



NHC FOODS LIMITED

(CIN: L15122GJ1992PLC076277)

Registered Office:- Survey No. 777, Umarsadi Desaiwad Road, At village Umarsadi, Taluka Pardi, District Valsad, Gujarat – 396175.

Tel. No. 0260-2375660 Fax No. 0260-2375662

Corporate Office:- NHC House, 2/13, Anand Nagar, Santacruz (East), Mumbai-400055.

Tel. No. 022-61522020 Fax No. 022-61522021

Email id: grievances@nhcgroup.com Website: www.nhcgroup.com

POSTAL BALLOT NOTICE

(Pursuant to Section 110 of the Companies Act, 2013 read with the Companies

(Management and Administration) Rules, 2014)

Dear Member(s),

Notice is hereby given pursuant to Section 110 and other applicable provisions of the Companies Act, 2013, (hereinafter referred to as “**the Act**”), read together with the Companies (Management and Administration) Rules, 2014 (“**Rules**”) (including any statutory modification or re-enactment thereof for the time being in force) to the Members of NHC Foods Limited (hereinafter referred to as “**the Company**”) that the resolutions appended below are proposed to be passed by way of postal ballot / e-voting as the case may be.

The explanatory statement pertaining to the said resolutions setting out the material facts concerning each item and the reasons thereof are annexed hereto alongwith a postal ballot form (hereinafter referred to as “**the Postal Ballot Form**”) for your consideration.

The Board of Directors of the Company has appointed Mr. Narayan Parekh, (ACS 8059) Partner of M/s PRS Associates, Practicing Company Secretaries, Mumbai as the Scrutinizer, for conducting the postal ballot and e-voting process, in a fair and transparent manner.

The business of the postal ballot shall, in addition to physical voting, also be transacted through electronic voting system. Accordingly, the Company in compliance with, Regulation 44 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the provisions of Section 108 of the Act read with Rule 20 and 22 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, is pleased to provide to the Members (whether holding shares in physical or in dematerialized form) the facility to exercise their right to vote on the matters included in the notice of the postal ballot by electronic means i.e. through e-voting services provided by Central Depository Services (I) Limited (CDSL).

The e-voting period commences on Friday the 24th June, 2016 at 9.00 a.m. and ends on Saturday, the 23rd July, 2016 at 5.00 p.m. Please read carefully and follow the instructions as printed in this Notice for e-voting.

Those Members, who do not have access to e-voting facility can send their assent or dissent in writing on the Postal Ballot Form attached herewith. Members are requested to carefully read the instructions printed on the Postal Ballot Form and return the Postal Ballot Form duly completed and signed in the attached self-addressed, postage pre-paid business reply envelope, so as to reach the Scrutinizer before the close of the working hours 5.00 p.m. on Monday the 25th July, 2016. at the Company’s Registrar and Share Transfer Agent namely System Support Services, Unit :- NHC Foods Limited, 209, Shivai Industrial Estate, Near Parke - Davis, 89, Andheri Kurla Road, Saki Naka, Andheri (E), Mumbai-400072. Please note that any Postal Ballot Form(s) received after 5.00 p.m. on Monday the 25th July, 2016 will be treated as not received.

The Scrutinizer will submit his report to the Chairman or in his absence, any Director authorised by the Board, after the completion of the scrutiny of the postal ballots (physical and e-voting). The results of the voting by postal ballot will be announced by the Chairman of the Company or in his absence, any person authorized by him, on Tuesday, 26th July, 2016 at 5.00 p.m. at the Corporate Office of the Company and will be displayed on the notice board at the registered office and corporate office of the Company. The results of the postal ballot will also be posted on the Company’s website www.nhcgroup.com and on the website of Central Depository Services (I) Limited, besides communicating to the Stock Exchange i.e. BSE Limited.

