



INDIAN TERRAIN FASHIONS LIMITED

CIN: L18101TN2009PLC073017

Registered Office: No.208, Velachery Tambaram Road, Narayanapuram, Pallikaranai, Chennai – 600 100;

Phone No: 044-4227 9100; **E-mail :** response.itfl@indianterrain.com; **Website:** www.indianterrain.com

POSTAL BALLOT NOTICE

[Pursuant to Section 110 of the Companies Act, 2013, read with Rule 22 of the Companies (Management and Administration) Rules, 2014] and the MCA Circulars (as defined below)

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 with Rule 22 of the Companies (Management and Administration) Rules, 2014 ("the **Rules**") and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**SEBI LODR Regulations**"), Secretarial Standard issued by Institute of Company Secretaries of India on General Meetings ("**SS-2**"), (including any statutory modifications, clarifications, substitutions or re-enactment thereof for the time being in force) and in accordance with the guidelines prescribed by the Ministry of Corporate Affairs ("**MCA**") for holding general meetings/conducting postal ballot process through e-voting vide General Circular Nos. 14/2020 dated 08th April, 2020 and 17/2020 dated 13th April, 2020 in view of COVID-19 pandemic ("**MCA Circulars**"), that the resolution appended below is proposed by the Board of Directors of the Company to be passed by the Members of Indian Terrain Fashions Limited ("**the Company**") through postal ballot by way of remote electronic voting ("**Postal Ballot**").

Further, the Company will send Postal Ballot Notice by e-mail to all its Members who have registered their e-mail addresses with the Company, their Registrars and Transfer Agents or Depository/ Depository Participants and the communication of assent/ dissent of the Members will only take place through the E-voting system. This Postal Ballot is accordingly being initiated in compliance with the above MCA Circulars. Accordingly, physical copy of the Notice along with Postal Ballot Form and pre-paid business reply envelope will not be sent to the Members.

In compliance with Regulation 44 of the SEBI LODR Regulations and pursuant to the provisions of Section 108 and Section 110 of the Act read with the Rules, the MCA Circulars and SS-2, the Company is providing only remote e-voting facility to its Members, to enable them to cast their votes electronically instead of submitting the Postal Ballot Form physically. The instructions for remote e-voting are appended to this Notice. The Notice is also available on the website of the Company www.indianterrain.com.

The Explanatory Statement pursuant to Section 102 of the Act pertaining to the said resolutions, setting out material facts and the reasons for the resolutions, are also annexed. You are requested to peruse the proposed resolutions, along with the Explanatory Statement, and thereafter record your assent or dissent by remote e-voting facility only provided by the Company.

The Board of Directors of the Company (the "**Board**") has appointed M/s. BP & Associates, Practising Company Secretaries, Chennai as the Scrutinizer for conducting the postal ballot (e-voting) process in a fair and transparent manner in accordance with the provisions of Rule 22 of the Companies (Management and Administration) Rules, 2014.

Members desiring to exercise their vote through the remote e-voting process are requested to carefully read the instructions indicated in this Notice and record their assent (FOR) or dissent (AGAINST) by following the procedure as stated in the Notes forming part of the Notice for casting of votes by remote e-voting not later than 5.00 p.m. (IST) on Sunday, 25th October, 2020. Remote e-Voting will be blocked immediately thereafter and no e-voting will be allowed beyond the said date and time. The Company has engaged the services of Central Depository Services Limited ("**CDSL**") for the purpose of providing remote e-voting facility to its Members. After completion of scrutiny of the votes casted through remote e-voting, the Scrutinizer will submit his report to the Chairman of the Company or to any other person authorized by him.

The results of the voting conducted by Postal Ballot (through remote e-voting process) along with the Scrutinizer's Report will be made available on the website of the Company at www.indianterrain.com and intimated to the Stock Exchanges, where the shares of the Company are listed, on or before Tuesday, 27th October, 2020. Additionally, the results will also be published in newspapers and also uploaded on the website of CDSL at www.evotingindia.com. The Resolution, if passed with the requisite majority through Postal Ballot, shall be deemed to have been passed, on the last date specified for remote e-voting i.e., Sunday, 25th October, 2020.



SPECIAL BUSINESS:

Item No.1) Issue of Convertible Warrants to Mr. Venkatesh Rajagopal, Promoter and Wholetime Director of the Company on Preferential basis

To consider and, if thought fit, to pass the following resolution as a **SPECIAL RESOLUTION**:

"RESOLVED THAT pursuant to the provisions of Section 42, 62(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 (the 'Act'), the Companies (Prospectus and Allotment of Securities) Rules, 2014, the Companies (Share Capital and Debentures) Rules, 2014 and other applicable rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the '**SEBI ICDR Regulations**') and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the '**SEBI Listing Regulations**'), the listing agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited ('**Stock Exchanges**') and subject to any other rules, regulations, guidelines, notifications, circulars and clarifications issued thereunder from time to time by the Ministry of Corporate Affairs, the Securities and Exchange Board of India ('SEBI') and/ or any other competent authorities (hereinafter referred to as '**Applicable Regulatory Authorities**') from time to time to the extent applicable and the enabling provisions of the Memorandum of Association and Articles of Association of the Company, and subject to such approvals, consents, permissions and sanctions as may be necessary or required and subject to such conditions as may be imposed or prescribed while granting such approvals, consents, permissions and sanctions, which the Board of Directors of the Company (hereinafter referred to as the '**Board**' which term shall be deemed to mean and include one or more Committee(s) constituted/to be constituted by the Board to exercise its powers including the powers conferred by this Resolution), is hereby authorised to accept, the consent and approval of the members of the Company to the Board to create, issue, offer and allot from time to time in one or more tranches upto 16,00,000 (sixteen lakhs only) convertible warrants (the "**Warrants**") to **Mr. Venkatesh Rajagopal**, Promoter and Wholetime Director of the Company (DIN: 00003625) ("**Warrant Holder(s)**" / "**Proposed Allottee(s)**") by way of preferential allotment on a private placement basis ("**Preferential Allotment**") as mentioned in the statement setting out material facts, entitling the Warrant Holder(s) to apply for and get allotted 1 (one) Equity share of the face value of ₹ 2/- each of the Company (the "**Equity shares**") for each Warrant within a period of 18 (eighteen) months from the date of allotment of Warrants, in such manner and at such price as may be arrived at in accordance with the SEBI (ICDR) Regulations and such terms and conditions as may be deemed appropriate by the Board in accordance with the provisions of SEBI (ICDR) Regulations and other applicable laws in this respect.

