

POSTAL BALLOT NOTICE

[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 to the members of Add-Shop E-Retail Limited (“the Company”) pursuant to 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"), including any statutory modification(s), amendment(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 (Issue of Capital and Disclosure Requirements) Regulations, 2018 read with General Circular No. 14/2020 dated 8 April, 2020 and General Circular No. 17/2020 dated 13 April, 2020 issued by the Ministry of Corporate Affairs (“General Circulars”), for seeking the approval of the Members of the Company by way of Special Resolution for the businesses set out hereunder through Postal Ballot through remote e-voting (“Postal Ballot/ E-Voting”).

The Explanatory Statement pertaining to the said resolution setting out the material facts and the reasons for proposing the same is annexed for your consideration and approval. The Board of Directors of the Company has appointed (a) Mr. Gaurang R. Shah (Membership No. ACS: 38703, COP: 14446), Proprietor, G R Shah & Associates., Practicing Company Secretaries, having its office at B/ 406,4th Floor, Premium House, Ashram Road, Near Gandhi Gram Station, Ahmedabad-380009, Gujarat as the Scrutinizer, for conducting the postal ballot/e-voting process in a fair and transparent manner and (b) Central Depository Services (India) Limited (CDSL) to provide e-voting facility for the postal ballot. Members should note that in terms of the General Circulars, no physical ballot form is being dispatched by the Company and the Members can cast their vote using remote e-voting facility only. In accordance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended, and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Company is providing e-voting facility to its members, details of which are given in notes forming part of the notice. Reference to postal ballot(s) in this notice includes voting through electronic means. The Scrutinizer will submit his Report, in writing, upon completion of scrutiny of E-Voting data provided by CDSL, in a fair and transparent manner. The result on the resolution proposed to be passed through Postal Ballot/E-Voting shall be announced on or before Thursday, November 11, 2021. The results along with the scrutinizer's report will be displayed on the Company's website under Investor Desk as well as on CDSL website viz. www.evotingindia.com and will be communicated to stock exchange, BSE Limited (BSE) where Equity Shares of the Company are listed.

The resolution for the purpose as stated herein below is proposed to be passed by Postal Ballot/e-voting:

SPECIAL BUSINESS:

Item 1: To Issue Convertible Warrants to Non-Promoters 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 62(1)(c) read with Section 42 and all other applicable provisions, if any, of the Companies Act, 2013 and Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) (hereinafter referred to as "the Act") and in accordance with the relevant provisions of the Memorandum and Articles of Association of the Company, and in accordance with the provisions on preferential issue as contained in the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, [hereinafter referred to as "SEBI (ICDR) Regulations"], the Securities Contracts (Regulation) Act, 1956, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof from time to time), and in accordance with all other applicable rules, regulations, guidelines and clarifications issued thereon from time to time by The Securities and Exchange Board of India ("SEBI"), Government of India ("GOI") the Reserve Bank of India ("RBI"), the Registrar of Companies (the "RoC") and BSE Limited, the Stock Exchange where the shares of the Company are listed ("BSE") and any other statutory/regulatory authorities and subject to all such approvals, permissions, consents and sanctions of any authorities, as may be necessary and subject to such conditions and modifications as may be prescribed or imposed by any of them while granting such approvals, permissions, consents or sanctions, the consent of the members of the Company be and is hereby accorded to the Board (which term shall deem to include any committee which the Board may have constituted or hereinafter constitute to exercise one or more its power, including the powers conferred hereunder) to create, offer, issue and allot, on preferential basis, in one or more tranches, up to 8,00,000 (Eight Lakhs only) convertible Warrants, to the promoter and/or promoter group and/or to non-promoter group of the Company (hereinafter referred to as the "Proposed Allottees/Warrant holder") as more particularly mentioned in the explanatory statement setting out material facts, entitling the warrant holder to apply for and get allotted one equity share of face value of Rs 10/- (Rupees Ten only) each fully paid-up against each warrant within 18 (Eighteen) months from the date of allotment of warrants, at a price of Rs. 160/- per Warrant determined in accordance with the Regulation 164 of Chapter V of the SEBI (ICDR) Regulation, 2018 ("Warrant Issue Price"), aggregating up to Rs. 12,80,00,000 (Rupees Twelve Crore Eighty Lakh Only), on such terms and conditions as the Board may think fit by way of Preferential allotment on a Private Placement basis to the Promoter(s)/Promoter Group and/or to Non-Promoters of the Company (hereinafter referred to as the "Proposed Allottees/ Warrant holder")

