

NOTICE OF THE EXTRAORDINARY GENERAL MEETING

NOTICE is hereby given that an Extraordinary General Meeting (EGM) of the Members of **Propmart Technologies Limited** will be held on Saturday, **25.03.2023** at #130/2, Ulsoor Road, Bengaluru 560042 at 03.00 PM, to transact the following business:

SPECIAL BUSINESS:

ITEM 1: TO INCREASE THE BORROWING POWERS OF THE COMPANY UP TO RS. 60 CRORES

To consider and if thought fit, to pass with or without modification(s) the following resolution as a **SPECIAL RESOLUTION:**

“**RESOLVED THAT** consent of the Company be and is hereby accorded to the Board of Directors (hereinafter referred to as ‘Board’ which term shall include a Committee thereof authorized for the purpose, if any), in terms of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013, read with the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), and the Articles of Association of the Company, and subject to such approvals, consents, sanctions and permissions, as may be necessary, to borrow from Companies, including its Holding Company / Group Companies (including by way of Corporate Guarantee(s) furnished by the said companies to various lending entities), Bank(s), Public Financial Institution(s), Companies, Trust(s), Mutual Fund(s), Other investing agencies, Body Corporate(s), Agent(s), Any other lender(s), [‘Lending Entities’], any sum or sums or monies from time to time, notwithstanding that the monies so borrowed together with the monies already borrowed by the Company, if any, (apart from temporary loans obtained from the Company’s Bankers in the ordinary course of business), may exceed the aggregate of the Paid-up Capital of the Company and its Free Reserves, that is to say, Reserves not set apart for any specific purposes, provided however, that the total amount of monies so borrowed shall not exceed **Rs. 60,00,00,000/- (Rupees Sixty Crores only)**, at any time.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds and things, as it may, in its absolute discretion, consider necessary, expedient or desirable including power to sub-delegate and negotiate with the Lending Entities and to finalize, execute the documents and deeds, as may be applicable on such terms and conditions, as may be decided by the Board, in order to give effect to this resolution or as otherwise considered by the Board to be in the best interest of the Company.”

ITEM 2: TO GRANT APPROVAL FOR CREATION OF CHARGE / MORTGAGE ON THE ASSETS OF THE COMPANY

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

PROPMART TECHNOLOGIES LIMITED

Regd. / Corporate Office : 130/2, Ulsoor Road, Bengaluru - 560042. support@propmart.com

Ph: +91 80 44559977 / 43439393 E-mail : sales@propmart.com Portal : www.propmart.com

CIN : U72200KA2000PLC026967

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“RESOLVED THAT consent of the Company be and is hereby accorded to the Board of Directors (hereinafter referred to as ‘Board’ which term shall include a Committee thereof authorized for the purpose, if any), in terms of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013, read with rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), and the Articles of Association of the Company, and subject to such approvals, consents, sanctions and permissions, as may be necessary, to create Mortgage and / or Charge and / or Hypothecation and / or other Encumbrances, on the immovable and movable properties of the Company, if any (in addition to the existing Mortgage, Charge, Hypothecations created by the Company), on such immovable and movable properties of the Company, where so ever situated, present and future and/ or conferring power to enter upon and take possession of the assets of the Company in certain events, to or in favour of Bank(s), Public Financial Institution(s), Companies (including Group Companies), Trust(s), Mutual Fund(s), Other investing agencies and Trustee(s) for the holders of debentures / bonds / other instruments, Body Corporate(s), Agent(s), any other lender(s), [‘Lending Entities’], for securing against the borrowings up to **Rs. 60,00,00,000/- (Rupees Sixty Crores only)**, lent and advanced/ agreed to be lent and advanced by such Lending Entities to the Company / Group Companies, subject to the limits approved under Section 180(1)(c) of the Companies Act, 2013, together with interest thereon at the respective agreed rates, compound interest, additional interest, liquidated damages, commitment charges, premia on prepayment or on redemption guarantee commission, remuneration payable with regards to such borrowings.”