RESOLVED FURTHER THAT in terms of the provisions of Chapter V of the SEBI ICDR Regulations, the relevant date for determining the issue price for the Preferential Allotment of Warrants shall be Friday, 25th September, 2020, being the date 30 (thirty) days prior to the date on which this resolution is deemed to have been passed, i.e., the last date specified for Postal ballot (E-voting).

RESOLVED FURTHER THAT without prejudice to the generality of the above resolution, the issue of the Warrants and Equity shares to be allotted on exercise of Warrants under the Preferential Allotment shall be subject to the following terms and conditions apart from others as prescribed under applicable laws:

- i) The Warrant holders shall, subject to the SEBI ICDR Regulations and other applicable rules, regulations and laws, be entitled to exercise the Warrants in one or more tranches within a period of 18 (eighteen) months from the date of allotment of the Warrants by issuing a written notice to the Company specifying the number of Warrants proposed to be exercised. The Company shall accordingly issue and allot the corresponding number of equity shares of ₹ 2/- each to the Warrant holders.
- ii) An amount equivalent to 25% of the Warrant Price shall be payable at the time of subscription and allotment of each Warrant and the balance 75% of the Warrant Price shall be payable by the Warrant holder against each Warrant at the time of allotment of equity shares pursuant to exercise of the options attached to Warrant(s) to subscribe to equity shares. The amount paid against Warrants shall be adjusted / set-off against the issue price for the resultant equity shares.
- iii) The Warrants shall be allotted in dematerialized form within a period of 15 (fifteen) days from the date of passing of the special resolution by the Members, provided that where the allotment of Warrants is subject to receipt of any approval or permission from any regulatory authority or Government of India, the allotment shall be completed within a period of 15 (fifteen) days from the date of receipt of last of such approvals or permissions.
- iv) The Company shall procure the listing and trading approvals for the equity shares to be issued and allotted to the Warrant holders upon exercise of the Warrants from the relevant Stock Exchanges in accordance with the SEBI Listing Regulations and all other applicable laws, rules and regulations.
- v) The Warrants and the Equity shares allotted pursuant to exercise of such Warrants shall be subject to lock-in for such period as specified in the provisions of Chapter V of the SEBI ICDR Regulations.
- vi) The price determined above and the number of equity shares to be allotted on exercise of the Warrants shall be subject to appropriate adjustments as permitted under the rules, regulations and laws, as applicable from time to time. Apart from the said right of adjustment mentioned, the Warrants do not give any rights/entitlements to the Warrant holder as a shareholder of the Company.
- vii) The Warrants may be exercised by the Warrant holder, in one or more tranches, at any time on or before the expiry of 18 (eighteen) months from the date of allotment of the Warrants by issuing a written notice to the Company specifying the number of Warrants proposed to be exercised along with the aggregate amount payable thereon. The Company shall accordingly, without any further approval from the Members, allot the corresponding number of equity shares in dematerialized form.
- viii) The Equity shares to be allotted on exercise of the Warrants shall be fully paid up and rank pari passu with the existing equity shares of the Company in all respects (including with respect to dividend and voting powers) from the date of allotment thereof, and be



subject to the requirements of all applicable laws and shall be subject to the provisions of the Memorandum of Association and Articles of Association of the Company.

- ix) In the event the Warrant holder does not exercise the Warrants within 18 (eighteen) months from the date of allotment, the Warrants shall lapse and the amount paid to the Company at the time of subscription of the Warrants shall stand forfeited.
- x) The Equity shares arising from the exercise of the Warrants will be listed on the Stock Exchanges subject to the receipt of necessary regulatory permissions and approvals as the case may be.

RESOLVED FURTHER THAT the Board be and is hereby authorized to determine, vary, modify, alter any of the terms and conditions of the proposed issue including reduction of the size of the issue, as it may deem expedient, to accept any modification(s) in the terms of issue of Warrants, subject to the provisions of the Act and the SEBI ICDR Regulations, without being required to seek any further consent or approval of the Members.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorised to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, desirable or expedient, including without limitation, issuing clarifications, resolving all questions of doubt, effecting any modifications or changes to the foregoing (including modification to the terms of the issue), entering into contracts, arrangements, agreements, documents (including for appointment of agencies, intermediaries and advisors for the issue) and to authorize all such persons as may be necessary, in connection therewith and incidental thereto as the Board in its absolute discretion shall deem fit without being required to seek any fresh approval of the Members and to settle all questions, difficulties or doubts that may arise in regard to the offer, issue and allotment of the Warrants and listing thereof with the Stock Exchanges as appropriate and utilisation of proceeds of the issue, take all other steps which may be incidental, consequential, relevant or ancillary in this connection and to effect any modification to the foregoing and the decision of the Board shall be final and conclusive.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred, as it may deem fit in its absolute direction, to any Committee of the Board or any one or more Director(s) /Company Secretary/ Key Managerial Personnel of the Company to give effect to the aforesaid resolution."

Item No.2) Issue of Convertible Warrants to Mrs. Rama Rajagopal, Promoter and Wholtime Director of the Company on Preferential basis

To consider and, if thought fit, to pass the following resolution as a **SPECIAL RESOLUTION**:

"RESOLVED THAT pursuant to the provisions of Section 42, 62(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 (the 'Act'), the Companies (Prospectus and Allotment of Securities) Rules, 2014, the Companies (Share Capital and Debentures) Rules, 2014 and other applicable rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the '**SEBI ICDR Regulations**') and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the '**SEBI Listing Regulations**'), the listing agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited ('**Stock Exchanges**') and subject to any other rules, regulations, guidelines, notifications, circulars and clarifications issued thereunder from time to time by the Ministry of Corporate Affairs, the Securities and Exchange Board of India ('SEBI') and/ or any other competent authorities (hereinafter referred to as '**Applicable Regulatory Authorities**') from time to time to the extent applicable and the enabling provisions of the Memorandum of Association and Articles of Association of the Company, and subject to such approvals, consents, permissions and sanctions as may be necessary or required and subject to such conditions as may be imposed or prescribed while granting such approvals, consents, permissions and sanctions, which the Board of Directors of the Company (hereinafter referred to as the '**Board**' which term shall be deemed to mean and include one or more Committee(s) constituted/to be constituted by the Board to exercise its powers including the powers conferred by this resolution), is hereby authorised to accept the consent and approval of the members of the Company to the Board to create, issue, offer and allot from time to time in one or more tranches upto 16,00,000 (sixteen lakhs only) convertible warrants (the "**Warrants**") to **Mrs. Rama Rajagopal**, Promoter and Wholtime Director of the Company (DIN: 00003565) ("**Warrant Holder(s)**")/"**Proposed Allottee(s)**") by way of preferential allotment on a private placement basis ("**Preferential Allotment**") as mentioned in the statement setting out material facts, entitling the Warrant Holder(s) to apply for and get allotted 1 (one) Equity share of the face value of ₹ 2/- each of the Company (the "**Equity shares**") for each Warrant within a period of 18 (eighteen) months from the date of allotment of Warrants, in such manner and at such price as may be arrived at in accordance with the SEBI (ICDR) Regulations and such terms and conditions as may be deemed appropriate by the Board in accordance with the provisions of SEBI (ICDR) Regulations and other applicable laws in this respect.

