

# GITANJALI

GITANJALI GEMS LIMITED

Registered Office: A-1, 7th Floor, Laxmi Tower, Bandra Kurla Complex, Bandra (E), Mumbai -400051

Tel.: 022 40354600/01; Fax: 022 40102005

CIN : L36911MH1986PLC040689; Website: www.gitanjaligroup.com

## NOTICE OF POSTAL BALLOT

Dear Shareholder(s),

Pursuant to the provisions of Section 110 of the Companies Act, 2013 ("the Act") and all other applicable provisions, if any, of the Act, read with the Companies (Management and Administration) Rules, 2014 ("Rules") (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and further pursuant to applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Secretarial Standard on General Meetings (SS-2) issued by Institute of Company Secretaries of India and any other applicable laws and regulations, the resolution set out below is proposed to be passed as Special Resolution by way of Postal Ballot/ e-voting:

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

**"RESOLVED THAT** pursuant to the provisions of sections 42, 62, 71 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with Rules made thereunder and other applicable laws, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), and in accordance with the extant provisions contained in Chapter VII of Securities and Exchange Board of India (Issue of Capital and Disclosures Requirements) Regulations 2009 ("ICDR Regulations") as amended from time to time, Securities and Exchange Board of India (Listing obligation and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), provisions of the Memorandum and Articles of Association of the Company and all other applicable laws/ rules / regulations/ guidelines /policies framed/ issued by any appropriate/ statutory authorities and subject to such approvals, consents, permissions, and /or sanctions ( hereinafter referred to as the "Approvals") as may be required from the Government of India, the Reserve Bank of India ("RBI"), or from any other appropriate authorities, institutions or bodies (hereinafter collectively referred to as the "Concerned Authorities") and subject to fulfilment of such conditions, if any, as may be required in obtaining, or as may be stipulated by the Concerned Authorities from time to time in granting such approval, which may be agreed to, in its sole discretion, by the Board of Directors of the Company (hereinafter referred "the Board", which term shall be deemed to include any other Committee of the Board, which the Board may have constituted or hereinafter constitute for the time being, to exercise its powers including the powers conferred on the Board of Directors by this resolution, or any person(s) authorised by the Board or its Committee for such purposes) consent of the Members be and is hereby accorded to the Board to create, offer, issue and allot 10 (Ten) Zero Percent Fully Convertible Debentures ("FCDs") having a face value of Rs. 3,06,70,000/- (Rupees Three Crores Six Lacs Seventy Thousand only) each, for an aggregate amount of Rs. 30,67,00,000/- (Rupees Thirty Crores and Sixty Seven Lacs only) on a preferential basis to HT Media Limited ("HT Media") convertible into such number of equity shares of the Company of nominal value of Rs. 10/- (Rupees Ten only) each at a price which is higher of price as computed in accordance with ICDR Regulations or Rs. 63.65/- being the minimum floor price as mutually agreed between the Company and HT Media.

**RESOLVED FURTHER THAT** against each of the said FCD, HT Media shall be entitled to apply for and seek allotment of Equity shares, at its option, within period not exceeding 18 (eighteen) months from the date of issue of the said FCDs.

**RESOLVED FURTHER THAT** in accordance with the provisions of ICDR Regulations, the 'Relevant Date' for determining the price for allotment of Equity Shares upon conversion of FCDs to HT Media shall be the date 30 (Thirty) days prior to the date of exercise of right of conversion of FCDs into equity shares.

**RESOLVED FURTHER THAT** the Equity Shares to be issued and allotted upon conversion of FCDs, as aforesaid, shall rank pari passu in all respects with the then existing Equity Shares of the Company.

**RESOLVED FURTHER THAT** for the purpose of giving effect to the aforesaid resolution, the Board be and is hereby authorised on behalf of the Company to take all actions and to do all such acts, deeds, matters and things as it may in its absolute discretion, deem necessary, proper or desirable for such purpose, including to seek listing of the Equity Shares to be issued and allotted upon conversion of the FCDs, and to modify, accept and give effect to any modifications in the terms and conditions of the issue as may be required by the statutory, regulatory and other appropriate authorities (including but not limited SEBI, the Reserve Bank of India etc.) and as may be agreed by the Board and to settle all questions, difficulties or doubts that may rise in the proposed issue, pricing of the issue, offer and allotment of the Equity Shares arising there from, including utilization of the issue proceeds and to execute all such deeds, documents, writings, agreements, application in connection with the proposed issue as the Board may in its absolute discretion deem necessary or desirable without being required to seek any further consent or approval of the Members or otherwise with the intent that the Members shall be deemed to have given their approval thereto expressly by the authority of the resolution.