SPECIAL BUSINESS

ITEM No. 1: ISSUE OF EQUITY SHARES ON PREFERENTIAL ALLOTMENT BASIS TO PROMOTERS

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

“**RESOLVED THAT** pursuant to Sections 62 and all other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Prospectus and Allotment of Securities) Rules, 2014 (including any statutory modification thereto or re-enactment thereof for the time being in force) and pursuant to the provisions of Chapter VII of the Securities and

Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (“**SEBI ICDR Regulations**”) as in force and provisions of the Memorandum and Articles of Association of the Company and the Listing Agreements / SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 entered into by the Company with Stock Exchange where the shares of the Company are listed, (hereinafter collectively referred to as “**Appropriate Authorities**”), and subject to such conditions as may be prescribed by any of them while granting any such approval, consent, permission, and/or sanction (hereinafter referred to as “**Requisite Approvals**”), which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the “**Board**” which term shall be deemed to include any committee thereof which the Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred by this resolution), the Board be and is hereby authorized at its absolute discretion to create, offer, issue and allot, upto 8,95,000 equity shares of Rs. 10/- (Rupees Ten only) each fully paid up on conversion of outstanding Unsecured Loan into Equity shares, at a price which shall not be lesser than the minimum specified price as per the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, on a preferential allotment basis to Mr. Apoorva Shah, the Promoter of the Company.

RESOLVED FURTHER THAT:

The relevant date for the purpose of issue of Equity Shares as per Chapter VII of the SEBI (ICDR) Regulations, 2009, as amended upto date for the purpose of determination of the applicable price of equity shares is 24th June, 2016 i.e. the 30 days prior to the date of the declaration of the Results of the postal Ballot to be held, in terms of Section 62, 110 and other relevant provisions of the Companies Act, 2013, to consider the proposed issue.”

- i. The Offer, Issue and Allotment of the aforesaid Equity Shares shall be made at such time or times as the Board may in its absolute discretion decide.
- ii. The allotment of Equity Shares is proposed to be completed within a maximum period of 15 days from the date of declaration of the results of the Postal Ballot. In case the allotment on preferential basis is pending on account of pendency of any approval for such allotment by any regulatory authority including Stock Exchange where the shares of the Company are listed or the Central Government then the allotment shall be completed within 15 days from the date of receipt of such approval as the case may be.

RESOLVED FURTHER THAT the Board be and is hereby authorized to issue and allot such number of Shares as may be required or as may be necessary in accordance with the terms of the offer, and all such equity shares shall be ranking pari passu and inter-se with the then existing equity shares of the Company in all respects including dividend.

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution and matters flowing from, connected with and incidental to any of the matters mentioned in the aforesaid resolution, the Board be and is hereby authorized 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, desirable or expedient to the issue or allotment, listing thereof with stock exchange and to resolve and settle all questions and difficulties that may arise in the proposed issue, allotment, utilization of the issue proceeds and to do all acts, deeds and things in connection therewith and incidental thereto as the Board may in its absolute discretion deem fit, without being required to seek any further consent or approval of the shareholders or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution.”

RESOLVED FURTHER THAT the Board be authorized to delegate all or any of the powers conferred by this resolution on it, to any Committee or Sub-Committee of Directors or the Chairman or any other Director(s) or Officer(s) of the Company to give effect to the aforesaid resolution, with the power to such Committee/sub-Committee of the Board to further delegate all or any of its powers/duties to any of its members.”

ITEM NO. 2: APPROVAL FOR SALE OF UNDERTAKING(S) OF THE COMPANY SITUATED AT NHC HOUSE, 2/13, ANAND NAGAR, SANTACRUZ (E), MUMBAI - 400055.

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

“**RESOLVED THAT** in pursuance of Section 180 (1) (a) and Section 110 of the Companies Act, 2013 (hereinafter referred to as Act) read with the Companies (Management and Administration) Rules, 2014 and other applicable provisions if any of the Act and Rules made thereunder as amended or restated from time to time and subject to requisite approvals including the approval of all concerned statutory and regulatory authorities and departments, person or persons, if and to the extent necessary and such other approvals, permissions and sanctions as may be required, the consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the Board which term shall include a committee thereof authorised for the purpose) to sell , lease or otherwise dispose of the immovable assets of the Company whether such assets constitute whole or substantially the whole of the various undertakings of the Company as described below alongwith furniture and fixtures and other moveable assets located at NHC House, 2/13, Anand Nagar, Santacruz (E), Mumbai - 400055 at a price which is not less than Rs.200 lakhs (Rupees Two Hundred Lakhs only) and on such terms and conditions as may be deemed fit by the Board.

