

## iStreet Network Limited

Regd Office: 513, Palm Spring, Link Road, Malad West, Mumbai - 400064

Tel.: +91 22 42576767 Email : [investors@istreetnetwork.com](mailto:investors@istreetnetwork.com)

Website: [www.istreetnetwork.com](http://www.istreetnetwork.com)

CIN: L51900MH1986PLC040232

### Postal Ballot Notice

*[Notice Pursuant to Section 110 of the Companies Act, 2013, read with rule 22 of the Companies (Management and Administration) Rules, 2014]*

Dear Member(s),

Notice is hereby given pursuant to the provisions of Section 110 and other applicable provisions, if any, of the Companies Act, 2013 ('the Act'), read together with the Companies (Management and Administration) Rules, 2014 (including any statutory modification or reenactment thereof for the time being in force), that the resolutions appended below be passed by the Members through postal ballot / electronic voting (e-voting). The explanatory statement pertaining to the aforesaid resolutions setting out the material facts concerning each item and the reasons thereof are annexed hereto with a Postal Ballot Form for your consideration.

The Board of Directors of the Company has appointed Mr. Dilip Bharadiya (FCS 7956), Practising Company Secretary, as the Scrutinizer for conducting the postal ballot / e-voting process in a fair and transparent manner.

Members desiring to exercise their vote by postal ballot are requested to carefully read the instructions printed in the Postal Ballot Form and return the same duly completed in the enclosed self-addressed Business Reply Envelope. Postage will be borne and paid by the Company. Postal Ballot Form(s), if sent by courier or by registered post / speed post at the expense of the Member(s) will also be accepted. The Postal Ballot Form(s) may also be deposited personally at the address given on the self-addressed Business Reply Envelope. The duly completed Postal Ballot Form(s) should reach the Scrutinizer not later than 17:30 Hours IST on 28<sup>th</sup> September 2015 to be eligible for being considered, failing which, it will be strictly considered that no reply has been received from the Member.

Members desiring to opt for e-voting as per the facilities arranged by the Company are requested to read the instructions in the Notes under the section 'Voting through Electronic Means'. References to Postal Ballot(s) in this Postal Ballot Notice include votes received electronically.

The Scrutinizer will submit his report to the Chairman of the Company after the completion of the scrutiny of the postal ballots (including e-voting). The result of postal ballot shall be declared on or before 5<sup>th</sup> October 2015 and communicated to the Stock Exchanges and shall also be displayed on the Company's website at [www.istreetnetwork.com](http://www.istreetnetwork.com)

The Resolution(s) along with Explanatory Statement setting out material facts are as follows:

**1. Transfer its till recently incubated 'iStreet Bazaar' project to its wholly owned subsidiary, iStreet Bazaar Private Limited ('iSBPL')**

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

**"RESOLVED THAT** pursuant to Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013, and the Memorandum and Articles of Association of the Company and subject to the consents, approvals and permissions being obtained from appropriate authorities to the extent applicable and necessary, consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (the "**Board**" which expression shall also include the Committee of Directors of the Company) to transfer its 'iStreet Bazaar' Project to its wholly owned subsidiary, iStreet Bazaar Private Limited, at such price, not less than Rs. 300,00,000 (Rupees Three crores only) and on such terms and conditions (including the receipt of the consideration in kind thereof) and in such manner as may be decided by the Board in its absolute discretion, with effect from such date and in such manner as the Board deems appropriate."

**"RESOLVED FURTHER THAT** the Board be and is hereby authorised to do all such acts, deeds and such matters and things, as may be necessary, including, finalising, varying and settling the terms and conditions to transfer its "iStreet Bazaar" business and to finalise, execute, deliver and perform, such agreements, contracts, deeds, undertaking another documents, file applications and make representations, in respect thereof and seek requisite approval from the relevant authorities, if any and suitably inform and apply on the concerned Authorities, including in respect of its requirements of the Central and/ or State Government(s) and/or local authorities and to do all such acts, deeds, matters and things as may be deemed necessary and / or expedient in its discretion for completion of the transaction as aforesaid in the best interest of the Company."

**"RESOLVED FURTHER THAT** any one of the Director and/or the Company Secretary of the Company be and is hereby authorised for managing the entire postal ballot process and that they are hereby severally authorised to take all incidental and necessary steps for and on behalf of the Company and to settle all questions or queries that may arise in the course of implementing this resolution including to seek registration of any such documents, deeds, determining the exact effective date, as may be necessary, filing intimations, applying for and/or behalf of the Company and seeking approvals/consents of necessary parties including without limitation regulatory authorities, for giving effect to this resolution and they shall also have the power and authority severally and to delegate all or any of powers conferred herein as they may deem fit."