RESOLVED FURTHER THAT in terms of the provisions of Chapter V of the SEBI ICDR Regulations, the relevant date for determining the issue price for the Preferential Allotment of Warrants shall be Friday, 25th September, 2020, being the date 30 (thirty) days prior to the date on which this resolution is deemed to have been passed, i.e., the last date specified for Postal ballot (E-voting).

RESOLVED FURTHER THAT without prejudice to the generality of the above resolution, the issue of the Warrants and Equity shares to be allotted on exercise of Warrants under the Preferential Allotment shall be subject to the following terms and conditions apart from others as prescribed under applicable laws:

- i) The Warrant holders shall, subject to the SEBI ICDR Regulations and other applicable rules, regulations and laws, be entitled to exercise the Warrants in one or more tranches within a period of 18 (eighteen) months from the date of allotment of the Warrants by issuing a written notice to the Company specifying the number of Warrants proposed to be exercised. The Company shall accordingly issue and allot the corresponding number of equity shares of ₹ 2/- each to the Warrant holders.



- ii) An amount equivalent to 25% of the Warrant Price shall be payable at the time of subscription and allotment of each Warrant and the balance 75% of the Warrant Price shall be payable by the Warrant holder against each Warrant at the time of allotment of equity shares pursuant to exercise of the options attached to Warrant(s) to subscribe to Equity shares. The amount paid against Warrants shall be adjusted / set-off against the issue price for the resultant equity shares.
- iii) The Warrants shall be allotted in dematerialized form within a period of 15 (fifteen) days from the date of passing of the special resolution by the Members, provided that where the allotment of Warrants is subject to receipt of any approval or permission from any regulatory authority or Government of India, the allotment shall be completed within a period of 15 (fifteen) days from the date of receipt of last of such approvals or permissions.
- iv) The Company shall procure the listing and trading approvals for the equity shares to be issued and allotted to the Warrant holders upon exercise of the Warrants from the relevant Stock Exchanges in accordance with the SEBI Listing Regulations and all other applicable laws, rules and regulations.
- v) The Warrants and the Equity shares allotted pursuant to exercise of such Warrants shall be subject to lock-in for such period as specified in the provisions of Chapter V of the SEBI ICDR Regulations.
- vi) The price determined above and the number of equity shares to be allotted on exercise of the Warrants shall be subject to appropriate adjustments as permitted under the rules, regulations and laws, as applicable from time to time. Apart from the said right of adjustment mentioned, the Warrants do not give any rights/entitlements to the Warrant holder as a shareholder of the Company.
- vii) The Warrants may be exercised by the Warrant holder, in one or more tranches, at any time on or before the expiry of 18 (eighteen) months from the date of allotment of the Warrants by issuing a written notice to the Company specifying the number of Warrants proposed to be exercised along with the aggregate amount payable thereon. The Company shall accordingly, without any further approval from the Members, allot the corresponding number of equity shares in dematerialized form.
- viii) The Equity shares to be allotted on exercise of the Warrants shall be fully paid up and rank pari passu with the existing equity shares of the Company in all respects (including with respect to dividend and voting powers) from the date of allotment thereof, and be subject to the requirements of all applicable laws and shall be subject to the provisions of the Memorandum of Association and Articles of Association of the Company.
- ix) In the event the Warrant holder does not exercise the Warrants within 18 (eighteen) months from the date of allotment, the Warrants shall lapse and the amount paid to the Company at the time of subscription of the Warrants shall stand forfeited.
- x) The Equity shares arising from the exercise of the Warrants will be listed on the Stock Exchanges subject to the receipt of necessary regulatory permissions and approvals as the case may be.

RESOLVED FURTHER THAT the Board be and is hereby authorized to determine, vary, modify, alter any of the terms and conditions of the proposed issue including reduction of the size of the issue, as it may deem expedient, to accept any modification(s) in the terms of issue of Warrants, subject to the provisions of the Act and the SEBI ICDR Regulations, without being required to seek any further consent or approval of the Members.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorised to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, desirable or expedient, including without limitation, issuing clarifications, resolving all questions of doubt, effecting any modifications or changes to the foregoing (including modification to the terms of the issue), entering into contracts, arrangements, agreements, documents (including for appointment of agencies, intermediaries and advisors for the Issue) and to authorize all such persons as may be necessary, in connection therewith and incidental thereto as the Board in its absolute discretion shall deem fit without being required to seek any fresh approval of the Members and to settle all questions, difficulties or doubts that may arise in regard to the offer, issue and allotment of the Warrants and listing thereof with the Stock Exchanges as appropriate and utilisation of proceeds of the issue, take all other steps which may be incidental, consequential, relevant or ancillary in this connection and to effect any modification to the foregoing and the decision of the Board shall be final and conclusive.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred, as it may deem fit in its absolute direction, to any Committee of the Board or any one or more Director(s) /Company Secretary/ Key Managerial Personnel of the Company to give effect to the aforesaid resolution."

Item No.3) Issue of Equity shares to A.R. Foundations Private Limited on Preferential basis

To consider and, if thought fit, to pass the following resolution as a **SPECIAL RESOLUTION**:

"RESOLVED THAT pursuant to the provisions of Section 42, 62(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 (the 'Act'), the Companies (Prospectus and Allotment of Securities) Rules, 2014, the Companies (Share Capital and Debentures) Rules, 2014 and other applicable rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the '**SEBI ICDR Regulations**') and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the '**SEBI Listing Regulations**'), the listing agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited ('**Stock Exchanges**') and subject to any other rules, regulations, guidelines, notifications, circulars and clarifications issued thereunder from time to time by the Ministry of Corporate Affairs, the Securities and Exchange Board of India ('SEBI') and/ or any other competent authorities (hereinafter referred to as '**Applicable Regulatory Authorities**') from time to time to the extent applicable and the enabling provisions of the Memorandum of Association and Articles of Association of the Company, and subject



to such approvals, consents, permissions and sanctions as may be necessary or required and subject to such conditions as may be imposed or prescribed while granting such approvals, consents, permissions and sanctions, which the Board of Directors of the Company (hereinafter referred to as the '**Board**') which term shall be deemed to mean and include one or more Committee(s) constituted/to be constituted by the Board to exercise its powers including the powers conferred by this Resolution), is hereby authorised to accept, the consent and approval of the members of the Company to the Board to create, issue, offer and allot upto 16,00,000 (sixteen lakhs only) fully paid up Equity shares of the Company of face value of ₹ 2/- each to **A.R. Foundations Private Limited**, Public Category ("**Proposed Allottee(s)**") by way of preferential allotment on a private placement basis ("**Preferential Allotment**") ranking pari-passu in all respects with the existing fully paid up Equity shares of the Company in such manner and at such price as may be arrived at in accordance with the SEBI (ICDR) Regulations and such terms and conditions as may be deemed appropriate by the Board in accordance with the provisions of SEBI (ICDR) Regulations and other applicable laws in this respect.