ITEM 3: AMENDMENT IN THE ARTICLES OF ASSOCIATION (AOA) OF THE COMPANY:

To consider and if thought fit to pass with or without modification(s), the following resolution as Special Resolution:

“RESOLVED THAT pursuant to the provisions of Section 5 and 14 of the Companies Act, 2013 (“the Act”) read with the Companies (Incorporation) Rules, 2014 and all other applicable provisions, if any, of the Act (including any statutory modification(s) or re-enactment thereof for the time being in force), approval of the members of the Company is be and hereby accorded for amendment in the Articles of Association of the Company by adopting new set of Article of Association to include provisions of Table F Schedule I of Companies Act 2013, place of existing Articles of Association of the Company.

“RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds and things as may be required for giving effect to this Resolution.”

ITEM 4: TO APPROVE ISSUE AND OFFER OF UNLISTED COMPULSORILY CONVERTIBLE DEBENTURES ON PREFERENTIAL BASIS THROUGH PRIVATE PLACEMENT

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

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“RESOLVED THAT pursuant to provisions of Section 23, 71, 62 and 42 and other applicable provisions, if any of the Companies Act, 2013 read with the Companies (Prospectus and Allotment of Securities) Rules, 2014 and the Companies (Share Capital and Debentures) Rules 2014, and any other applicable law or laws, rules, regulations and guidelines (including any amendment thereto or re-enactment thereof for the time being in force) permission if any, of Reserve Bank of India (“RBI”), and enabling provisions in the memorandum of association and articles of association of the Company, the approval of the shareholders is accorded for issuance of 350 (Three Hundred and Fifty) Compulsorily Convertible Debentures (“CCDs”) of Rs. 10,00,000/- each aggregating to Rs. 35,00,00,000/- (Rupees Thirty-Five Crores Only) by way of a private placement in the following manner:

Instrument Name	Unlisted Compulsorily Convertible Debentures (“CCD”)
Face Value/ Issue Price	Rs. 10,00,000/- per CCD
Coupon rate	0.001% per annum; payable annually
Term of CCD	10 Years
Conversion	At Rs.10.55 per share as per the valuation report dated 28.02.2023

RESOLVED FURTHER THAT the draft of private placement offer letter in the format as set out in the **Form PAS-4** to the Companies (Prospectus and Allotment of Securities) Rules 2014, together with an application form (as per draft placed before this meeting and initialed by the Chairman for identification) is hereby approved and the same be issued to the proposed allottee inviting the allottee to subscribe to the proposed issuance.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the directors of the Company, be and are hereby severally authorized on behalf of the Company to take such steps as may be required and to do (and to ratify, to the extent required) all such acts, deeds, matters and things as it may, in its absolute discretion, consider necessary, expedient, usual, proper or desirable as may be required in connection with offer CCDs by the Company, including execution of the private placement offer letter in favour of the Investor, as may be required to give effect to the above resolutions.

RESOLVED FURTHER THAT the directors of the Company be and are hereby authorized to sign and certify true copies of the aforesaid resolution, as may be required to be done, from time to time.”

**BY ORDER OF THE BOARD OF DIRECTORS
FOR PROPMART TECHNOLOGIES LIMITED**

Nani R Choksey

**NANI R CHOKSEY
DIRECTOR
DIN: 00504555**



**Place: Bengaluru
Date: 02.03.2023**

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NOTES:

1. *A member entitled to attend and vote at the meeting is entitled to appoint a proxy (ies) to attend and vote instead of himself / herself and such proxy need not be a member of the company. The proxies in order to be effective must be received by the company at its registered office not less than 48 hours before the commencement of the meeting.*
2. *Explanatory Statement pursuant to section 102(1) of the Companies Act, 2013 is annexed herewith*
3. *Route-map to the venue of the meeting is provided at the end of the notice.*

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013.

ITEM 1 & 2: The Company, in order to mobilize the funds for its activities, is required to borrow funds from various companies, financial institutions, banks and other entities etc.

Section 180(1)(c) of the Companies Act, 2013 provides inter alia, that the Board of Directors of a Company shall not, without the consent of the Members of the Company by a Special Resolution in a General Meeting, Borrow monies in excess of the aggregate of its Paid-up Capital and Free Reserves.