**2. Borrowing powers of the Company and creation of charge / providing of security.**

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

**"RESOLVED THAT** in supersession of all the earlier resolutions passed under section 293(1)(d) of the Companies Act, 1956 by the members

of the Company in this behalf, the consent of the Company be and is hereby accorded to the Board of Directors of the Company under Section 180(1)(c) and all other applicable provisions if any, of the Companies Act, 2013, to borrow money for and on behalf of the Company from time to time as deemed by it to be requisite and proper for the business of the Company, but so that the moneys to be borrowed together with the moneys already borrowed by the Company shall not exceed Rs 300,00,00,000 (Rupees Three Hundred Crores Only) in excess of the aggregate of its paid share capital and free reserves of the Company as per the latest annual audited financial statements, apart from temporary loans obtained from the Company's bankers in the ordinary course of business."

"**RESOLVED FURTHER THAT** the Board be and is hereby authorised and empowered to arrange or settle the terms and conditions on which all such monies, are to be borrowed from time to time as to interest, repayment, security or otherwise howsoever as it may think fit and to do all such acts, deeds and things, to execute all such documents, instruments and writings as may be required to give effect to this resolution."

"**RESOLVED FURTHER THAT** the consent of the Company be and is hereby accorded, in terms of Section 180(1)(a) and all other applicable provisions, if any, of the Companies Act, 2013 to the Board of Directors of the Company to create charge / provide security for the sum borrowed on such terms and conditions and in such form and manner and with such ranking as to priority, as the Board in its absolute discretion thinks fit, on the assets of the Company, as may be agreed to between the Company and the Lenders so as to secure the borrowings by the Company, together with interest costs, charges, expenses and all other monies payable by the Company to the concerned Lenders / Institutions, under the respective arrangements entered into / to be entered by the Company and/or Board."

"**RESOLVED FURTHER THAT** the Securities to be created by the Company for its borrowing as aforesaid may rank with the security already created in the form of mortgage and / or charges already created or to be created in future by the Company as may be agreed to between the Board and concerned parties."

"**RESOLVED FURTHER THAT** for the purpose of giving effect to this Resolution, the Board or any committee or person(s) authorised by the Board, be and is / are hereby authorised to finalise, settle and execute such documents / deeds / writings / papers / agreements as may be required and to do all acts, deeds, matters and things as may in its / his / their absolute discretion deem necessary, proper or desirable and to settle any question(s), difficulty(ies) or doubt(s) that may arise in regard to creating security(ies) as aforesaid or other considered to be in the best interest of the Company."

### 3. Loans and investment by the Company

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

"**RESOLVED THAT** pursuant to provisions of Section 186 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force and as may be enacted from time to time) read with the Companies (Meetings of Board and its Powers) Rules, 2014 as may be amended, from time to time and Articles of Association of the Company, approval of Shareholders of the Company be and is hereby given to the Board of Directors for:-

- (i) giving any loan to any person or other body corporate;
- (ii) giving any guarantee or providing security in connection with a loan to any other body corporate or person and/ or;
- (iii) acquiring whether by way of subscription, purchase or otherwise, the securities of any other body corporate;

up to an amount, the aggregate outstanding of which should not exceed Rs 300,00,00,000 (Rupees Three Hundred Crores only), in excess of the limits provided under Section 186(2) of the Companies Act, 2013 i.e. 60% (Sixty per cent) of the Company's paid-up share capital, free reserves, and securities premium or 100% (One hundred per cent) of the Company's free reserves, and securities premium whichever is more or such other limit as may be specified by the Authorities from time to time."

"**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board of Directors of the Company be and is hereby authorized to (i) negotiate and decide terms and conditions; (ii) execute necessary documents, papers, agreements etc., for investments to be made, loans / guarantees to be given and securities to be provided to any person and / or any Body Corporate;(iii) do all such acts, deeds, matters and things, as it may, in its absolute discretion, deem necessary, proper or desirable, (iv) settle any question, difficulty or doubt that may arise in this regard."