**RESOLVED FURTHER THAT** the Board be and is hereby authorise to delegate all or any of the powers herein conferred to Committee of Directors to give effect to this resolution"

By order of the Board  
For Gitanjali Gems Limited

Registered Office:

A-1, 7th Floor, Laxmi Tower, Bandra Kurla Complex,  
Bandra East, Mumbai – 400051

Pankhuri Warange  
Company Secretary

Place: Mumbai

Date: September 28, 2017

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## NOTES :

1. Statement pursuant to Section 102 of the Companies Act, 2013 setting out all material facts and reasons for the aforesaid special business is annexed hereto.
2. The Postal Ballot Notice is being sent to all the Members of the Company, whose names appear in the Register of Members/List of Beneficial Owners as received from National Securities Depository Limited (NSDL) / Central Depository Services (India) Limited (CDSL) as on closing hours of Friday, October 20, 2017 (cut-off date) and the voting rights shall also be reckoned on the paid-up value of shares registered in the name of the Member(s) as on the said cut-off date.
3. The Postal Ballot Notice is being sent by email to those members who have registered their email addresses with their depository participants (in case of shares held in demat form) or with the Company's Registrar & Share Transfer Agent (in case of shares held in physical form). For members whose email IDs are not registered, physical copies of Postal Ballot Notice are being sent by permitted mode, along with a postage-prepaid self-addressed Business Reply Envelope.
4. Shareholders who have received Postal Ballot Notice by e-mail and who wish to vote through Physical Postal Ballot Form can download Postal Ballot Form from [www.gitanjaliigroup.com](http://www.gitanjaliigroup.com) or seek duplicate Postal Ballot Form from Karvy Computershare Private Limited, Registrar & Share Transfer Agent, Unit: Gitanjali Gems Limited, Karvy Selenium Tower B, Plot No. 31 & 32 Financial District, Nanakramguda, Hyderabad: 500 032, fill in the details and send the same to the Scrutinizer.
5. Only a Member holding shares as on the cut-off date is entitled to exercise his vote through e-voting/physical Ballot.
6. 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.
7. The Board of Directors has appointed M/s Manish Ghia & Associates, Practicing Company Secretaries, Mumbai, as the Scrutinizer to receive and scrutinize the completed Postal Ballot papers received from the Members and for conducting the Postal Ballot / e-voting process in a fair and transparent manner.
8. Postal Ballot Form and the self-addressed postage pre-paid envelopes are enclosed for use by the Member(s).
9. Members can cast their vote online from November 1, 2017 (9:00 am onwards) till November 30, 2017 (up to 5:00 pm) as the e-voting module shall be disabled for voting by Karvy Computershare Private Limited. Thereafter, no voting shall be allowed beyond 5:00 pm of November 30, 2017.
10. If you are voting through Postal Ballot Form (i.e. Physical Ballot), you are requested to carefully read the instructions printed on the form enclosed herewith and return it, duly completed and signed along with your assent (FOR) or dissent (AGAINST) in the attached self-addressed postage pre-paid business reply envelope (BRE), so as to reach the Scrutinizer on or before the close of working hours i.e. 5:00 p.m. on November 30, 2017. Please note that any Postal Ballot Form(s) received after that date and time will be treated as not having been received.
11. 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 Postage Pre-paid Envelope.
12. Unsigned Postal Ballot Form will be rejected.
13. Documents related to the abovementioned resolution are open for inspection at the Registered Office of the Company on all working days (except Saturday & Sunday) from 11:00 am to 4:00 pm till November 30, 2017.
14. Kindly note that each Member can opt for only one mode for voting i.e. either by Physical Ballot or by E-Voting. If you opt for E-Voting, then please do not vote by Physical Ballot and vice versa. In case Member(s) cast their vote via both modes i.e. Physical Ballot as well as E-Voting, then voting done through E-Voting shall prevail and Physical Voting of that Member shall be treated as invalid notwithstanding whichever option is exercised first. For voting, please read carefully the "Procedure/instructions for voting" enumerated herein below.
15. In case of any queries or grievances, with regard to e-voting, members can Contact Mr. B Srinivas, Manager, Karvy Computershare Private Limited at Contact No: 040 – 67162222, email id: [einward.ris@karvy.com](mailto:einward.ris@karvy.com).
16. The Scrutinizer will submit his report to the Chairman & Managing Director of the Company after completion of the scrutiny of the Postal Ballot Forms received in electronic and physical modes. The result of the voting will be declared by the Chairman & Managing Director or by such other person as may be authorized by him on Friday, December 1, 2017 at the Registered Office of the Company and will be communicated to the Stock Exchanges, Karvy Computershare Private Limited and shall also be displayed on the Company's website at [www.gitanjaliigroup.com](http://www.gitanjaliigroup.com).