The Board is of the opinion that the borrowings will be required to supplement the business of the Company and the limit of borrowing be fixed at **Rs. 60,00,00,000/- (Rupees Sixty Crores only)**, which is higher than the Paid-up Capital & Free Reserves of the Company. The Borrowings may be from Companies, including its Holding Company / Group Companies (including by way of Corporate Guarantee(s) furnished by the said companies to various lending entities), Bank(s), Public Financial Institution(s), Companies, Trust(s), Mutual Fund(s), Other investing agencies, Body Corporate(s), Agent(s), Any other lender(s) ["Lending Entities"], in such manner as set out in the said Resolution and hence it is necessary for the Members to pass a special resolution under Section 180 (1)(c) of the Companies Act, 2013, in the proposed General Meeting.

Further, creation of any mortgage / charge in connection with the borrowings, will require consent of the Members of the Company in a General Meeting under Section 180 (1)(a) of the Act, for which a separate resolution is proposed to be passed in this General Meeting.

The borrowing powers is an enabling resolution and is intended to meet the Business / long term funds requirements of the Company. To enable the Board to accept the said terms in due course of availing loans/ borrowings the shareholders are required to authorize the Board (which term shall include a Committee thereof authorized for the purpose, if any).

None of the Directors or the Key Managerial Personnel or their relatives are in any way interested or concerned, financially or otherwise in Item No. 1 & 2 except to the extent of their shareholding, if any, in the Company.

The Directors recommend the resolution for approval by the members as Special Resolution.

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ITEM 3: The existing Articles of Association (“AOA”) of the Company are based on the Companies Act, 1956. Not only do several regulations in the existing AOA contain references to the specific Sections of the Companies Act, 1956, but some regulations in the existing AOA are no longer in conformity with the Companies Act, 2013. With the coming into force of the Companies Act, 2013 several regulations of the existing AOA of the Company require alteration or deletions. It is therefore considered expedient to replace the existing AOA with an entirely new set of AOA. The substitution of the existing AOA with the new AOA is proposed to align the AOA of the Company with the provisions of the Companies Act, 2013.

None of the Directors or Key Managerial Personnel (KMP) and their relatives are concerned or interested in the aforesaid resolution.

ITEM 4: The Board of Directors are contemplating to issue unlisted Compulsorily Convertible Debentures of an amount of upto Rs 35,00,00,000/- subject to the approval of the Members of the Company by passing a Special Resolution. It is proposed to issue unlisted Compulsorily Convertible Debentures to Puravankara Limited, holding Company. The amount will be utilized to repay the loan borrowed.

Conversion Terms: The Company has engaged with Mr. Vishal Gupta, an IBBI Registered Valuer bearing Registration No. IBBI/RV/05/2019/12704 for valuing the equity shares of the company. Based on the analysis by Mr. Vishal Gupta, Registered Valuer, as described in their valuation report dated 28.02.2023, the equity shares of Rs.10/- each have been valued at Rs.10.55 per share as on 30.9.2022. Accordingly, the CCD shall get converted into equity shares of Rs.10/- each anytime within the next ten years at the Fair Market Value of Rs.10.55 per share and upon such conversion, the Company shall issue 3,31,75,355 equity shares of Rs.10/- each fully paid.

Further, as per the provisions of Sections 42, 62 and 71 of the Companies Act, 2013 and Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules 2014 offer or invitation to subscribe to securities on a private placement basis requires a prior approval of the members of the Company by way of a Special Resolution for each of the offers or invitations. Thus, the Board recommends passing of the resolution contained above of the accompanying notice.