RESOLVED FURTHER THAT the sale proceeds of the aforesaid assets may be applied for discharging the respective liabilities attributable thereto and in discharging the overall liabilities of the Company.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do and perform or cause to be done all such acts, deeds, matters and things, as may be required or deemed necessary or incidental thereto, including to determine the manner and method of sale, transfer, disposal and to settle and finalise all issues that may arise in this regard, without further referring to the Members of the Company, including without limitation, negotiating, finalising and executing necessary agreements (including such representations, warranties indemnities and covenants as may be customary in such transactions), deed of conveyance, deed of assignment, schemes, and subsequent modifications thereto and such other documents as may be necessary or expedient in its own discretion and in the interest of the Company, including without limitation, to settle any questions, difficulties, doubts that may arise in this regard, as it may in its absolute discretion deem fit, and to delegate all or any of the powers or authorities herein conferred to any Director(s) or other official(s) of the Company, to any committee of the Board or to engage any advisor, consultant, agent or intermediary, as may be deemed necessary to give effect to this resolution.”

ITEM NO. 3: APPROVAL FOR SALE OF UNDERTAKING(S) OF THE COMPANY SITUATED AT SURVEY NO. 777, UMARSADI DESAIWAD ROAD, AT VILLAGE UMARSADI, TALUKA PARDI, DISTRICT VALSAD, GUJARAT - 396175

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

“**RESOLVED THAT** in pursuance of Section 180(1) (a) and Section 110 of the Companies Act, 2013 (hereinafter referred to as Act) read with the Companies (Management and Administration) Rules, 2014 and other applicable provisions if any of the Act and Rules made thereunder as amended or restated from time to time and subject to requisite approvals including the approval of all concerned statutory and regulatory authorities and departments, person or persons, if and to the extent necessary and such other approvals, permissions and sanctions as may be required, the consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the Board which term shall include a committee thereof authorised for the purpose) to sell , lease or otherwise dispose of the immovable assets of the Company whether such assets constitute whole or substantially the whole of the various undertakings of the Company as described below alongwith Plant and Machinery furniture and fixtures and other moveable assets located at Survey no. 777, Umarsadi Desaiwad Road, at Village Umarsadi, Taluka Pardi, District Valsad, Gujarat - 396175 at a price which is not less than Rs. 400 lakhs (Rupees Four Hundred Lakhs only) and on such terms and conditions as may be deemed fit by the Board.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do and perform or cause to be done all such acts, deeds, matters and things, as may be required or deemed necessary or incidental thereto, including to determine the manner and method of sale, transfer, disposal and to settle and finalise all issues that may arise in this regard, without further referring to the Members of the Company, including without limitation, negotiating, finalising and executing necessary agreements (including such representations, warranties indemnities and covenants as may be customary in such transactions), deed of conveyance, deed of assignment, schemes, and subsequent modifications thereto and such other documents as may be necessary or expedient in its own discretion and in the interest of the Company, including without limitation, to settle any questions, difficulties, doubts that may arise in this regard, as it may in its absolute discretion deem fit, and to delegate all or any of the powers or authorities herein conferred to any Director(s) or other official(s) of the Company, to any committee of the Board or to engage any advisor, consultant, agent or intermediary, as may be deemed necessary to give effect to this resolution.”

**For and on Behalf of the Board of Directors
For NHC Foods Limited**

**Sd/-
Suvarnalata Chavan
Company Secretary & Compliance Officer**

Place: Mumbai

Dated: 30th May, 2016

Notes:

1. In compliance with the provisions of Section 110 of the Companies Act, 2013 read with Rule 20 and 22 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company offers e-voting option to the Members as an alternative to enable them to cast their votes.
2. The Company has engaged the services of M/s. Central Depository Services (I) Limited (CDSL) for the purpose of e-voting facility to all its members. Members desiring to exercise their vote by using e-voting facility are requested to carefully follow the instructions in the notes under section “voting through electronic means” in the notice.
3. Explanatory Statement for the proposed resolutions mentioned above, pursuant to Section 102 of the Companies Act, 2013 read with Section 110 of the Companies Act, 2013 setting out material facts is appended herewith.