RESOLVED FURTHER THAT in terms of the provisions of Chapter V of the SEBI ICDR Regulations, the relevant date for determining the issue price for the Preferential Allotment of Equity shares shall be Friday, 25th September, 2020, being the date 30 (thirty) days prior to the date on which this resolution is deemed to have been passed, i.e., the last date specified for Postal ballot (E-voting).

RESOLVED FURTHER THAT the aforesaid issue of Equity shares shall be subject to the following terms and conditions:

- i) The proposed allottee of equity shares shall be required to bring in 100% of the consideration for the equity shares to be allotted, on or prior to the date of allotment thereof.
- ii) The consideration for allotment of equity shares shall be paid to the Company by the proposed allottees of equity shares from their respective bank accounts.
- iii) The pre-preferential shareholding of the proposed allottees and equity shares to be allotted shall be under lock in for such period as may be prescribed under Chapter V of the SEBI ICDR Regulations.
- iv) The equity shares so allotted to the proposed allottees under this resolution shall not be sold, transferred, hypothecated or encumbered in any manner during the period of lock-in provided under SEBI (ICDR) Regulations except to the extent and in the manner permitted thereunder.
- v) Allotment of equity shares shall only be made in dematerialized form within a period of 15 (fifteen) days from the date of passing of the special resolution by the Members, provided that where the allotment of equity shares is subject to receipt of any approval from any regulatory authority or the Government of India, the allotment shall be completed within a period of 15 (fifteen) days from the date of receipt of last of such approvals.

RESOLVED FURTHER THAT the equity shares proposed to be allotted shall rank pari-passu in all respects including as to dividend, with the existing fully paid up equity shares of face value of ₹ 2/- (Rupees two only) each of the Company.

RESOLVED FURTHER THAT the Board be and is hereby authorized to determine, vary, modify, alter any of the terms and conditions of the proposed issue including reduction of the size of the issue, as it may deem expedient, to accept any modification(s) in the terms of issue of Equity shares, subject to the provisions of the Act and the SEBI ICDR Regulations, without being required to seek any further consent or approval of the Members.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorised to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, desirable or expedient, including without limitation, issuing clarifications, resolving all questions of doubt, effecting any modifications or changes to the foregoing (including modification to the terms of the issue), entering into contracts, arrangements, agreements, documents (including for appointment of agencies, intermediaries and advisors for the Issue) and to authorize all such persons as may be necessary, in connection therewith and incidental thereto as the Board in its absolute discretion shall deem fit without being required to seek any fresh approval of the Members and to settle all questions, difficulties or doubts that may arise in regard to the offer, issue and allotment of the Equity shares and listing thereof with the Stock Exchanges as appropriate and utilisation of proceeds of the issue, take all other steps which may be incidental, consequential, relevant or ancillary in this connection and to effect any modification to the foregoing and the decision of the Board shall be final and conclusive.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred, as it may deem fit in its absolute direction, to any Committee of the Board or any one or more Director(s) /Company Secretary/ Key Managerial Personnel of the Company to give effect to the aforesaid resolution."

Item No.4) Issue of Equity shares to ARES DIVERSIFIED on Preferential basis

To consider and, if thought fit, to pass the following resolution as a **SPECIAL RESOLUTION**:

"RESOLVED THAT pursuant to the provisions of Section 42, 62(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 (the '**Act**'), the Companies (Prospectus and Allotment of Securities) Rules, 2014, the Companies (Share Capital and Debentures) Rules, 2014 and other applicable rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the '**SEBI ICDR Regulations**') and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the '**SEBI Listing Regulations**'), the listing agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited ('**Stock Exchanges**') and subject to any other rules, regulations, guidelines, notifications, circulars and clarifications issued thereunder from time to time by the Ministry of Corporate Affairs, the Securities and Exchange Board of India ('**SEBI**'), Reserve Bank of India ('**RBI**') and/ or any other competent authorities (hereinafter referred to as



'Applicable Regulatory Authorities') from time to time to the extent applicable and the enabling provisions of the Memorandum of Association and Articles of Association of the Company, and subject to such approvals, consents, permissions and sanctions as may be necessary or required and subject to such conditions as may be imposed or prescribed while granting such approvals, consents, permissions and sanctions, which the Board of Directors of the Company (hereinafter referred to as the 'Board' which term shall be deemed to mean and include one or more Committee(s) constituted/to be constituted by the Board to exercise its powers including the powers conferred by this resolution), is hereby authorised to accept the consent and approval of the members of the Company to the Board to create, issue, offer and allot upto 16,00,000 (sixteen lakhs only) fully paid up Equity shares of the Company of face value of ₹ 2/- each to ARES DIVERSIFIED, Foreign Portfolio Investor (Corporate), Public Category ("Proposed Allottee(s)") by way of preferential allotment on a private placement basis ("Preferential Allotment") ranking pari-passu in all respects with the existing fully paid up equity shares of the Company in such manner and at such price as may be arrived at in accordance with the SEBI (ICDR) Regulations and such terms and conditions as may be deemed appropriate by the Board in accordance with the provisions of SEBI (ICDR) Regulations and other applicable laws in this respect.

RESOLVED FURTHER THAT in terms of the provisions of Chapter V of the SEBI ICDR Regulations, the relevant date for determining the issue price for the Preferential Allotment of Equity shares shall be Friday, 25th September, 2020, being the date 30 (thirty) days prior to the date on which this resolution is deemed to have been passed, i.e., the last date specified for Postal ballot (E-voting).