RESOLVED FURTHER THAT the offer, issue and allotment of the aforesaid Warrants to the Proposed Allottees and the Equity Shares resulting from the exercise of the entitlement of the said Warrants, shall be subject to applicable guidelines, notifications, rules and regulations and on the terms and conditions given herein below

- a. As per the ICDR Regulations the "Relevant Date" for the purpose of determining the issue price of the Warrants shall be Friday, 8th October, 2021, 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 receipt of the duly completed Postal Ballot Forms/e-voting, i.e., Tuesday, 9th November, 2021.
- b. The price including premium of the equity shares to be allotted on exchange/surrender of the said warrants to the proposed allottees shall not be lower than the minimum price determined as per provisions of Chapter V of the SEBI (ICDR) Regulations, 2018.
- c. An amount equivalent to at least 25% (Twenty Five Percent) of the consideration shall be paid by the proposed allottees on or before the date of allotment of warrants and the balance consideration i.e., 75% (Seventy Five Percent) shall be paid at the time of allotment of equity shares pursuant to exercise of option of conversion against each such warrant.

- d. The tenure of warrants shall not exceed 18 (eighteen) months from the date of allotment of the warrants.
- e. The proposed allottee(s) of Warrants shall be entitled to apply for and obtain, in one or more tranches allotment of one equity share of face value of Rs 10/- (Rupees Ten only) each of the Company against each Warrant within a period of 18 (eighteen) months from the date of allotment of such warrants.
- f. In case the Warrant holder(s) do not apply for the conversion of the outstanding Warrants into equity shares of the Company within 18 (eighteen) months from the date of allotment of the said Warrants, then the consideration paid upon each of the said outstanding Warrants shall be forfeited and all the rights attached to the said Warrants shall lapse automatically.
- g. The Equity shares issued and allotted on conversion thereof shall be subject to lock-in for such period as prescribed under the SEBI (ICDR) Regulations.
- h. The said Warrants by itself until exercise of conversion option and equity shares allotted, does not give to the Warrant holder any rights with respect to that of the Shareholders of the Company.

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 BSE in accordance with the Listing Regulations and all other applicable laws, rules and regulations.

RESOLVED FURTHER THAT the Board be and is hereby authorised to issue and allot such equity shares as may be required to be issued and allotted upon conversion of the said Warrants in dematerialized form and that equity shares shall be subject to the provisions of the Memorandum and Articles of Association of the Company and shall rank pari passu in all respects, including entitlement for dividend, with the existing equity shares of the Company.

RESOLVED FURTHER THAT the Board be and is hereby authorised to decide and approve other terms and conditions of the issue of the Warrants and/or equity shares and shall also be entitled to vary, modify or alter any of the terms and conditions, as it may deem fit, subject however to the compliance with the applicable guidelines, notifications, rules and regulations.

RESOLVED FURTHER THAT the Board be and is hereby authorised to accept the terms, conditions, modifications and stipulations as the GOI, SEBI or Stock Exchanges, National Securities Depository Limited (NSDL), Central Depository Services (India) Limited (CDSL), seeking approvals from lenders (where applicable) and/or any other regulatory authority may stipulate while granting approval to the Company for issue of the Warrants as aforesaid and to take all such steps as may be necessary for the admission of the Warrants and Equity Shares (to be issued on exercise of the Warrants) with the depositories, viz. NSDL and CDSL and for the credit of such Warrants and Equity Shares (to be issued on exercise of the Warrants) to the respective dematerialized securities account of the proposed allottees.

RESOLVED FURTHER THAT the Board is hereby authorised to take necessary steps for listing and trading of the equity shares allotted upon conversion of Warrants on BSE as per the terms and conditions of the Listing Agreement, and in accordance with such other guidelines, rules and regulations as may be applicable with regard to such listing.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorised to take such steps and to do all such acts, deeds, matters and things as the Board may, in its absolute discretion, deem necessary, expedient, usual, proper, incidental or desirable and to settle any question, difficulties or doubts that may arise in this regard and in regard to the issue, allotment of the Warrants and/or equity shares and utilisation of the issue proceeds, to prescribe the forms of applications, enter and execute all such deeds, documents, agreements or other instruments, and to take such actions/ directions as they may consider as being necessary or

desirable and to obtain any approval, permissions, sanctions which may be necessary or desirable as they may deem fit, without being required to seek any further consent or approval of the shareholders.

RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of the powers herein conferred by this resolution to any Director(s) or to any Committee of Directors or employee or officer of the Company, as it may consider appropriate, to give effect to the aforesaid resolution."