4. A copy of each of the documents referred to in the accompanying Explanatory Statement is open for inspection at the Registered / Corporate Office of the Company during office hours on all working days, except Saturday and Sunday and other holidays, between 11:00 a.m. and 1:00 p.m. up to the date of declaration of results of postal ballot i.e. Tuesday, 26th July, 2016.
5. The notice, together with the documents accompanying the same, is being sent to all the members, by permitted mode (and electronically by e-mail to those members who have registered their e-mail ids with the Company's Registrar and share Transfer agents/CDSL/NSDL) whose names appear in the Register of Members/ list of beneficial owners as received from CDSL and NSDL as on the close of working hours on June 10, 2016 i.e. "the cut-off date". Any person who acquires shares of the Company and becomes a member of the Company after the dispatch of the notice and holding shares as on the cutoff date may cast their vote by e-voting. The notice will be displayed on the website of the Company www.nhcgroup.com and on the website of CDSL i.e. www.evotingindia.com.
6. The date of dispatch of the notice and the Explanatory Statement will be announced through advertisement in the following newspapers: - (i) Financial Express in English language and (ii) Financial Express in Gujarathi language having wide circulation in the district where the Registered Office of the Company is situated.
7. The Company has appointed Mr. Narayan Parekh, (ACS 8059) Partner of M/s PRS Associates, Practicing Company Secretaries as the Scrutinizer for conducting the E-voting/ Postal Ballot in a fair and transparent manner.
8. The Postal Ballot Form together with the self-addressed business reply envelope is enclosed for the use of the members. Members voting in physical form are requested to carefully read the instructions printed on the enclosed Postal Ballot Form. Members who have received the postal ballot notice by e-mail and who wish to vote through the postal ballot form can download the postal ballot form from the following url on the Company's corporate website www.nhcgroup.com or seek duplicate postal ballot form from M/s. System Support Services, the Registrar and share Transfer Agent or Corporate Office of the Company. Members shall fill in the requisite details and send the duly completed, and signed postal ballot form in the enclosed self addressed postage pre-paid envelope to the Scrutinizer before the close of working hours i.e. 5.00 p.m. on 25th July, 2016. The postage cost will be borne by the Company. However, envelopes containing Postal Ballots, if sent by courier or registered / speed post at the expense of the Members will also be accepted. Assent / Dissent received after 5.00 p.m. on Monday, 25th July, 2016 would be strictly treated as if reply from the Members has not been received.
9. Incomplete, unsigned, improperly or incorrectly tick marked postal ballot forms will be rejected. There will be only 1 (one) postal ballot form for every registered folio / client ID irrespective of the members of joint Members.
10. The postal ballot form should be completed and signed by the member as per specimen signature registered with the Company and/or furnished by the Depositories. In case, shares are jointly held, this form should be completed and signed by the first named Member and, in his/her absence, by the next named Member. Holder(s) of Power of Attorney ("POA") on behalf of a Member may vote on the postal ballot mentioning the registration number of the POA with the Company or enclosing a copy of the POA authenticated by a notary. In case of shares held by companies, societies etc., the duly completed postal ballot form should be accompanied by a certified copy of the board resolution/ authorization giving the requisite authority to the person voting on the postal ballot form. The Scrutinizer will submit his report to the Chairman after completion of the scrutiny of the postal ballots including e-votes submitted. The Scrutinizer's decision on the validity of the votes(including e-votes) shall be final. The results of the postal ballot including e-voting will be announced on 26th July ,2016 at the Corporate office of the Company situated at 2/13, NHC House, Anand Nagar, Santacruz (E), Mumbai - 400055. The results, together with the Scrutinizer's Report, will be displayed at the registered and Corporate Office of the Company and on the website of Company (<https://www.nhcgroup.com>), besides being communicated to BSE Limited and the Central Depository Services (I) Limited. The result of the Postal Ballot shall also be announced through newspaper advertisement. In the event, the resolutions are assented to by the requisite majority of Members by means of Postal Ballot, the date of declaration of Postal Ballot result shall be deemed to be the date of passing of the said resolutions.
11. Kindly note that the Members can opt only one mode for voting i.e. either by physical ballot or e-voting. If you are opting for e-voting, then do not vote by physical and vice versa. However, in case Member(s) cast their vote both via physical ballot and e-voting, then voting validly done through e-voting shall prevail and voting done by physical ballot shall be treated as invalid.
12. The vote on postal ballot cannot be exercised through proxy.
13. Voting through electronic means:
 - (i) The voting period begins on 24th June, 2016 from 9.00 a.m. and ends on 23rd July, 2016 till 5.00 p.m. During these period shareholders of the Company, holding shares either in physical form or in dematerialized form, i.e. 10th June, 2016, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting on 23rd July, 2016 at 5.00 p.m. IST. Once the vote on a resolution is cast by a Member, he or she will not be allowed to change it subsequently.
 - (ii) The shareholders should log on to the e-voting website : www.evotingindia.com.
 - (iii) Click on Shareholders Tab.