RESOLVED FURTHER THAT the aforesaid issue of equity shares shall be subject to the following terms and conditions:

- i) The proposed allottee of equity shares shall be required to bring in 100% of the consideration, for the equity shares to be allotted, on or prior to the date of allotment thereof.
- ii) The consideration for allotment of equity shares shall be paid to the Company by the proposed allottees from their respective bank accounts.
- iii) The pre-preferential shareholding of the proposed allottees, if any and equity shares to be allotted shall be under lock in for such period as may be prescribed under Chapter V of the SEBI ICDR Regulations.
- iv) The equity shares so allotted to the proposed allottee under this resolution shall not be sold, transferred, hypothecated or encumbered in any manner during the period of lock-in provided under SEBI (ICDR) Regulations except to the extent and in the manner permitted thereunder.
- v) Allotment of equity shares shall only be made in dematerialized form within a period of 15 (fifteen) days from the date of passing of the special resolution by the Members, provided that where the allotment of Equity shares is subject to receipt of any approval from any regulatory authority or the Government of India, the allotment shall be completed within a period of 15 (fifteen) days from the date of receipt of last of such approvals.

RESOLVED FURTHER THAT the equity shares proposed to be allotted shall rank pari-passu in all respects including as to dividend, with the existing fully paid up Equity shares of face value of ₹ 2/- (Rupees two only) each of the Company.

RESOLVED FURTHER THAT the Board be and is hereby authorized to determine, vary, modify, alter any of the terms and conditions of the proposed issue including reduction of the size of the issue, as it may deem expedient, to accept any modification(s) in the terms of issue of Equity shares, subject to the provisions of the Act and the SEBI ICDR Regulations, without being required to seek any further consent or approval of the Members.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorised to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, desirable or expedient, including without limitation, issuing clarifications, resolving all questions of doubt, effecting any modifications or changes to the foregoing (including modification to the terms of the issue), entering into contracts, arrangements, agreements, documents (including for appointment of agencies, intermediaries and advisors for the Issue) and to authorize all such persons as may be necessary, in connection therewith and incidental thereto as the Board in its absolute discretion shall deem fit without being required to seek any fresh approval of the Members and to settle all questions, difficulties or doubts that may arise in regard to the offer, issue and allotment of the equity shares and listing thereof with the Stock Exchanges as appropriate and utilisation of proceeds of the issue, take all other steps which may be incidental, consequential, relevant or ancillary in this connection and to effect any modification to the foregoing and the decision of the Board shall be final and conclusive.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred, as it may deem fit in its absolute direction, to any Committee of the Board or any one or more Director(s) /Company Secretary/ Key Managerial Personnel of the Company to give effect to the aforesaid resolution."

By Order of the Board
For INDIAN TERRAIN FASHIONS LIMITED

Date: 12th September, 2020
Place: Chennai

sd/-
Ravi B.S.G
Company Secretary

**Notes:**

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("Act") read with Rule 22 of the Companies (Management and Administration) Rules, 2014 ("Rules"), each as amended, and Regulation 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 setting out the material facts relating to the proposed resolutions no. 1 to 4 and the reasons thereof is annexed hereto and forms part of this Postal Ballot Notice ("**Notice**").
2. Due to the ongoing Covid-19 pandemic, for safety measures and in terms of the guidelines vide the MCA Circulars, the Company is sending this Notice through electronic form only and expresses its inability to dispatch the physical copy of the Notice along with Postal Ballot Form and pre-paid business reply envelope to the Members. Accordingly, the communication of the assent or dissent of the Members would take place through the process of remote e-voting only in CDSL platform at www.evotingindia.com.
3. This notice is being sent electronically only to those Members, whose names appear in the Register of Members/ List of Beneficial Owners as received from the Depositories as on Friday, 18th September, 2020 ("**Cut-off Date**"). The voting rights of Members shall be in proportion to their shares of the paid-up Equity share capital of the Company as on the Cut-off Date.
4. It is however, clarified that all members of the Company as on the Cut-off Date (including those Members who may not have received this Notice due to non-registration of their e-mail IDs with the Company Registrar and Share Transfer Agent or Depositories) shall be entitled to vote in relation to the resolutions in accordance with the process specified hereinafter in this Notice.
5. Members who have not registered their e-mail addresses with either the Company's RTA or their Depository participant (DP) are requested to register the same with the RTA in accordance with the process specified herein below for procuring user id and password and registration of e-mail ids for E-voting for the resolutions set out in this Postal Ballot Notice.
6. In accordance with the provision of Section 108 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and amendments thereto and Regulation 44 of SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015 the Company is pleased to provide its members the facility to cast their vote by electronic means on all resolutions set forth in the Notice. The Company has engaged the services of Central Depository Services Limited ("CDSL") to provide e-voting facility to its Members. The instructions for e-voting are given below.
7. The e-voting period shall commence on Saturday, 26th September, 2020 at 9.00 A.M. and ends on Sunday 25th October, 2020 at 5.00 P.M. Please note that E-voting module will be disabled for voting by CDSL after the said date and time. Once the vote on a resolution is cast by Members, it cannot be changed subsequently.
8. As required by Rule 20 and Rule 22 of the Companies (Management and Administration) Rules, 2014 read with the MCA Circulars and the Listing Regulations, the details pertaining to this Postal Ballot will be published in one English national daily newspaper circulating throughout India (in English language) and one Tamil daily newspaper circulating in Chennai (in vernacular language, i.e. Tamil).
9. To support the "Green Initiative" Members who have not registered their e-mail addresses so far are requested to register their e-mail address with the Company's RTA or the Depository Participants, in respect of shares held in physical/ electronic mode respectively.
10. In compliance with the provisions of Section 108, 110 and other applicable provisions, if any, of the Companies Act, 2013 read with rules made thereunder, Regulation 44 of SEBI Listing Regulations, SS-2 and the provisions of the Ministry of Corporate Affairs Circulars, and any amendments thereto, the Company is providing facility for voting by E-voting to all the Members of the Company to enable them to cast their votes electronically on the item mentioned in the Notice.
11. In terms of the General Circular No.14/2020 dated 08th April, 2020 read with General Circular No.17/2020 dated 13th April, 2020 issued by the Ministry of Corporate Affairs, Government of India (the "MCA Circulars"), voting can be done only by E-voting. As the E-voting does not require a person to attend to a meeting physically, the Members are strongly advised to use the E-voting procedure by themselves and not through any other person/ proxies. For e-voting, please read carefully the "Procedure/instructions for e-voting" enumerated herein:

THE INSTRUCTIONS FOR SHAREHOLDERS VOTING ELECTRONICALLY ARE AS UNDER:

- (i) The voting period begins on **Saturday, 26th September, 2020 at 9.00 A.M.** and ends on **Sunday, 25th October, 2020 at 5.00 P.M.** During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of **Friday, 18th September, 2020** may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.



- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. • In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> • If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xvii) If a demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) **Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.**
- (xix) **Note for Non – Individual Shareholders and Custodians**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.



- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:

1. For Physical shareholders - Please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to Company email id response.itfl@indianterrain.com or RTA email id rnt.helpdesk@linkintime.co.in

2. For Demat shareholders - Please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to Company email id response. itfl@indianterrain.com or RTA email id rnt.helpdesk@linkintime.co.in

EXPLANATORY STATEMENT

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

Item No. 1 & 2

The Board of Directors of the Company in its meeting held on Saturday, 12th September, 2020 accorded its approval for raising funds through issuance of upto 16,00,000 (sixteen Lakhs only) convertible warrants ("Warrants") to each of the proposed allottees as set out below, being the Promoters and Wholetime Directors of the Company ("Proposed Allottees") on a preferential basis by way of private placement subject to the approval of the members of the Company and applicable regulatory authorities.

As per Section 62(1)(c) read with Section 42 and other applicable provisions, if any, of the Companies Act, 2013, as amended and the rules made thereunder and other applicable provisions, if any, and Chapter V of SEBI (ICDR) Regulations and such approvals, consents, permissions and sanctions as may be necessary or required from regulatory or other appropriate authorities, approval of the members of the Company by way of special resolution is required for allotment of convertible Warrants on preferential basis.

Accordingly, the approval of the members of the Company is being sought, by way of a special resolutions, to create, offer, issue and allot, Convertible Warrants, by way of preferential allotment to the proposed allottees.

The relevant informations and disclosures as required for the proposed issue of convertible warrants are given below :

a) Object(s) of the preferential issue:

The proceeds of the preferential issue will be utilized to meet the capital requirements like retail expansions strategy, working capital requirements and for other general corporate purposes which shall enhance the business of the Company.

b) Intent of the Promoters, Directors and Key Management Persons of the Company to subscribe to the preferential issue:

The convertible warrants is offered to Mr. Venkatesh Rajagopal and Mrs. Rama Rajaogpal, Promoters and Wholetime Directors of the Company who had indicated their intention to subscribe to the proposed preferential issue. None of the other directors or Key Managerial Personnel of the Company intends to subscribe to any of the Warrants proposed to be issued under the Preferential Allotment.

c) Shareholding Pattern of the Company before and after the preferential issue:

Please refer the "Annexure-I" for the consolidated shareholding pattern given at the end of this Notice.

d) Proposed time period within which the preferential allotment shall be completed:

Pursuant to Regulation 170 of the SEBI ICDR Regulations, preferential allotment of warrants will be completed within a period of 15 (fifteen) days from the date of passing of special resolution at item nos. 1 and 2.

Provided that where the allotment is pending on account of pendency of any application for approval or permission by any regulatory authorities, Banks as applicable, then the allotment would be completed within 15 (fifteen) days from the date of such approval or within such further period as may be prescribed or allowed by SEBI, stock exchange(s) or other regulatory authorities.

e) Conversion of Warrants:

The Warrant holders shall, subject to the SEBI ICDR Regulations and other applicable rules, regulations and laws, be entitled to exercise the Warrants in one or more tranches within a period of 18 (eighteen) months from the date of allotment of the Warrants by issuing a written notice to the Company specifying the number of Warrants proposed to be exercised.



f) Identity of the natural persons who are the ultimate beneficial owners of the shares proposed to be allotted and/or who ultimately control the proposed allottees, the percentage of post preferential issue capital that may be held by them and change in control, if any, in the issuer consequent to the Preferential Allotment

The details of the proposed allottees is as per the below table. No change in control or management is contemplated consequent to the proposed preferential issue of Equity shares and Warrants. However, voting rights will change in accordance with the shareholding pattern.

Name of the Proposed Allottees	Category	Name of the Natural persons who are the ultimate beneficial owners	Pre - Preferential issue holding		Proposed Preferential issue	Shareholding post exercise of warrants*	
			No. of Equity shares	% of holding		No. of Equity shares	% of holding
Mr. Venkatesh Rajagopal	Promoter	Mr. Venkatesh Rajagopal	4747115	12.51	1600000	6347115	14.31
Mrs. Rama Rajagopal	Promoter	Mrs. Rama Rajagopal	6532930	17.22	1600000	8132930	18.34

*The shareholding post exercise of warrants as shown above is calculated assuming full exercise of Warrants and consequent allotment of the Equity shares of the Company including the proposed preferential issue of Equity shares to Public category as mentioned in the item no.3 and 4 of this notice.

g) Lock in Period:

The Warrants and the Equity shares being allotted pursuant to exercise of such Equity Warrants shall be locked-in for such period as may be specified under Regulation 167 and 168 of the SEBI ICDR Regulations.

The entire pre-preferential allotment shareholding of the proposed allottees shall be locked-in from the relevant date up to a period of 6 (six) months from the date of the trading approval as specified under Regulation 167(6) of the SEBI ICDR Regulations.

h) Undertakings

In terms of SEBI (ICDR) Regulations, the Company hereby undertakes that:

- i) The Company is eligible to make the Preferential Allotment to its Promoter under Chapter V of the SEBI ICDR Regulations.
- ii) None of the Company, its Directors or Promoter have been declared as willful defaulter as defined under the SEBI ICDR Regulations. None of its Directors or Promoter is a fugitive economic offender as defined under the SEBI ICDR Regulations.
- iii) It will re-compute the price of the Warrants / Equity shares issued on conversion of Warrants in terms of the provisions of SEBI (ICDR) Regulations, as may be applicable.
- iv) If the amount payable on account of the re-computation of price of the Warrants / Equity shares is not paid within the time stipulated in the SEBI (ICDR) Regulations, the underlying Warrants / Equity shares shall continue to be locked- in till the time such amount is paid by the proposed allottees.
- v) The proposed allottees has not sold any Equity shares of the Company during previous 6 (six) months preceding the relevant date.

i) Relevant Date:

The relevant date for the purpose of computation of issue price shall be Friday, 25th September, 2020 being 30 (thirty) days prior to the date of passing of special resolution by the members of the Company through Postal Ballot to approve the proposed preferential issue, in accordance with the SEBI (ICDR) Regulations.

j) Pricing of the preferential issue:

The Equity shares of Company are listed on BSE Limited and National Stock Exchange of India Limited and are frequently traded in accordance with SEBI (ICDR) Regulations. For the purpose of computation of the price for each warrant convertible into per Equity share, the National Stock Exchange of India Limited is the Stock Exchange that has higher trading volume for the said period will be considered.