Place: Mumbai  
Date: 17<sup>th</sup> August 2015  
**Registered Office:**  
513, Palm Spring, Link Road  
Malad West,  
Mumbai – 400 064

**By Order of the Board of Directors**  
For iStreet Network Limited

Ruchi Seksaria  
Company Secretary

### Notes

1. The explanatory statement pursuant to Section 102 of the Act stating all material facts and the reasons for the proposal is annexed herewith.
2. The Postal Ballot Notice is being sent to the Members whose names appear on the Register of Members / List of Beneficial Owners as received from the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) as on 14<sup>th</sup> August 2015. The Postal Ballot Notice is being sent to Members in electronic form to the email addresses registered with their Depository Participants (in case of electronic shareholding) / the Company's Registrar and Share Transfer Agents (in case of physical shareholding). For Members whose email IDs are not registered, physical copies of the Postal Ballot Notice are being sent by permitted mode along with a postage/prepaid /self-addressed Business Reply Envelope.

3. Members whose names appear on the Register of Members / List of Beneficial Owners as on 14<sup>th</sup> August 2015 will be considered for the purpose of voting.
4. Resolutions passed by the Members through postal ballot are deemed to have been passed as if they have been passed at a General Meeting of the Members.
5. The Members can opt for only one mode of voting, i.e., either by physical ballot or e-voting. In case Members cast their votes through both the modes, voting done by e-voting shall prevail and votes cast through physical Postal Ballot Forms will be treated as invalid.
6. In case a Member is desirous of obtaining a printed Postal Ballot Form or a duplicate, he or she may send an email to investors@istreetnetwork.com. The Registrar and Transfer Agent / Company shall forward the same along with postage prepaid self-addressed Business Reply Envelope to the Member
7. Voting rights shall be reckoned on the paid-up value of shares registered in the names of the Members as on 14<sup>th</sup> August 2015
8. In compliance with Sections 108 and 110 of the Companies Act, 2013 and the Rules made thereunder, the Company has provided the facility to the Members to exercise their votes electronically and vote on all resolutions through the e-voting service facility arranged by NSDL. The instructions for electronic voting are annexed to this Notice.
9. A Member cannot exercise his vote by proxy on postal ballot.
10. Members desiring to exercise their vote by physical postal ballot are requested to carefully read the instructions printed in the Postal Ballot Form and return the Form duly completed and signed, in the enclosed self-addressed Business Reply Envelope to the Scrutinizer, so that it reaches the Scrutinizer not later than close of working hours (i.e. 17:30 Hours IST) on 28<sup>th</sup> September 2015. The postage will be borne by the Company. However, envelopes containing postal ballots, if sent by courier or registered / speed post at the expense of the Members will also be accepted. If any postal ballot is received after 17:30 Hours IST on 28<sup>th</sup> September 2015, it will be considered that no reply from the Member has been received.
11. The Scrutinizer will submit his report to the Chairman after the completion of scrutiny, and the result of the voting by postal ballot will be announced by the Chairman or any Director of the Company duly authorized, on or before 5<sup>th</sup> October 2015 at the registered office of the Company and will also be displayed on the Company website ([www.istreetnetwork.com](http://www.istreetnetwork.com)), and communicated to the Stock Exchange on the said date.
12. The date of declaration of results of the postal ballot shall be the date on which the resolution would be deemed to have been passed, if approved by the requisite majority.
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 except Saturdays between 11.00 a.m. to 4.00 p.m. till 28<sup>th</sup> September 2015.

#### PROCEDURE FOR E-VOTING

In compliance with Clause 35B of the Listing Agreement and Sections 108, 110 and other applicable provisions of the Companies Act, 2013, read with the related Rules, and the Secretarial Standards -2 the Company is pleased to provide e-voting facility to all its Members, to enable them to cast their votes electronically instead of dispatching the physical Postal Ballot Form by post. The Company has engaged the services of NSDL for the purpose of providing e-voting facility to all its Members

1. The e-voting period commences on 30<sup>th</sup> August 2015(9:00 am) and ends on 28<sup>th</sup> September 2015 (5:30 pm). During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 14<sup>th</sup> August 2015 may cast their vote by e-voting. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
2. The instructions for Shareholders for e-voting are as under:
  - (a) **In case of Shareholders' receiving e-mail from NSDL**
    - (i) Open e-mail and open PDF file viz; "iStreet e-Voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password for e-voting. Please note that the password is an initial password.
    - (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
    - (iii) Click on Shareholder - Login
    - (iv) Put user ID and password as initial password noted in step (i) above. Click Login.
    - (v) Password change menu appears. Change the password with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
    - (vi) Home page of e-Voting opens. Click on e-Voting: Active Voting Cycles.
    - (vii) Select "EVEN" of iStreet Network Limited
    - (viii) Now you are ready for e-Voting as Cast Vote page opens
    - (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
    - (x) Upon confirmation, the message "Vote cast successfully" will be displayed
    - (xi) Once you have voted on the resolution, you will not be allowed to modify your vote
      - (i) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to [scrutiniser@istreetnetwork.com](mailto:scrutiniser@istreetnetwork.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)
  - (b) **In case of Shareholders' receiving Postal Ballot Form by Post:**
    - (i) Initial password is provided in the postal ballot form as displayed under
 

