Issue of Equity Shares:

The proceeds of the preferential issue, subject to all the applicable laws, are intended to be utilized by the Company for its future growth, both organic and inorganic, for meeting the incremental and long term working capital requirements, repaying any outstanding debts and general corporate purposes. This will also increase the financial strength/liquidity of the Company and increase its equity base.

b) Intention of the Promoters/Directors/Key Management Personnel to subscribe to Equity Shares:

None of the Promoters/Directors/Key Management Personnel of the Company have intention or proposal to subscribe to any of the Equity Shares proposed to be issued under this Resolution. None of the Proposed Allottees belongs to any of the said categories.

Both the Proposed Allottees have irrevocably conveyed in writing to the Company about their respective intention to subscribe to the Equity Shares proposed to be issued and allotted to them in the proportion mentioned in the proposed Resolution under this Item of the Notice. They have also undertaken to comply with the necessary requirements of the statutes, rules, regulations, guidelines, notifications and circulars that are applicable in this regard; and the directions and terms and conditions of approvals, consents and permissions that may be required in this regard from the appropriate authorities.

c) Shareholding Pattern before and after the issue and allotment of Equity Shares pursuant to Resolutions at Item Nos. 8 and 9 of the Notice (based on the Shareholding Pattern as on May 11, 2012) is as follows:

Shareholding Pattern				Before considering effect of increase in share capital under Resolutions at Item Nos. 8 and 9 of this Notice		After considering effect of increase in share capital under this Resolution, but before giving effect of increase in share capital under Resolution at Item No. 9 of this Notice		After considering effect of increase in share capital under Resolutions at Item Nos. 8 and 9 of this Notice	
			Category	No. of Shares held	% of shareholding	No. of Shares held	% of shareholding	No. of Share held	% of shareholding
A.			**Promoters' holding**						
	1.		Promoters & Persons Acting in concert						
		a.	Indian Promoters						
			Individuals	9,32,700	7.34	9,32,700	5.83	9,32,700	5.30
			Bodies Corporate:						
			- **Baronet Properties & Investments Pvt. Ltd.** (Proposed Allottees under Resolution No. 9)	**7,35,652**	**5.79**	**7,35,652**	**4.60**	**15,35,652**	**8.73**
			- **Coronet Properties & Investments Pvt.** Ltd. (Proposed Allottees under Resolution No. 9)	**5,86,286**	**4.62**	**5,86,286**	**3.66**	**13,86,286**	**7.88**
			- Others	2,05,785	1.62	2,05,785	1.29	2,05,785	1.17
		b.	Foreign Promoters	1,76,600	1.39	1,76,600	1.10	1,76,600	1.00
			Sub-Total A	**26,37,023**	**20.76**	**26,37,023**	**16.48**	**42,37,023**	**24.07**
B.			**Public Shareholding**						
	1.		Institutions **(B1)**	**8,14,976**	**6.42**	**8,14,976**	**5.09**	**8,14,976**	**4.63**
	2.		Non-Institutions						
		a.	Bodies Corporate	24,23,697	19.08	24,23,697	15.15	24,23,697	13.77
		b.	Individuals	64,53,688	50.82	64,53,688	40.34	64,53,688	36.67
		c.	Any Other						
			i. NRI						
			- **V. Raman Kumar** (Proposed Allottee under Resolution No. 8)	**0**	**0.00**	**4,00,000**	**2.50**	**4,00,000**	**2.27**
			- Others	3,01,432	2.37	3,01,432	1.88	3,01,432	1.71
			ii. OCBs / Entity incorporated outside India (Foreign Investor)						
			- **Aark Singapore Pte. Ltd.** (Proposed Allottee under Resolution No. 8)	**0**	**0.00**	**29,00,000**	**18.13**	**29,00,000**	**16.48**
			- Others	52,290	0.41	52,290	0.33	52,290	0.30
			iii. Clearing Member	16,723	0.13	16,723	0.10	16,723	0.10
			Sub-Total B2	**92,47,830**	**72.82**	**1,25,47,830**	**78.42**	**1,25,47,830**	**71.30**
			Total Public Shareholding B = B1+B2	**1,00,62,806**	**79.24**	**1,33,62,806**	**83.52**	**1,33,62,806**	**75.93**
			TOTAL A+B	**1,26,99,829**	**100.00**	**1,59,99,829**	**100.00**	**1,75,99,829**	**100.00**

Note: 1. The post-issue shareholding pattern in the above table is based on the assumption that the proposed issue of Equity Shares will be fully allotted.