In terms of the applicable provisions of SEBI (ICDR) Regulations the price at which the convertible warrants to be allotted shall not be less than higher of the following pricing guidelines as may be determined by the Board of Directors:

- a) Average of the weekly high and low of the volume weighted average price of the Equity shares of the Company quoted on the Stock Exchange, during the 26 (twenty six) weeks preceding the Relevant Date; **or**
Average of the weekly high and low of the volume weighted average price of the Equity shares of the Company quoted on the Stock Exchange, during the 2 (two) weeks preceding the Relevant Date.
- b) Average of the weekly high and low of the volume weighted average price of the Equity shares of the Company quoted on the Stock Exchange, during the 12 (twelve) weeks preceding the Relevant Date; **or**



Average of the weekly high and low of the volume weighted average price of the Equity shares of the Company quoted on the Stock Exchange, during the 2 (two) weeks preceding the Relevant Date.

The requirement of the basis on which the price has been arrived at along with report of the registered valuer as such is not applicable in the present case since the Company is a listed Company and the pricing is in terms of the SEBI (ICDR) Regulations.

The minimum price at which the convertible warrants to be allotted to the Proposed allottees cannot be exactly determined before issue of this Notice to the shareholders as the same depends on the higher of the average of the weekly high and low of the volume weighted average price of the Equity shares of the Company quoted on the Stock Exchange, during the 26 (twenty six) weeks and 2 (two) weeks (or) 12 (twelve) weeks and 2 (two) weeks preceding the said relevant date which shall be determined by the Board of Directors.

k) Auditors' Certificate:

The Auditors' certificate being issued by M/s. SRSV & Associates, Statutory Auditors of the Company certifying that the Preferential Allotment is being made in accordance with the requirements contained in the SEBI ICDR Regulations shall be available for inspection by the Members at the Corporate office of the Company during 10.00 a.m. to 1.00 p.m. upto the last date of E-voting period.

The approval of the Members by way of Special Resolution is required in term of the applicable provisions of Sections 23, 42 and 62 of the Act read with applicable rules thereto and relevant provisions of the SEBI (ICDR) Regulations and accordingly the approval of the Members of the Company is being sought by the Company for the proposed issue.

The Board of Directors of the Company believe that the proposed issue is in the best interest of the Company and its Members and therefore recommends the Special Resolution as set out Item No. 1 & 2 in the accompanying notice for your approval.

None of the Directors or Key Managerial Personnel(s) of the Company or their relatives, other than Mr. Venkatesh Rajagopal, Mrs. Rama Rajagopal – Promoter and Wholtime Directors and Mr. Vidyuth Rajagopal, Joint Managing Director, being relative of the Promoter and Promoter group are concerned or interested financially or otherwise in the resolution except to the extent of their shareholding in the Company.

Item No. 3 & 4

The Board of Directors of the Company in its meeting held on Saturday, 12th September, 2020 accorded its approval for raising funds through issuance of upto 16,00,000 (sixteen Lakhs only) Equity shares to each of the proposed allottees as set out below, belonging to public category ("**Proposed Allottees**") on a preferential basis by way of private placement subject to the approval of the members of the Company.

As per Section 62(1)(c) read with Section 42 and other applicable provisions, if any, of the Companies Act, 2013, as amended and the rules made thereunder and other applicable provisions, if any, and Chapter V of SEBI (ICDR) Regulations and such approvals, consents, permissions and sanctions as may be necessary or required from regulatory or other appropriate authorities, approval of the members of the Company by way of special resolution is required for allotment of equity shares on preferential basis.

Accordingly, the approval of the members of the Company is being sought, by way of a special resolutions, to create, offer, issue and allot, Equity shares by way of preferential allotment to the proposed allottees.

The relevant informations and disclosures as required for the proposed issue of convertible warrants are given below :

a. Object(s) of the preferential issue:

The proceeds of the preferential issue will be utilized to meet the capital requirements like retail expansions strategy, working capital requirements and for other general corporate purposes which shall enhance the business of the Company.

b. Intent of the Promoters, Directors and Key Management Persons of the Company to subscribe to the preferential issue:

The Equity shares is offered to A.R. Foundations Private Limited, Public category and ARES DIVERSIFIED, Foreign Portfolio Investor (Corporate) - Public category who had indicated their intention to subscribe to the proposed Preferential issue of Equity shares. None of the directors or Key Managerial Personnel of the Company intends to subscribe to any of the Equity shares proposed to be issued under the preferential allotment apart from the preferential issue of convertible warrants to promoters of the Company.

c. Shareholding Pattern of the Company before and after the preferential issues :

Please refer the "Annexure-I" for the consolidated shareholding pattern given at the end of this Notice.

d. Proposed time period within which the preferential allotment shall be completed:

Pursuant to Regulation 170 of the SEBI ICDR Regulations, preferential allotment of Equity shares will be completed within a period of 15 (fifteen) days from the date of passing of special resolutions.

Provided that where the allotment is pending on account of pendency of any application for approval or permission by any regulatory authorities, Banks as applicable, then the allotment would be completed within 15 (fifteen) days from the date of such approval or within such further period as may be prescribed or allowed by SEBI, stock exchange(s) or other regulatory authorities.

e. Identity of the natural persons who are the ultimate beneficial owners of the shares proposed to be allotted and/or who ultimately control the proposed allottees, the percentage of post preferential issue capital that may be held by them and change in control, if any, in the issuer consequent to the Preferential Allotment



The details of the proposed allottees is as per the below table. No change in control or management is contemplated consequent to the proposed preferential issue of Equity shares and Warrants. However, voting rights will change in accordance with the shareholding pattern.

Name of the Proposed Allottees	Category	Name of the Natural persons who are the ultimate beneficial owners	Pre - Preferential issue holding		Proposed Preferential issue	Post - Preferential issue holding*	
			No. of Equity shares	% of holding	Equity shares upto	No. of Equity shares	% of holding
A. R. Foundations Private Limited	Public	1. Mr. Amarnath Reddy Paimagham 2. Mrs. Swetha Amarnath Reddy	0	0	1600000	1600000	3.61
Ares Diversified	Public	FPI (Category I registered with SEBI)	125000	0.33	1600000	1725000	3.89

*The shareholding post allotment of equity shares as shown above is calculated assuming full exercise of Warrants and consequent allotment of the Equity shares of the Company as mentioned in item no.1 and 2 of this notice.

f. Lock in Period:

The Equity shares being allotted shall be locked-in for such period as may be specified under Regulation 167 and 168 of the SEBI ICDR Regulations.