Accordingly, consent of the members is being sought to enable the Board of Directors to issue offer or invite subscriptions for 350 unlisted Compulsorily Convertible Debentures of Rs. 10,00,000/- (Rupees Ten Lakh only) each, aggregating up to **Rs. 35,00,00,000/- (Rupees Thirty-Five Crores Only)** and within the overall Borrowing Limits of the Company, if any, as approved by the Members, from time to time:

Further details of the proposed offer are disclosed below:

The following disclosures for the issue of Compulsorily Convertible Debentures (CCDs) on Private Placement basis are made in accordance with the provisions of Section 42 & Section 62 of the Companies Act, 2013 and the Rule 14 of Companies (Prospectus and Allotment of Securities) Rules, 2014 and the Rule 13 of Companies (Share Capital and Debenture) Rules, 2014:

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1.	Particulars of the offer including date of passing of Board Resolution	Issue and offer of 350 unlisted Compulsorily Convertible Debentures of Rs. 10,00,000/- each, issued at par aggregating to Rs. 35,00,00,000/- unlisted Compulsorily Convertible Debentures (“CCDs”) on private placement basis																			
2.	Date of Passing the Board Resolution	02.03.2023																			
3.	The objects of the issue	Repayment of the Loan																			
4.	Kinds of securities offered and the price at which security is being offered:	Unlisted Compulsorily Convertible Debentures are offered at a face value of 10,00,000/- (Rupees Ten Lakhs) each, issued at par																			
5.	The total number of CCDs to be issued	<p>1) In a single tranche of Rs. 35 Crores for 350 Nos. of Compulsorily Convertible Debentures.</p> <p>2) Or as per the schedule provided in the table below:</p> <table border="1"> <thead> <tr> <th>Particulars</th> <th>No. of NCDs</th> <th>Amount (Rs.)</th> </tr> </thead> <tbody> <tr> <td>Tranche 1</td> <td>100</td> <td>10,00,00,000</td> </tr> <tr> <td>Tranche 2</td> <td>100</td> <td>10,00,00,000</td> </tr> <tr> <td>Tranche 3</td> <td>100</td> <td>10,00,00,000</td> </tr> <tr> <td>Tranche 4</td> <td>50</td> <td>5,00,00,000</td> </tr> <tr> <td>Total</td> <td>350</td> <td>35,00,00,000</td> </tr> </tbody> </table>		Particulars	No. of NCDs	Amount (Rs.)	Tranche 1	100	10,00,00,000	Tranche 2	100	10,00,00,000	Tranche 3	100	10,00,00,000	Tranche 4	50	5,00,00,000	Total	350	35,00,00,000
Particulars	No. of NCDs	Amount (Rs.)																			
Tranche 1	100	10,00,00,000																			
Tranche 2	100	10,00,00,000																			
Tranche 3	100	10,00,00,000																			
Tranche 4	50	5,00,00,000																			
Total	350	35,00,00,000																			
6.	Basis or justification on which the price has been arrived at (including premium) at which the offer or invitation is being made, along with report of the registered valuer:	Relative equity valuation of the Company based on various approaches/ methods and various qualitative factors relevant to the Company and the business dynamics and growth potentials of the businesses of the Company, having regard to information base, key underlying assumptions, and limitations.																			
7.	Name and address of valuer who performed valuation:	VISHAL GUPTA Registered Valuer IBBI Regn. No. IBBI/RV/05/2019/12704, YMCA Building, 2nd Floor, 25 Jawaharlal Nehru Road, Kolkata – 700 087																			
8.	Relevant date with reference to which the price has been arrived at	30.09.2022																			
9.	Amount which the company intends to raise by way of such securities	Rs. 35,00,00,000/- (Rupees Thirty-five crores only)																			
10	Material terms of raising such securities	Duration	120 months (10 years)																		