2. It is further assumed that shareholding of the Company in all other categories will remain unchanged.

3. Effect of possible conversion of outstanding 25,200 stock options as on the date of this Notice has been excluded in the above table as exercise of options against the same are contingent in nature.

4. Effect of increase in share capital on account of exercise of options attached to 16,00,000 Warrants proposed to be issued vide Item No. 9 of this Notice, has also been considered in the shareholding pattern in the above table.

d) Time within which the Equity Shares shall be Issued and Allotted:

The Equity Shares of the Company will be allotted latest by July 6, 2012 i.e. within fifteen (15) days from the date of declaration of the Postal Ballot results, i.e. June 21, 2012 provided that where the allotment is pending on account of pendency of any approval of such allotment by any regulatory authority including Government of India or SEBI, or RBI, the allotment shall be completed within fifteen (15) days from the date of receipt of last of such approval, or within the extended time permitted by any appropriate authority.

e) Identity of the Proposed Allottees and the Percentage of Post Preferential Issue Capital that may be held by them and Change in Control in the Company consequent upon the issue:

Name of the Proposed Allottees	Category	No. of shares and percentage held by the Proposed Allottees prior to the date of this Notice		No. of shares and percentage of post preferential issue capital that may be held by the Proposed Allottees *(After considering allotment of 33,00,000 Equity Shares as proposed in this Resolution of this Notice)*		No. of shares and percentage of post preferential issue capital that may be held by the Proposed Allottees *(After considering allotment of 33,00,000 Equity Shares as proposed in this Resolution and 16,00,000 Resulting Equity Shares as proposed in the Resolution at Item No. 9 of this Notice)*	
		No. of Shares held	% of shareholding on the basis of number of shares	No. of Shares held	% of shareholding on the basis of number of shares	No. of Shares held	% of shareholding on the basis of number of shares
Mr. V. Raman Kumar	Non-Resident Indian (NRI)	0	0.00	4,00,000	2.50	4,00,000	2.27
Aark Singapore Pte. Ltd.	OCBs / Entity incorporated outside India (Foreign Investor)	0	0.00	29,00,000	18.13	29,00,000	16.48

As informed to the Company by the Proposed Allottees, Mr. V. Raman Kumar is a Non-Resident Indian Business man; and Aark Singapore Pte. Ltd. is a Limited Private Company reqistered in Singapore, which is controlled by Mr. V. Raman Kumar.

Note: The post preferential issue capital given above, are subject to the Notes No. 1 to 4 given under point (c) (Shareholding Pattern) above.

As a consequence of the proposed issue of 33,00,000 Equity Shares to the Proposed Allottees, no change in control or management is envisaged. The Company has received declarations in writing from both the proposed allottees to the effect that they do not have any intention to take control over the Company or its management.

Pricing and Relevant Date:

The pricing of the Equity Shares to be issued and allotted in terms of this Resolution to the Proposed Allottees shall not be lower than the price determined in accordance with Chapter VII of SEBI (ICDR) Regulations, 2009, and the applicable guidelines under the FEMA or of the RBI, subject to minimum of ₹ 46/- per Equity Share.

The relevant date for the purpose of determining the price of the Equity Shares in accordance with the SEBI ICDR Regulations is intended to be fixed as May 22, 2012, being thirty (30) days prior to the date on which the results of the Postal Ballot would be declared, i.e. June 21, 2012.

Undertaking:

The requirement of giving of undertakings by the Issuer Company in respect of re-computation of price of the Equity Shares in terms of the provisions of the SEBI ICDR Regulations (i.e. Chapter VII), does not apply to the proposed issue of Equity Shares on preferential basis by the Company, as the Company's Equity Shares have been listed on Stock Exchanges for more than six months.

Statutory Auditors' Certificate:

Copy of the certificate from Statutory Auditors of the Company, certifying that the issue of Equity Shares is being made in

accordance with the requirements of SEBI ICDR Regulations, will be made available for inspection of Members at the Registered Office of the Company on all working days, except Sundays and holidays, between 11.00 a.m. to 1.00 p.m., up to the date of declaration of the result of Postal Ballot.

The Company confirms that the proposed preferential allotment is in compliance with its conditions of continuous listing. The Special Resolution, if passed, will have the effect of allowing the Board to create, offer, issue and allot the said 33,00,000 Equity Shares otherwise than on pro-rata basis to the existing Members.