EVEN (E Voting Event Number)	USER ID	PASSWORD/PIN
    - (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.
  - (c) In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the Downloads section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - (d) If you are already registered with NSDL for e-voting then you can use your existing user ID and password for casting your vote.
  - (e) You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending any future communication(s).

**EXPLANATORY STATEMENT****EXPLANATORY STATEMENT AS REQUIRED BY SECTION 102 (1) OF THE COMPANIES ACT, 2013 ('THE ACT')****Item No. 1**

The Company launched an 'Internet Retail' project in January, 2014 under the name of "iStreet Bazaar". It is an innovative project, a fusion of online – offline modes of retailing. The Company believes that in future, retail will not be segregated into online and offline but will be analyzed as to how effectively can the combination of the two be used to deliver the best shopping experience to consumers in this highly connected world. The Company has taken a step in to the future of retail where technology (eCommerce), along with assistance, is going to change the way real India buys and benefits. And towards that, the Company is setting up Internet Retail Stores across India. The Company has set over 1,600 iStreet Bazaar stores in different towns and cities where customer walks in to buy product available online at [www.istreetbazaar.com](http://www.istreetbazaar.com) during last 18 months.

The Company has been gradually increasing its operation as seen below:

Particulars	Q1-FY16	Q4-FY15	Q3-FY15	Q2-FY15	Q1-FY15
No. of Transactions	105,837	18,938	14,149	5,023	226
Transaction Value (Rs. Lacs)	165.04	43.36	16.22	8.33	3.83
iStreet Bazaar Store count (Cumulative)	1,611	1,504	725	193	130

The Company plans to achieve over 15 lacs transactions and signup over 4,000 stores by end of FY 2015-16. In order to further scale up its business multiple times rapidly and take 'first mover advantage' before any competition starts setting in, the Company needs to make huge investments in – technology infrastructure, fulfillment infrastructure and Network Partners Development in next couple of years. The Board thinks that the company should get fresh capital to unlock the growth potential of the business of the company.

The Board proposes, subject to shareholders' approval, to transfer iStreet Bazaar project to the company's wholly owned subsidiary, M/s. iStreet Bazaar Private Limited ("iSBPL") that will pave the way for greater equity participation in iSBPL and will open door for large scale capital participation from Private Equity and Venture Capital Funds.

It should be noted that in terms of the explanation to Section 180(1)(a) of the Companies Act, 2013, the Internet Retail business of the company is an undertaking whose contribution to revenue of the Company exceeds 20% of its total revenue (but not total income if exceptional income is to considered) as per the audited Balance Sheet as at 31<sup>st</sup> March, 2015.

The Board of Directors recommends the passing of the Special Resolution contained in Item No. 1 of the accompanying Notice.

Mr. Pradeep Malu, Managing Director (along with his relatives which include Meethu Malu, Additional Director) may be considered as interested in this item.

None of the other Directors, Key Managerial Personnel or their Relatives is concerned or interested in the Resolution.

**Item no 2.**

Under Section 180 of the Companies Act, 2013, the Board can exercise such powers only with the consent of the members of the Company by way of Special Resolution.

1. Borrowing monies on behalf of the Company (apart from temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of the business) in excess of the aggregate of the paid up capital of the Company and its free reserves, subject to the total outstanding amount so borrowed not exceeding a sum of Rs. 300 Core at any point of time; and
2. Creation of a mortgage or charge for the said borrowings, as security by way of mortgage/ hypothecation on the Company's assets in favour of lending agencies and trustees for the amount borrowed, including interest, charges etc payable thereon.

The approval of the Members authorizing the Board for borrowings, as set out at item No. 2 of this Notice and securing the same by way of creation of charge, in the manner set out at Item No. 2 of this Notice, is therefore being sought, by way of Special Resolution

None of the Directors, Key Managerial Personnel or their relatives are in any way concerned or otherwise interested in this resolution.