- (iv) Now enter your User ID
- A For CDSL: 16 digits beneficiary ID;
- B For NSDL: 8 Character DPID followed by 8 Digits Client ID;
- C Members holding shares in Physical Form should enter Folio Number registered with the Company. Next enter the Image Verification as displayed and Click on Login.
- (v) If you are holding shares in demat form and had logged on to and have cast your vote earlier for EVSN of any Company, then your existing password is to be used.
- (vi) If you are a first time user, follow the steps given below and fill the appropriate boxes:

For Members holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (applicable for both demat shareholders as well as physical shareholders)
	<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 names and the 8 digits of the sequences number in the PAN Field. The Sequence number is printed on the Postal Ballot Paper. Alternatively, they may use the Postal Ballot Form for voting. 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, e.g. if your name is Ramesh Kumar with sequence number 1, then enter RA00000001 in the pan field.
DOB	Enter the Date of Birth as recorded in your demat account or in the Company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details #	Enter the Dividend Bank Details as recorded in your demat account or in the Company records for the said demat account or folio # Please enter the DOB or Dividend Bank Details in order to login. If 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).

- (vii) After entering these details appropriately, click on "SUBMIT" tab.
- (viii) Members holding shares in physical form will then directly reach the EVSN 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.
- (ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (x) Click on the relevant EVSN for NHC Foods Limited on which you choose to vote.
- (xi) 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.
- (xii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiii) 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.
- (xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvi) If 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.
- (xvii) 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 Corporate.
 - A scanned copy of the Registration Form bearing the stamp and signature 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 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.

In case of members receiving the physical copy:

- I. Please follow all steps from Sr. No. (i) to Sr. No. (xvii) above to cast vote.
- II. 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 under help section or write an email to helpdesk.evoting@cDSLindia.com.

EXPLANATORY STATEMENT PURSUANT TO THE PROVISIONS OF SECTION 102 OF THE COMPANIES ACT, 2013

ITEM NO. 1

- A.** In terms of section 102 of the Companies Act, 2013 and Chapter VII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (“ICDR Regulations”) and any other applicable law, the Explanatory Statement set out all the material facts relating to the special business mentioned in the accompanying notice dated 30th May, 2016.

The Board of Directors in its meeting held on Monday, the 30th day of May, 2016 discussed the future plans of the Company and its existing requirement for funds and various ratios particularly the debt equity ratio. In view of the foregoing, the Board considered the best way to raise the funds required to improve the ratios be leveraging debt and equity and to finance the operations of the Company is by way of issuance of shares on the preferential basis. Based on the above discussions, the Board resolved to issue, offer and allot upto 8,95,000 Equity Shares of Rs.10/- each on conversion of Unsecured Loans into Equity shares on preferential basis. The pricing of the Equity Shares to be allotted on preferential basis to the Promoter shall not be lower than the price determined in accordance with the SEBI (ICDR) Regulations, 2009.

Pursuant to provisions of Section 62 of the Companies Act, 2013, any offer or issue of shares of the Company to persons other than the existing holders of the equity shares of a Company requires prior approval of the Shareholders in general meeting by way of a Special Resolution. The Listing Agreement executed by the Company with the Stock Exchange also provide that the Company shall, in the first instance, offer all securities for subscription on proportionate basis to the Shareholders unless the Shareholders in a general meeting decide otherwise.