## PROCEDURE/INSTRUCTIONS FOR VOTING

### (a) In case of Shareholders' receiving e-mail from Karvy:

- i) Open your e-mail. The login credentials (i.e., user-id & password) will be mentioned in the mail. Please note that the password is an initial password.
- ii) Launch internet browser by typing the following <https://evoting.karvy.com>
- iii) Put user ID and password as initial password noted in step (i) above. Click Login.
- iv) Members holding shares in Demat/ Physical form will now reach Password Change menu wherein they are required to mandatorily change their login password in the new password field. The new password has to be minimum eight characters consisting of at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character. Kindly note that this password can be used by the Demat holders for voting for resolution of any other Company on which they are eligible to vote, provided that Company opts for e-voting through Karvy Computershare Private Limited e-Voting platform. System will prompt you to change your password and update any contact details like mobile number, email ID etc, on 1st login. You may also enter the Secret Question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- v) You need to log in again with the new credentials.
- vi) On successful login system will prompt to select the e-voting event number of Gitanjali Gems Limited.
- vii) If you are holding shares in Demat form and had logged on to "https://evoting.karvy.com" and casted your vote earlier for any company, then your existing login id and password are to be used.

- viii) Cast your vote by selecting appropriate option and click on “Submit” and also “Confirm” when prompted.
- ix) Once you have voted on the resolution, you will not be allowed to modify your vote.
- x) 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: [scrutinizer@mgconsulting.in](mailto:scrutinizer@mgconsulting.in) with a copy marked to [evoting@karvy.com](mailto:evoting@karvy.com)

**(b) In case of Shareholders’ receiving Postal Ballot Form by Post:**

- i) Initial password is provided as below/at the bottom of the Postal Ballot Form

EVEN (E-Voting Event Number)	User ID	Password / PIN

- ii) Please follow all steps from Sl. No. (ii) to Sl. No. (x) above, to cast vote if you wish to opt for e-voting.
- iii) Please contact toll free No. **1-800-34-54-001** for any further clarifications.
- iv) If you are already registered with Karvy Computershare Private Limited for e-voting then you can use your existing user ID and password for casting your vote.

**STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

The Company proposes to create, offer, issue and allot 10 (Ten) Zero Percent Fully Convertible Debentures (FCDs) having a face value of Rs. 3,06,70,000/- (Rupees Three Crores Six Lacs Seventy Thousand only) each, for an aggregate amount of Rs. 30,67,00,000/- (Rupees Thirty Crores and Sixty Seven Lacs only) on a preferential basis to HT Media Limited (“HT Media”) convertible into such number of equity shares of the company of nominal value of Rs 10/- (Rupees Ten Only) each at a price which is higher of the price as computed in accordance with Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2009 (“ICDR Regulations”) or Rs. 63.65/- being the minimum floor price as mutually agreed between the Company and HT Media. The tenure of the FCDs shall not exceed 18 (eighteen) months from the date of their allotment.

Approval of Members is being sought pursuant to the provisions of sections 42, 62 and 71 of the Companies Act, 2013, Chapter VII of ICDR Regulations and other applicable provisions.

The following disclosure for the preferential issue of FCDs is made in accordance with the provision of Regulation 73 of Chapter VII of SEBI ICDR Regulations relating to the Preferential Issue and the Companies Act, 2013.

**1. Objects of the preferential issue:**

The object of this issue is to mobilize funds to meet working capital requirements and general corporate purpose.

**2. Proposal of promoters, directors or Key managerial personnel of the Company to subscribe to the offer:**

None of the promoters of the Company, Directors or Key Managerial personnel of the Company has any intention to subscribe to the offer. The offer is limited to the Proposed Allottee.

**3. Relevant Date:**

Relevant date for determination of the price at which FCDs will convert into equity shares of the Company, shall be the date 30 (Thirty) days prior to the date of exercise of right of conversion of FCDs into equity shares.