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		Coupon/Rate of interest	0.001% per annum
		Mode of payment	Cash
		Mode of repayment	Not Applicable
11	Proposed time schedule within which the allotment shall be completed	Compulsorily Convertible Debentures shall be allotted within a period of 60 days from date of receipt of money from the investors.	
12	Contribution being made by the promoters or directors either as part of the offer or separately in furtherance of objects	100%	
13	Principle terms of assets charged as securities	Not applicable	
14	The class or classes of persons to whom the allotment is proposed to be made	Proposed Subscriber: Puravankara Limited (Holding Company)	
15	Intention of promoters, directors or key managerial personnel to subscribe to the offer	Puravankara Limited (Holding Company) is the proposed allottee of this offer, Directors and KMP of the Company do not intend to subscribe to the Offer	
16	The names of the proposed allottees and the percentage of post preferential offer capital that may be held by them;	Proposed Allottee: Puravankara Limited (Holding Company)	
17	The change in control, if any, in the company that would occur consequent to the Private Placement of CCDs	There will not be any change in control post allotment of the CCDs	
18	The number of persons to whom allotment on Private Placement of CCDs have already been made during the year, in terms of number of securities as well as price:	Not Applicable	
19	The justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer	The proposed allotment is not done for consideration other than cash. Thus, this is not applicable to the Company	
20	The pre issue and post issue shareholding pattern of the company:	Annexed in Annexure A	

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None of the Directors or the Key Managerial Personnel or their relatives are in any way interested or concerned, financially or otherwise in the resolutions set out at item No. 3 of the accompanying Notice except to the extent of their Shareholding, if any in the Company.

Inspection of documents: The memorandum & articles of association, offer letter, the Valuation Report and the other documents referred in the above resolutions is available for inspection in our regd. Office on all working days from 10.00 AM to 1.00 PM till the date of the extraordinary general meeting.

**BY ORDER OF THE BOARD OF DIRECTORS
FOR PROPMART TECHNOLOGIES LIMITED**

Nani R Choksey

**NANI R CHOKSEY
DIRECTOR
DIN: 00504555**



**Place: Bengaluru
Date: 02.03.2023**

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ANNEXURE A
ISSUE SHAREHOLDING PATTERN OF THE COMPANY:

Sr. No.	Category	Pre – Issue		Post – Issue	
		No. of Shares held	% of Share Holding	No. of Shares held	% of Share Holding
A	Promoters' holding:				
1	Indian:	-	-	-	-
	Individual	06	0%	06	0%
	Bodies Corporate	62,06,010	87.28%	62,06,010	87.28%
	Sub Total	62,06,016	87.28%	62,06,016	87.28%
2	Foreign Promoters	-	-	-	-
	Sub Total (A)	62,06,016	87.28%	62,06,016	87.28%
B	Non-Promoter holding:				
1.	Institutional Investors	-	-	-	-
2.	Non-Institutional Investors:				
	Private Corporate Bodies	-	-	-	-
	Directors and Relatives	-	-	-	-
	Indian Public	-	-	-	-
	Body Corporates (not mentioned above)	9,05,383	12.72%	9,05,383	12.72%
	Others (Including NRIs)	-	-	-	-
	Sub Total (B)	9,05,383	12.72%	9,05,383	12.72%
	GRAND TOTAL	71,11,399	100%	71,11,399	100%

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SHAREHOLDING PATTERN OF THE COMPANY POST CONVERSION OF CCDs INTO EQUITY SHARES:

Sr. No.	Category	Pre - Conversion of CCDs		Post - Conversion of CCDs	
		No. of Shares held	% of Share Holding	No. of Shares held	% of Share Holding
A	Promoters' holding:				
1	Indian:	-	-	-	-
	Individual	06	0%	06	0%
	Bodies Corporate	62,06,010	87.28%	3,93,81,365	97.75%
	Sub Total	62,06,016	87.28%	3,93,81,365	97.75%
2	Foreign Promoters	-	-		
	Sub Total (A)	62,06,016	87.28%	3,93,81,371	97.75%
B	Non- Promoter holding:				
1.	Institutional Investors	-	-	-	-
2.	Non-Institutional Investors:	-	-	-	-
	Private Corporate Bodies	-	-	-	-
	Directors and Relatives	-	-	-	-
	Indian Public	-	-	-	-
	Body Corporates (not mentioned above)	9,05,383	12.72%	9,05,383	2.2473%
	Others (Including NRIs)	-	-	-	-
	Sub Total (B)	9,05,383	12.72%	9,05,383	2.2473%
	GRAND TOTAL	71,11,399	100%	4,02,86,754	100%

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MAP TO THE VENUE OF THE MEETING:



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