Item 2: Appointment of M/s J S Maheshwari & Co, Chartered Accountants, as Statutory Auditors to fill up the casual vacancy, caused due to resignation of M/s Loonia & Associates, Chartered Accountants.

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

RESOLVED THAT pursuant to the provisions of Section 139(8) and other applicable provisions, if any, of the Companies Act, 2013 as amended from time to time or any other law for the time being in force (including any statutory modification or amendment thereto or re-enactment thereof for the time being in force), as recommendation Board of Directors of the company, M/s J S Maheshwari & Co, Chartered Accountants (Membership No. 148387, FRN: 001318C), Ahmedabad, Gujarat, be and are hereby appointed as Statutory Auditors of the Company to fill the casual vacancy caused by the resignation of M/s Loonia & Associates, Chartered Accountants (Membership No. 135424, FRN: 130883W),.

RESOLVED FURTHER THAT M/s J S Maheshwari & Co, Chartered Accountants (Membership No. 148387, FRN: 001318C), Ahmedabad, be and is hereby appointed as Statutory Auditors of the Company until the conclusion of the ensuing Annual General Meeting and that they shall conduct the Statutory Audit for the period ended 31st March, 2022 on such remuneration as may be fixed by the Board of Directors in consultation with them.

RESOLVED FURTHER THAT Board of Directors and any other KMP be and are hereby authorized to sign and submit all necessary e-Forms and other documents with the Registrar of Companies (ROC), Gujarat and to do all such acts, deeds and things as may be necessary to give effect to the above resolution.

**By Order of the Board of Directors of
Add-Shop E-Retail Limited**

**Dineshbhai B. Pandya
Managing Director
DIN: 06647303**

**Date: 07.10.2021
Place: Rajkot**

Registered office:
B-304, Imperial Heights, 150 Ft. Ring Road,
Rajkot - 360 005

Notes:

1. An Explanatory Statement pursuant to the provisions of Section 102 of the Act setting out material facts relating to the proposed resolution is annexed hereto.
2. Members should note that in terms of the General Circulars, no physical ballot form is being dispatched by the Company and the Members can cast their vote using remote e-voting facility only
3. The Company is pleased to provide voting by electronic means ('E-voting') to the Members, to enable them to cast their votes electronically on the proposed resolution. The Company has engaged the services of CDSL to provide E-voting facility to its members. Detailed instructions on E-voting are given as under.
4. The Postal Ballot Notice along with Postal Ballot Form is being sent to all the Members, whose names are appearing in the Register of Members/ Statements of Beneficial Ownership maintained by the Depositories i.e. National Securities Depository Limited and Central Depository Services (India) Limited as on the close of working hours on Friday, 08th October, 2021 ('cut-off date'). Voting rights will be reckoned on the paid-up value of equity shares registered in the name of the Members as on the cut-off date.

5. This Notice is being sent by electronic mode to those Members, whose e-mail addresses are registered with the Bank/ Depositories, unless any Member has registered for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies are being sent to them by the permitted mode. Members may note that this Notice along with the Postal Ballot Form is available on the Company's website: www.addshop.co. In case any Member wishes to receive a hard copy of the Postal Ballot Form, he/she may write to the Company Secretary at info@addshop.co.
6. The voting period for Postal Ballot and E-voting shall commence from Monday, October 11, 2021 at 9:00 a.m. IST and end on Tuesday, November 9, 2021 at 5:00 p.m. IST. Votes received by way of E-voting beyond 5.00 p.m. on Tuesday, November 9, 2021 shall be considered invalid.
7. The Board of Directors has appointed Mr. Gaurang Shah (Membership No. ACS: 38703, COP:14446), Proprietor, G R Shah & Associates., Practicing Company Secretaries as the Scrutinizer to scrutinize the Postal Ballot and E-voting process in a fair and transparent manner.
8. Upon completion of the scrutiny of the Postal Ballot Forms and the votes cast through E-voting, the Scrutinizer will submit his report to the Chairperson/Company Secretary. The combined result would be announced by the Company Secretary on or before Thursday, November 11, 2021. The Results declared along with the Scrutinizer's Report(s) will be available on the website of the Company (www.addshop.co.) and on CDSL and communication of the same will be sent to BSE Limited within the prescribed time.
9. Any query in relation to the said Special Resolution may be sent to: info@addshop.co.

The Company has entered into an arrangement with Central Depository Services (India) Limited (CDSL) for facilitating e-voting. The instructions of Shareholders for Remote E-Voting.