The entire pre-preferential allotment shareholding of the proposed allottees, if any shall be locked-in from the relevant date up to a period of 6 (six) months from the date of the trading approval as specified under Regulation 167(6) of the SEBI ICDR Regulations.

g. Undertakings

In terms of SEBI (ICDR) Regulations, the Company hereby undertakes that:

- The Company is eligible to make the Preferential Allotment under Chapter V of the SEBI ICDR Regulations.
- None of the Company, its Directors or Promoter have been declared as willful defaulter as defined under the SEBI ICDR Regulations. None of its Directors or Promoter is a fugitive economic offender as defined under the SEBI ICDR Regulations.
- It will re-compute the price of the Warrants / Equity shares issued on conversion of Warrants in terms of the provisions of SEBI (ICDR) Regulations, as may be applicable.
- If the amount payable on account of the re-computation of price of the Equity shares is not paid within the time stipulated in the SEBI (ICDR) Regulations, the underlying Equity shares shall continue to be locked- in till the time such amount is paid by the proposed allottees.
- The proposed allottees has not sold any equity shares of the Company during previous 6 (six) months preceding the relevant date.

h. Relevant Date:

The relevant date for the purpose of computation of issue price shall be Friday, 25th September, 2020 being 30 (thirty) days prior to the date of passing of special resolution by the members of the Company through Postal Ballot to approve the proposed preferential issue, in accordance with the SEBI (ICDR) Regulations.

i. Pricing of the preferential issue:

The Equity shares of Company are listed on BSE Limited and National Stock Exchange of India Limited and are frequently traded in accordance with SEBI (ICDR) Regulations. For the purpose of computation of the price for each Equity share, the National Stock Exchange of India Limited is the Stock Exchange that has higher trading volume for the said period will be considered.

In terms of the applicable provisions of SEBI (ICDR) Regulations the price at which the Equity shares to be allotted shall not be less than higher of the following pricing guidelines as may be determined by the Board of Directors:

- Average of the weekly high and low of the volume weighted average price of the Equity shares of the Company quoted on the Stock Exchange, during the 26 (twenty six) weeks preceding the Relevant Date; **or**
Average of the weekly high and low of the volume weighted average price of the Equity shares of the Company quoted on the Stock Exchange, during the 2 (two) weeks preceding the Relevant Date.
- Average of the weekly high and low of the volume weighted average price of the Equity shares of the Company quoted on the Stock Exchange, during the 12 (twelve) weeks preceding the Relevant Date; **or**
Average of the weekly high and low of the volume weighted average price of the Equity shares of the Company quoted on the Stock Exchange, during the 2 (two) weeks preceding the Relevant Date.



The requirement of the basis on which the price has been arrived at along with report of the registered valuer as such is not applicable in the present case since the Company is a listed Company and the pricing is in terms of the SEBI (ICDR) Regulations.

The minimum price at which the Equity shares to be allotted to the Proposed allottees cannot be exactly determined before issue of this Notice to the shareholders as the same depends on the higher of the average of the weekly high and low of the volume weighted average price of the Equity shares of the Company quoted on the Stock Exchange, during the 26 (twenty six) weeks and 2 (two) weeks (or) 12 (twelve) weeks and 2 (two) weeks preceding the said relevant date which shall be determined by the Board of Directors.

j. Auditors' Certificate:

The Auditors' certificate being issued by M/s. SRSV & Associates, Statutory Auditors of the Company certifying that the Preferential Allotment is being made in accordance with the requirements contained in the SEBI ICDR Regulations shall be available for inspection by the Members at the Corporate office of the Company during 10.00 a.m. to 1.00 p.m. upto the last date of E-voting period.

The approval of the Members by way of Special Resolution is required in term of the applicable provisions of Sections 23, 42 and 62 of the Act read with applicable rules thereto and relevant provisions of the SEBI (ICDR) Regulations and accordingly the approval of the Members of the Company is being sought by the Company for the proposed issue.

The Board of Directors of the Company believe that the proposed issue is in the best interest of the Company and its Members and therefore recommends the Special Resolution as set out Item No. 3 & 4 in the accompanying notice for your approval.

None of the Directors or Key Managerial Personnel(s) of the Company or their relatives are concerned or interested financially or otherwise in the resolution except to the extent of their shareholding in the Company, if any.

By Order of the Board
For INDIAN TERRAIN FASHIONS LIMITED

Date: 12th September, 2020

Place: Chennai

sd/-
Ravi B.S.G
Company Secretary



Annexure - I

Consolidated Shareholding Pattern of the Company before and after the Preferential Issue

Category & Name of the Shareholders	Pre-Issue Shareholding		Post-Issue Shareholding*			
	Pre-issue Shareholding (as on 11 th September, 2020)		Post allotment of Equity Shares		Post allotment of Equity Shares (assuming full Conversion of Convertible Warrants)*	
	Category	Total No. of shares	% of Holding	Total No. of shares	% of Holding	Total No. of shares
Shareholding of Promoter and Promoter Group						
Indian						
Individual:						
Venkatesh Rajagopal	4747115	12.51	4747115	11.54	6347115	14.31
Rama Rajagopal	6532930	17.22	6532930	15.88	8132930	18.34
Vidyuth Rajagopal	134995	0.36	134995	0.33	134995	0.30
Rajagopalan K A	920	0.00	920	0.00	920	0.00
Anjali Rajagopal	140	0.00	140	0.00	140	0.00
Total Shareholding of Promoter and Promoter group	11416100	30.09	11416100	27.75	14616100	32.96
Public Shareholding						
Institutions :						
Mutual Funds	3521315	9.28	3521315	8.56	3521315	7.94
Alternate Investment Funds	2214838	5.84	2214838	5.38	2214838	4.99
Foreign Portfolio Investors	2351165	6.20	3951165	9.60	3951165	8.91
Financial Institutions / Banks	2491	0.01	2491	0.01	2491	0.01
Sub Total	8089809	21.32	9689809	23.55	9689809	21.85
Non-Institutions :						
Individuals (Public)	14020843	36.95	14020843	34.08	14020843	31.62
NBFCs registered with RBI	3000	0.01	3000	0.01	3000	0.01
Trusts	2000	0.01	2000	0.00	2000	0.00
Non Resident Indians	314933	0.83	314933	0.77	314933	0.71
Hindu Undivided Family	568181	1.50	568181	1.38	568181	1.28
Office Bearers	4	0.00	4	0.00	4	0.00
Clearing Member	259005	0.68	259005	0.63	259005	0.58
Bodies Corporate	3267425	8.61	4867425	11.83	4867425	10.98
Sub Total	18435391	48.59	20035391	48.70	20035391	45.18
Total Shareholdings	37941300	100.00	41141300	100.00	44341300	100.00

*Note: The pre-issue shareholding pattern has been prepared based on the shareholding pattern of the Company as on 11th September, 2020.

The percentage (%) of post issue shareholding is arrived after considering the proposed preferential issue of upto 16,00,000 Equity Shares and upto 16,00,000 Convertible Warrants as per the resolutions mentioned in the Postal Ballot Notice.