The Board believes that such an issue of Equity Shares of the Company is in the interest of the Company and therefore recommends the Resolution at Item No. 8 for your approval.

No Director of the Company is any way concerned or interested in the said Resolution.

ITEM NO. 9:

Section 81(1) of the Companies Act, 1956 ("the Act") inter alia provides that when it is proposed to increase the subscribed capital of a company by allotment of further shares, such further shares shall be offered to the existing members of the company in the manner laid down in the said Section, unless the members in general meeting decide otherwise by way of a special resolution. Further, under the Listing Agreement entered with the Stock Exchanges, the Company, in the first instance is required to offer all shares to be issued for subscription, pro-rata to the existing equity shareholders, unless they decide otherwise in a meeting of members.

The Special Resolution at Item No. 9 in the Notice, has been proposed under the provisions of Section 81(1A) of the Act, in view of the fact that 16,00,000 Warrants carrying rights to subscribe to equal number of Equity Shares of the Company of ₹ 10/- each, which are proposed to be issued by the Company, will be offered only to companies belonging to Promoters' Group, to the exclusion of all other existing Members of the Company.

Accordingly, consent of the Members is being sought pursuant to and subject to the provisions of Section 81(1A) and other applicable provisions, if any, of the Act, the Preferential Issue Guidelines under Chapter VII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (the "SEBI ICDR Regulations"), provisions of the Listing Agreement executed by the Company with the Stock Exchanges and other applicable rules, regulations, guidelines, notifications and clarifications.

The Special Resolution proposed under Item No. 9 relates to the proposal by the Company to issue and allot upto 16,00,000 (Sixteen Lakhs) Warrants carrying rights to subscribe to equal number of Equity Shares of the Company of ₹ 10/- (Rupees Ten only) each, at a minimum price of ₹ 46/- (Rupees Forty Six only) per Equity Share, i.e. at a premium of ₹ 36/- (Rupees Thirty Six only) per Equity Share or the price calculated in accordance with SEBI ICDR Regulations for preferential allotment, whichever is higher, to the companies belonging to the Promoters' Group ("Promoters") as mentioned in this Resolution. Such issue and allotment of the Warrants shall be made at a price calculated at 25% of the price of the shares to which the warrant holder shall be entitled to acquire, i.e. each Warrant shall have minimum of face value/price of ₹ 11.50 (Rupees Eleven and Paise Fifty only), which shall be adjusted against the share application money payable by the Promoters while exercising option to subscribe to one Equity Share against each Warrant. In all, total 16,00,000 (Sixteen Lakhs) Equity Shares may be allotted against the proposed 16,00,000 (Sixteen Lakhs) Warrants to be issued.

The Warrants and the Resulting Equity Shares proposed to be allotted to the Promoters upon exercise of options attached to each Warrant shall be locked-in for such period as is prescribed under the applicable provisions of SEBI ICDR Regulations.

The Company proposes the Special Resolution as mentioned at Item No. 9 in the accompanying Notice for approval of the Members.

Disclosures as required under the provisions of the SEBI ICDR Regulations:

a) **Objects of the Preferential Issue of Warrants:**

The proceeds of the preferential issue, subject to all the applicable laws, are intended to be utilized by the Company for its growth, both organic and inorganic, for meeting the incremental and long term working capital requirements, repaying any outstanding debts and general corporate purposes. This will also increase the financial strength/liquidity of the Company and increase its equity base.

b) **Intention of the Promoters/Directors/Key Management Personnel to subscribe to the Warrants:**

The following two companies ("the Proposed Allottees" belonging to the Promoters/Directors of the Company, viz. Mr. Manohar Bidaye, Chairman and Mr. Pramoud Rao, Managing Director of this Company, who are also the Directors and shareholders to the extent of 50% shares in each of the Proposed Allottees), have conveyed to the Company in

writing of their respective intention to acquire Warrants of the Company on preferential basis as proposed under Resolution at Item No. 9 above:

Sr. No.	Particulars of the Proposed Allottees/Promoters	Maximum No. of Warrants to be issued
1.	Baronet Properties & Investments Private Limited	8,00,000
2.	Coronet Properties & Investments Private Limited	8,00,000
	Total	**16,00,000**

c) Shareholding Pattern before and after the issue and allotment of Equity Shares pursuant to Resolutions at Item Nos. 8 and 9 of the Notice (based on the Shareholding Pattern as on May 11, 2012) is as follows:

Shareholding Pattern				Before considering effect of increase in share capital under Resolutions at Item Nos. 8 and 9 of this Notice		After considering effect of increase in share capital under Resolution at Item No. 8 above, but before giving effect of increase in share capital under this Resolution of this Notice		After considering effect of increase in share capital under Resolutions at Item Nos. 8 and 9 of this Notice	
			Category	No. of Shares held	% of shareholding	No. of Shares held	% of shareholding	No. of Share held	% of shareholding
A.			**Promoters' holding**						
	1.		Promoters & Persons Acting in concert						
		a.	Indian Promoters						
			Individuals	9,32,700	7.34	9,32,700	5.83	9,32,700	5.30
			Bodies Corporate:						
			- **Baronet Properties & Investments Pvt. Ltd.** (Proposed Allottees under Resolution No. 9)	**7,35,652**	**5.79**	**7,35,652**	**4.60**	**15,35,652**	**8.73**
			- **Coronet Properties & Investments Pvt.** Ltd. (Proposed Allottees under Resolution No. 9)	**5,86,286**	**4.62**	**5,86,286**	**3.66**	**13,86,286**	**7.88**
			- Others	2,05,785	1.62	2,05,785	1.29	2,05,785	1.17
		b.	Foreign Promoters	1,76,600	1.39	1,76,600	1.10	1,76,600	1.00
			Sub-Total A	**26,37,023**	**20.76**	**26,37,023**	**16.48**	**42,37,023**	**24.07**
B.			**Public Shareholding**						
	1.		Institutions **(B1)**	**8,14,976**	**6.42**	**8,14,976**	**5.09**	**8,14,976**	**4.63**
	2.		Non-Institutions						
		a.	Bodies Corporate	24,23,697	19.08	24,23,697	15.15	24,23,697	13.77
		b.	Individuals	64,53,688	50.82	64,53,688	40.34	64,53,688	36.67
		c.	Any Other						
			i. NRI						
			- **V. Raman Kumar** (Proposed Allottee under Resolution No. 8)	**0**	**0.00**	**4,00,000**	**2.50**	**4,00,000**	**2.27**
			- Others	3,01,432	2.37	3,01,432	1.88	3,01,432	1.71
			ii. OCBs / Entity incorporated outside India (Foreign Investor)						
			- **Aark Singapore Pte. Ltd.** (Proposed Allottee under Resolution No. 8)	**0**	**0.00**	**29,00,000**	**18.13**	**29,00,000**	**16.48**
			- Others	52,290	0.41	52,290	0.33	52,290	0.30
			iii. Clearing Member	16,723	0.13	16,723	0.10	16,723	0.10
			Sub-Total B2	**92,47,830**	**72.82**	**1,25,47,830**	**78.42**	**1,25,47,830**	**71.30**
			Total Public Shareholding B = B1+B2	**1,00,62,806**	**79.24**	**1,33,62,806**	**83.52**	**1,33,62,806**	**75.93**
			TOTAL A+B	**1,26,99,829**	**100.00**	**1,59,99,829**	**100.00**	**1,75,99,829**	**100.00**

Note: 1. The post-issue shareholding pattern in the above table is based on the assumption that full allotment will be made of the proposed issue of Equity Shares under Resolution at Item No. 8 and Warrants and Resulting Equity Shares under this Resolution.

2. It is further assumed that shareholding of the Company in all other categories will remain unchanged.

3. Effect of possible conversion of outstanding 25,200 stock options as on the date of this Notice has been excluded in the above table as exercise of options against the same are contingent in nature.

d Time within which the Warrants and the Resulting Equity Shares shall be Issued and Allotted:

The Warrants of the Company will be allotted latest by July 6, 2012 i.e. within fifteen (15) days from the date of declaration of the Postal Ballot results i.e. June 21, 2012 provided that where the allotment is pending on account of pendency of any approval of such allotment by any regulatory authority including Government of India or SEBI, the allotment shall be completed within fifteen (15) days from the date of receipt of last of such approval, or within the extended time permitted by any appropriate authority.