- (i) The voting period begins on Monday, October 11, 2021 and ends on Tuesday, November 9, 2021. 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, October 8, 2021 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants**. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

- (iii) In terms of SEBI circular no. **SEBI/HO/CFD/CMD/CIR/P/2020/242** dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	<ol style="list-style-type: none"> 1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on Login icon and select New System Myeasi. 2) After successful login the Easi / Easiest user will be able to see the e-Voting Menu. On clicking the E voting menu, the user will be able to see his/her holdings along with links of the respective e-Voting service provider i.e., CDSL/NSDL/KARVY/LINK INTIME as per information provided by Issuer / Company. Additionally, we are providing links to e-Voting Service Providers, so that the user can visit the e-Voting service providers' site directly. 3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi./Registration/EasiRegistration 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be provided links for the respective ESP where the E Voting is in progress.
Individual Shareholders holding securities in demat mode with NSDL	<ol style="list-style-type: none"> 1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL:https://www.evoting.nsdl.comeither on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting

<p>Individual Shareholders (holding securities in dematmode) login through their Depository Participants</p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p>
---	---

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 and 22-23058542-43.
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

(iv) Login method of e-Voting for **shareholders other than individual shareholders & physical shareholders.**

- 1) The shareholders should log on to the e-voting website www.evotingindia.com.
- 2) Click on “Shareholders” module.
- 3) 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. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
- 6) If you are a first-time user follow the steps given below:

For Shareholders holding shares in Demat Form other than individual 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"> • Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.

Dividend Bank Details OR Date of Birth (DOB)	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. <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 (v).
--	---

- (v) After entering these details appropriately, click on “SUBMIT” tab.
- (vi) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders 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.
- (vii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (viii) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (ix) 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.
- (x) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xi) 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.
- (xii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xiii) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xiv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xv) **Facility for Non – Individual Shareholders and Custodians –Remote Voting**
- Non-Individual shareholders (i.e., other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
 - 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.
 - Alternatively, Non-Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; investor@addshop.co, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

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/RTA email id**.
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/RTA email id**.

If you have any queries or issues regarding e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at 022-23058738 and 022-23058542/43.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022-23058542/43.

ANNEXURE TO NOTICE

Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 setting out all material facts:

Item 1:

The Board of Directors in their meeting held on Tuesday 14th September, 2021 subject to necessary approval(s), has approved the proposal for raising funds and for that to issue and allot upto 8,00,000 (Eight Lakhs) equity warrants of the Company to Non-Promoter Group by way of preferential basis to mobilize funds for working capital and General corporate purposes and future growth plans of the Company as detailed in Object of the issue.

The details of the issue and other particulars as required in terms of the Act and SEBI (ICDR) Regulations, 2018 in relation to the aforesaid Special Resolution are given as under

1. Particulars of the Preferential Issue including date of passing of Board resolution

The Board of Directors at its meeting held on September 14, 2021 had, subject to the approval of the Members and such other approvals as may be required, approved the issuance of up to 8,00,000 Equity warrants for an aggregate amount of upto Rs. 12,80,00,000/- to Nexpact Limited, for cash consideration, by way of a preferential issue on a private placement basis.

2. Objects of the Issue

To meet the working capital requirements,
General corporate purpose,
To support the future growth plans of the Company

3. The total number of securities to be issued

The Board intends to offer, issue and allot up to 8,00,000 (Eight Lakhs) Warrants to M/s Nexpact Limited at a price of Rs. 160/- with a right to the warrant holder to apply for and be allotted 1 (One) Equity Share of the face value of Rs. 10/- each of the Company at a premium of Rs.150/- per equity warrant within a period of 18 (Eighteen) months from the date of allotment of Warrants, aggregating up to Rs. 12,80,00,000 (Rupees Twelve Crore Eighty Lakh Only) on preferential basis in accordance with SEBI (ICDR) Regulations, 2018 and other applicable laws.

4. Basis on which price has been arrived at

The price of equity warrants to be issued is fixed at Rs. 160/- per equity warrants of Face Value of Rs.10/- each determined in terms of Regulation 164 of the SEBI ICDR Regulations.

The relevant date as per the SEBI ICDR Regulations for the determination of the price per equity warrants pursuant to the preferential allotment is Friday, October 8, 2021 (“Relevant Date”) i.e., 30 (Thirty) days prior to the date on which this resolution is deemed to have been passed.

The Company is listed on BSE, and the equity shares of the Company are frequently traded in accordance with Regulation 164 of ICDR Regulations. Accordingly, the price determined shall be the minimum price at which the allotment is to be made.