- B. The details of the issue and other particulars as required in terms of Regulation 73 (1) of SEBI (ICDR) Regulations, 2009 and the disclosures pursuant to Rule 13 (2) (d) of the Companies (Share capital and Debenture) Rules, 2014 in relation to the resolution for the proposed preferential issue are given as under:**

(i) The Objects of the Preferential Issue:

The funds to be raised from the proposed issue of Equity Shares will be utilized for a combination of part funding of the expenditure for expansion, investment, support growth plans of the Company, long-term working capital and general corporate purposes.

(ii) The intention of the promoters/ directors/ key management persons to subscribe to the Preferential Issue:

The promoter of the Company intends to subscribe to the Preferential Issue in order to infuse capital for the aforementioned objects.

(iii) Pricing of Securities to be issued:

The issue of Equity Shares on preferential basis to the promoter of the Company will be in such manner and on such price, terms and conditions as may be determined by the Board in accordance with the provisions of Chapter VII of SEBI (ICDR) Regulations, 2009.

The Equity Shares allotted pursuant to the above Resolution shall rank pari-passu in all respects with the existing Equity Shares of the Company, including dividend.

(iv) Relevant Date:

The Relevant Date for the purpose of determining the pricing of shares in accordance with Chapter VII of SEBI (ICDR) Regulations, 2009 is Friday the 24th June, 2016. [i.e. 30 days prior to the date of the declaration of the Postal Ballot Result]

(v) **Particulars of Subscribers to Equity Shares**

The Company proposes to issue Equity Shares by way of preferential issue to the promoter upon conversion of outstanding Unsecured Loan into Equity shares as per the details given herein below:

Name of the Proposed subscribers	Pre Preferential Issue		New Allotment	Post Preferential Issue	
	Category -Promoter -	No. of Shares held		% of Holding	No. of Shares held
1. Apoorva Shah	38,04,316	32.09	8,95,000	46,99,316	36.85
Total	38,04,316	32.09	8,95,000	46,99,316	36.85

(vi) **Shareholding Pattern Pre and Post Preferential Issue:**

Table Category of Shareholders	A		B	
	Pre-Allotment		Pre-Allotment	
	Total No. of Shares	% of Total Voting Rights	Total No. of shares	% of Total Voting Rights
Promoters/Promoters' Group	71,37,487	60.21	80,32,487	63.00
Banks, FIs, Insurance Companies etc.	910	0.01	910	0.01
Body Corporate	4,71,677	3.97	4,71,677	3.70
Individual	41,55,262	35.05	41,55,262	32.59
NRI	89,664	0.76	89,664	0.70
Total	1,18,55,000	100	1,27,50,000	100

(vii) **Change in Management:**

The issue of Equity shares will not result in any change in the management or control of the Company.

(viii) **Lock in of Equity Shares**

The Equity shares to be allotted to the promoter on a preferential basis as set out in the resolution shall be locked in for a period of three years as per requirements of SEBI (ICDR) Regulations, 2009.

(ix) **Proposed time within which the allotment shall be completed:-**

As required under the SEBI (ICDR) Regulations, 2009, the Company shall complete the allotment(s) of Equity shares as aforesaid on or before the expiry of 15 days from the date of declaration of the result of the postal ballot. In case the allotment on preferential basis is pending on account of pendency of any approval(s) from any regulatory authority including Stock Exchange where the shares of the Company are listed or the Central Government, then the allotment shall be completed within 15 (fifteen) days from the date of such approval(s), as the case may be.

(x) **The number of persons to whom allotment on preferential basis have already been made during the year, in terms of number of securities as well as price: Nil.**

(xi) **The Company hereby undertakes that:**

- It would re-compute the price of the Securities specified above in terms of the provisions of the SEBI (ICDR) Regulations, 2009 where it is required to do so.
- If the amount payable on account of re-computation of price is not paid within the time stipulated in the SEBI (ICDR) Regulations, 2009, the above specified securities shall continue to be locked in till the time such amount is paid by allottees.