The resulting Equity Shares may be issued and allotted to the Warrant holders in one or more tranches at any time after allotment of the said Warrants, upon exercise of entitlement attached to the said Warrants, but before expiry of the period of 18 months from the date of allotment of the said Warrants.

e) Identity of the Promoter and the Percentage of Post Preferential Issue Capital that may be held by them & Change in Control in the Company consequent upon the issue:

Name of the Promoter	Category	No. of shares and percentage held by the Promoter prior to the date of this Notice		No. of shares and percentage of post preferential issue capital that may be held by the Proposed Allottees *(After considering allotment of 33,00,000 Equity Shares as proposed under Resolution at Item No. 8 of this Notice)*		No. of shares and percentage of post preferential issue capital that may be held by the Proposed Allottees *(After considering allotment of 33,00,000 Equity Shares as proposed under Resolution at Item No. 8 and 16,00,000 Resulting Equity Shares as proposed under this Resolution of the Notice)*	
		No. of Shares held	% of shareholding on the basis of number of shares	No. of Shares held	% of shareholding on the basis of number of shares	No. of Shares held	% of shareholding on the basis of number of shares
Baronet Properties & Investments Private Limited	Indian Bodies Corporate belonging to Promoters' Group	7,35,652	5.79	7,35,652	4.60	15,35,652	8.73
Coronet Properties & Investments Private Limited	Indian Bodies Corporate belonging to Promoters' Group	5,86,286	4.62	5,86,286	3.66	13,86,286	7.88

Note: The post preferential issue capital given above, are subject to the Notes No. 1 to 3 given under point (c) (Shareholding Pattern) above.

The issue and allotment of 16,00,000 Warrants and Resulting Equity Shares as proposed under this Resolution are to the Promoters' Group companies; and hence will not result in any change in control or management.

Pricing and Relevant Date:

The pricing of the proposed Resulting Equity Shares to be allotted to the Promoters upon exercise of options attached to the Warrants shall not be lower than the price determined in accordance with Chapter VII of SEBI (ICDR) Regulations, 2009, subject to minimum of ₹ 46/- per Equity Share. Accordingly, the issue and allotment of the Warrants shall be made at a price calculated at 25% of the price of the shares to which the warrant holder shall be entitled to acquire, i.e. each Warrant shall have minimum of face value/price of ₹ 11.50 (Rupees Eleven and Paise Fifty only).

The relevant date for the purpose of determining the price of the Warrants and the Resulting Equity Shares in accordance with the SEBI ICDR Regulations is intended to be fixed as May 22, 2012, being thirty (30) days prior to the date on which the results of the Postal Ballot would be declared i.e. June 21, 2012.

Undertaking:

The requirement of giving of undertakings by the Issuer Company in respect of re-computation of price of the Warrants/Resulting Equity Shares in terms of the provisions of the SEBI ICDR Regulations (i.e. Chapter VII) does not apply to the proposed issue and allotment of Warrants/Resulting Equity Shares on preferential basis by the Company, as the Company's Equity Shares have been listed on Stock Exchanges for more than six months.

Statutory Auditors' Certificate:

Copy of the certificate from Statutory Auditors of the Company, certifying that the issue of Warrants and the Resulting Equity Shares is being made in accordance with the requirements of SEBI ICDR Regulations, will be made available for inspection of

Members at the Registered Office of the Company on all working days, except Sundays and holidays, between 11.00 a.m. to 1.00 p.m., up to the date of declaration of the result of Postal Ballot.

The Company confirms that the proposed preferential allotment is in compliance with its conditions of continuous listing. The Special Resolution, if passed, will have the effect of allowing the Board to create, offer, issue and allot the said 16,00,000 Warrants and the equal number of Resulting Equity Shares otherwise than on pro-rata basis to the existing Members.

The Board believes that the proposed issue of the said Warrants and the Resulting Equity Shares is in the interest of the Company and therefore recommends the Special Resolution at Item No. 9 for your approval.

Mr. Manohar Bidaye and Mr. Pramoud Rao, who are the Directors and shareholders of the Proposed Allottees, both holding 50% each of the Equity Capital in each of the Proposed Allottees companies; and both of whom are also Promoters/Directors of this Company, are therefore interested in the Special Resolution under Item No. 9 to the extent of the number of Warrants and Resulting Equity Shares proposed to be issued and allotted to the Proposed Allottees. Besides them, no other Director of the Company is any way concerned or interested in the said Resolution.

Members are requested to communicate their response by way of assent or dissent, in writing, in the Postal Ballot Form sent herewith in accordance with the instructions set out therein.

By **Order of the Board of Directors**

Kunjan Trivedi
Company Secretary

Date: May 17, 2012
Place: Mumbai

Registered Office:
501, Silver Metropolis,
Western Express Highway,
Goregaon East, Mumbai 400063.