**Item No.:3**

In the course of business, it is proposed to empower and permit the Board of Directors of the Company to grant loans, give guarantees, provide securities to and make investments in the securities of other bodies corporate which may be over and above the limits and may exceed 60% (Sixty per cent) of the Company's paid-up share capital, free reserves, and securities premium or 100% (One hundred per cent) of the Company's free reserves, and securities premium whichever is more as specified in Section 186(2) of the Companies Act, 2013. It is proposed to set a limit to the extent of Rs 300 crores (Rupees Three Hundred Crores only) in this regard.

The above proposal as set out in item no. 3 of the Notice is sought in view of the fact that Section 186 of the Companies Act, 2013 and the Rules made thereon requires shareholders' approval to such proposals through special resolutions and your Directors recommend the same for approval by the Members.

None of the Directors or Key Managerial Personnel or their relatives are in any way concerned or interested either financially or otherwise, in the proposed resolutions.

Place: Mumbai  
Date: 17<sup>th</sup> August 2015

**Registered Office:**  
513, Palm Spring, Link Road  
Malad West,  
Mumbai – 400 064

**By Order of the Board of Directors**  
For iStreet Network Limited

Ruchi Seksaria  
Company Secretary

**iStreet Network Limited**

Registered Office: 513, Palm Spring, Link Road, Malad West, Mumbai - 400064

**Postal Ballot Form  
(To be returned to Scrutinizer appointed by the Company)**

Serial No.:

1. **Name(s) of Shareholder(s)** : \_\_\_\_\_  
(In Block Letters)  
(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 to Shareholders holding shares in dematerialised form)
4. **Number of shares held** : \_\_\_\_\_
5. **I/We hereby exercise my/our vote in respect of the special resolutions to be passed through postal ballot for the business stated in the Postal Ballot Notice of the Company by sending my/our assent or dissent to the said resolution by placing the tick (v) mark at the appropriate box below:**

Item No.	Description	No. of shares	I/We assent to the resolution (For)	I/We dissent to the resolution (Against)
1.	Transfer 'iStreet Bazaar' project of the Company to its wholly owned subsidiary, iStreet Bazaar Private Limited (iSBPL)			
2	Borrowing powers of the Company and creation of charge / providing of security upto Rs. 300 crores in excess of the limits			
3	Loans and investment by the Company up to Rs. 300 crores in excess of the limits			

Place :

Date :

\_\_\_\_\_  
(Signature of Shareholder)

**Note** : Kindly read the instructions printed overleaf before filling the form  
Last date for receipt of Postal Ballot Forms by Scrutinizer is Monday, 28<sup>th</sup> September 2015

Please note the following evoting details for casting your vote electronically :-

EVEN (E Voting Event Number)	USER ID	PASSWORD/PIN

**INSTRUCTIONS**

1. A Shareholder desiring to exercise vote by Postal Ballot may complete this Postal Ballot Form (no other form or photocopy thereof is permitted) and send it to the Scrutinizer, Mr. Dilip Bharadiya, a Practicing Company Secretary in the attached self-addressed business reply envelope. Postage will be borne and paid by the Company. However, envelopes containing Postal Ballot Form(s), if sent by courier or registered/speed post at the expense of the Shareholder will also be accepted.
2. The self-addressed business reply envelope bears the name of the Scrutinizer and address of the Registrar & Share Transfer Agent.
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 Monday, 28<sup>th</sup> September, 2015. 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. A Shareholder may request for a duplicate Postal Ballot Form, if so required. However, the duly completed duplicate Postal Ballot form should reach the Scrutinizer not later than the last date of receipt of Postal Ballot Form, i.e., Monday, 28<sup>th</sup> September, 2015.
8. Voting rights shall be reckoned on the paid up value of shares registered in the name of the Shareholders as on 14<sup>th</sup> August 2015.
9. Shareholders are requested not to send any other paper along with the Postal Ballot Form in the enclosed self addressed business reply envelope, as all such envelopes will be sent to the Scrutinizer and any extraneous paper found in such envelope would be destroyed by the Scrutinizer.
10. A Shareholder need not use all the votes nor needs to cast all the votes in the same way.
11. The Scrutinizer's decision on the validity of a Postal Ballot will be final and binding.
12. Incomplete, unsigned or incorrect Postal Ballot Forms will be rejected.
13. The result of the Postal Ballot will also be posted on the website of the Company [www.istreetnetwork.com](http://www.istreetnetwork.com) and also informed to the Bombay Stock Exchange.
14. The Company is pleased to offer e-voting facility as an alternate, for all the Shareholders of the Company to enable them to cast their votes electronically instead of dispatching Postal Ballot Form. The detailed procedure is enumerated in the Notes to the Postal Ballot Notice.