**4. Shareholding pattern before and after the preferential issue:**

Sr. No.	Category of Shareholder	Before Preferential issue	
		No. of Shares	% of Equity
<b>A</b>	<b>PROMOTER</b>		
	Indian	36821761	31.04
	Foreign	-	-
	<b>Sub-Total</b>	<b>36821761</b>	<b>31.04</b>
<b>B</b>	<b>PUBLIC</b>		
	Mutual Fund / UTI	-	-
	Banks and Financial Institutions	56642	0.05
	Foreign Portfolio Investors	9364023	7.89
	Bodies Corporate	16823656	14.18
	Resident Individuals	32827903	27.68
	NRI	15508033	13.07
	HUF	1506020	1.27
	Trust	11	0.00
	Clearing Members	840942	0.71
	Insurance Companies	4799784	4.05
	NBFC	67230	0.06
	<b>Sub-Total</b>	<b>81794244</b>	<b>68.96</b>
	<b>GRAND TOTAL</b>	<b>118616005</b>	<b>100</b>

Note: As the price of Equity shares to be allotted upon conversion of the FCDs is not yet ascertained and will be ascertained only when the holder of the FCDs exercise their right to convert the FCDs into equity shares, it would presently not be possible to calculate the post-issue shareholding pattern of the Company upon conversion of FCDs.

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**5. Time within which preferential issue will be completed:**

In accordance with the provisions of Regulation 74 of the SEBI ICDR Regulations, the Company will complete the proposed allotment of FCDs within a period of 15 days from the date of passing of the Special Resolution by the shareholders, subject to necessary approval from the Stock Exchanges or such other authorities as may be required.

The issue and allotment of equity shares upon conversion of said FCDs shall be made within 18 months from the date of issue of said FCDs.

**6. Details of identity of the persons who are ultimate beneficial owners of the shares proposed to be allotted and/or who ultimately control the proposed allottees, percentage of post preferential issue capital that may be held by them and change in control, if any, in the Company consequent to the preferential issue:**

Sr. No.	Name of Proposed Allottee	Pre-allotment		Post –allotment		The identity of the person who are the ultimate beneficial owners or who ultimately control the proposed allottee
		No. of Equity Shares	%to paid up capital	No. Of Equity Shares	% to paid up Capital	
1	HT Media Limited	Nil	Nil	Please See Note 1		1. Mrs. Shobhana Bhartia 2. Mr. Priyavrat Bhartia 3. Mr. Shamit Bhartia 4. Kalpataru Charity Trust
	<b>Total</b>	<b>Nil</b>	<b>Nil</b>			

Note 1: As the conversion price cannot be determined as on the date of Notice to the Members, the number of Equity Shares on conversion of FCDs proposed to be issued, does not form part of the Post-allotment Shareholding.

**7. Undertaking that the Company will re-compute the price of the specified securities proposed to be issued to the Investor in terms of the SEBI ICDR Regulations where it is required to do so:**

Price for the proposed preferential issue will be computed in compliance with said Regulations. The Company undertakes that it shall, if required, re-compute the price of the equity shares in terms of the said Regulations.

**8. Undertaking that if the amount payable on account of re-computation of price is not paid within time stipulated in the SEBI ICDR Regulations, the specified securities shall continue to be locked-in till the time such amount is paid by the Investor:**

The Company undertakes that if the amount payable on account of the re-computation of price is not paid within the time stipulated in the said Regulations, the equity shares issued to proposed allottees shall continue to be locked in till the time such amount is paid by them.

**9. Certificate from Statutory Auditor:**

The Statutory Auditors of the Company has issued certificate that the preferential issue is being made in accordance with the requirements contained in the ICDR Regulations as per this Postal Ballot notice. The copy of the said certificate is available for inspection by the shareholders during office hours at the Registered Office of the Company on all working days during the voting periods.

**10. Lock In:**

The FCDs allotted on a preferential basis and the equity shares to be allotted pursuant to exercise of options attached to the FCDs, shall be subject to 'lock-in' for minimum period as mentioned in the ICDR Regulations.

**11. Pricing of the equity shares :**

The equity shares pursuant to conversion of Fully Convertible Debentures shall be issued at higher of the following price :

- (a) The average of the weekly high and low of the volume weighted average price of the related equity shares quoted on the recognised stock exchange during the twenty six weeks preceding the relevant date; or
- (b) The average of the weekly high and low of the volume weighted average prices of the related equity shares quoted on a recognised stock exchange during the two weeks preceding the relevant date.
- (c) Rs. 63.65/- being the floor price as mutually agreed between the parties.

The Special Resolution pursuant to the provisions of section 42 and 62(1)(c) of Companies Act, 2013 is proposed to be passed to enable the Company to proceed with the proposed preferential issue.

Your directors recommend the special resolution for the approval of members.

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in this resolution.

By order of the Board  
For Gitanjali Gems Limited

**Registered Office:**

A-1, 7th Floor, Laxmi Tower, Bandra Kurla Complex,  
Bandra East, Mumbai – 400051

**Pankhuri Warange**  
Company Secretary

Place: Mumbai

Date: September 28, 2017