(xii) **Others:**

The certificate of the Statutory Auditors to the effect that the present preferential issue is being made in accordance with the requirements contained in Chapter VII of the SEBI (ICDR) Regulations, 2009 shall be open for inspection at the Registered / Corporate Office of the Company during office hours on all working days, except Saturday and Sunday and other holidays, between 11:00 a.m. and 1:00 p.m. up to the date of declaration of results of postal ballot i.e. Tuesday, 26th July, 2016.

As it is proposed to issue Equity shares on preferential basis, special resolution is required to be approved by members pursuant to the provisions of Section 62 of the Companies Act, 2013 and Chapter VII of the SEBI (ICDR) Regulations, 2009 and other applicable provisions (if any).

Your directors recommend the Special Resolution as set out in the notice for your approval.

Mr. Apoorva Shah and Mrs. Alpa Shah being spouse may be deemed to be concerned or interested, financially or otherwise, to the extent of their respective shareholding in respect of the issue and allotment of shares on preferential basis.

Save and except the above, none of the other Directors/Key Managerial Personnel of the Company/their relative(s) is, in any way, concerned or interested, financially or otherwise, in the resolution nos. 1 of the Notice.

ITEM NO. 2 &3

The Company keeps reviewing its Business strategy from time to time and makes decisions that deem fit to the expectation from its strategic intent and as a part of that intent, it is reviewing its business operations including consolidating its work place(s). Presently, the work place(s) of the Company is scattered over into several offices including corporate office at 'NHC House, 2/13, Anand Nagar, Santacruz (E), Mumbai - 400055 and Factory at Survey No. 777, Umarsadi Desaiwad Road, at Village Umarsadi, Taluka Pardi, District Valsad, Gujarat: 396175.

With the intent to get all major businesses, their support functions and the shared services under one roof, it is envisaged that a shift of work places be carried out to a consolidated, better and more convenient work place in the city. This would not only bring in operational efficiencies but also ensure smoother execution and implementation of the business objectives. Further, it will help in optimizing the operational cost which would inevitably lead to an enhancement in the shareholders' value.

Based on the options available in the current real estate/realty market it is proposed to lease, sub-lease, sale, transfer, convey, assign or otherwise dispose of the said property/ies and continue back office and factory operations in commercial hub located at Navi Mumbai, in the best interest of the Company. The Company proposes to buy new place or take the new place on lease / hire / rent basis.

It is imperative for the Company to reduce its borrowings to achieve its previous levels of profitability and sustain in the long run. The Company endeavours to attain this objective by selling / leasing or disposing of assets of the Company and reducing the borrowings.

The consideration from this action is proposed to be utilised for the reduction of debts of the Company.

The Board of Directors at its meeting held on Monday, 30th May, 2016 has, subject to the approval of Members of the Company and compliance of all applicable laws and regulations and subject to such approvals, consents, permissions and sanctions, as may be necessary, accorded its consent to lease, sub lease, sell, transfer, convey, assign or otherwise dispose of the immovable property/ies located in Mumbai and in Pardi as aforesaid, along with other facilities constructed thereon, equipments, furniture, fixture and other fixed assets on "as is where is" and "as it is" basis to any person(s) and/or entity(ies) as may be determined by the Board, for such consideration and on such terms and conditions as the Board of Directors may deem fit in the best interest of the Company.

The Company has initiated the above process for the property. The Board is of the opinion that in order to be fair and transparent in the affairs of the Company and in keeping with good corporate practices the approval of the members be taken, by way of abundant caution, to the proposed lease, sub lease, sale, transfer, conveyance, assignment or otherwise disposal of the immovable property/ies under Section 180(1)(a) of the Companies Act, 2013 (the Act).

The Board is also of the view that the proposed lease, sub lease, sale, transfer, conveyance, assignment or otherwise disposal of the said property/ies will not adversely affect the profitability of the Company.

With the objective of reducing the borrowings and for centralisation of Business of the Company, your directors, recommends the Special Resolution set out at item no. 2 & 3 in the accompanying Notice, for the approval of the Members by way of Postal Ballot.

None of the Directors, Manager or Key Managerial Personnel or their Relatives are concerned or interested, financially or otherwise in the Resolution.

**For and on Behalf of the Board of Directors
For NHC Foods Limited**

**Sd/-
Suvarnalata Chavan
Company Secretary & Compliance Officer**

Place: Mumbai

Dated: 30th May, 2016