The value per share is determined by the Registered Valuer, Mr. Vikash Goel, IBBI Regn. No. IBBI/RV/01/2018/10339.

The price at which the Equity Share Warrants are issued is Rs.160/- which is higher than the price determined in accordance with Regulation 164(1) of SEBI (ICDR) Regulations.

5. Requirement as to re-computation of price

As per Regulation 164(2), since the Equity shares of the company have been listed on BSE for a period of more than 26 (Twenty-Six) weeks prior to the relevant date, the company is not required to recompute the price per equity share.

6. Basis on which price has been arrived at along with report of the registered valuer.

The value of preferential issue of Warrants of Add-Shop E-Retail Ltd has been derived as per Valuation Report being prepared by Mr. Vikash Goel, Registered Valuer having Registration No. IBBI Regn. No. IBBI/RV/01/2018/10339, having address at Diamond Arcade, #313, 68 Jessore Road, Kolkata - 700055 being made in accordance with the requirements of the SEBI (ICDR) Regulations.

7. Proposed time within which the allotment shall be completed

As required under the SEBI (ICDR) Regulations, Equity Warrants shall be issued and allotted by the Company within a period of Fifteen (15) days from the date of passing of this resolution provided that where the issue and allotment of the said Equity Warrants is pending on account of pendency of any approval for such issue and allotment by any regulatory authority or the Central Government, the issue and allotment shall be completed within a period of Fifteen (15) days from the date receipt of last of such approvals.

8. The proposal/intention of the Promoters, Directors or Key Managerial Personnel to subscribe to the Offer

None of the Promoters, Directors or Key Managerial Personnel or their relatives intend to subscribe to any Equity Shares pursuant to the Preferential Issue. The preferential issue of warrants is being made to non-promoter group as more particularly set out in the explanatory statement setting out the material facts.

9. Relevant date

The "Relevant Date" in terms of Regulation 161 of the SEBI (ICDR) Regulations for determination of minimum price is Friday, October 8, 2021 i.e., 30 days prior to the date on which the resolution is deemed to be passed i.e., the last date specified for receipt of duly completed Postal Ballot Form or remote electronic voting i. e., Tuesday, November 9, 2021.

10. Shareholding Pattern before and after the Preferential Issue

Category	Pre Issue Shareholding Structure		Post issue Shareholding Structure	
Promoter and Promoter Group				
(1) Indian	-	-	-	-
(a) Individuals/HUF	7136682	62.99%	7136682	58.84
(b) Central Govt./State Govt.	-	-	-	-
(c) Bodies Corporate	-	-	-	-
(d) Financial Institutions/Banks	-	-	-	-
Sub Total (A)(1)	7136682	62.99%	7136682	58.84
(2) Foreign				
Individuals (NRIs/ Foreign Individuals)	-	-	-	-
(b) Bodies Corporate	-	-	-	-
(c) Institutions	-	-	-	-
Sub Total (A)(2)	-	-	-	-

Total shareholding of Promoter & Promoter Group (A) = (A)(1) + (A)(2)	7136682	62.99%	7136682	58.84
(B) Public				
(1) Institutions	-	-	-	-
(2) Central/State Government(s)	-	-	-	-
Sub Total (B)(2)	-	-	-	-
(3) Non-Institutions				
(a) I. Individual shareholders holding nominal share capital up to Rs. 2 lakhs.	1359665	12 %	1359665	11.21
(a) II. Individual shareholders holding nominal share capital in excess of Rs. 2 lakhs.	2226300	19.65%	2226300	18.35
(b) NBFCs	-	-	-	-
(c) Employee Trusts	-	-	-	-
(d) Overseas Depositories (holding DRs) (balancing figure)	-	-	-	-
(e) Any Others	607069	5.36%	1407069	11.60
Sub Total (B)(3)	4193034	37.01%	4993034	41.16
Total Public Shareholding (B)	4193034	37.01%	4993034	41.16
Total=A+B	11329716	100%	12129716	100%

Note: Pre issue shareholding pattern has been prepared based on shareholding of the Company as on 30th September, 2021 Post issue shareholding pattern has been prepared based on assuming full conversion of 8,00,000 equity warrants allotment.

- 11. Consequential Changes in the Voting Rights:** Voting rights will change in tandem with the shareholding pattern on exercise of Warrants.

Voting rights will change in tandem with the shareholding pattern on exercise of Warrants.

- 12. The class or classes of persons to whom the allotment is proposed to be made/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:**

Name and address of the proposed allottee	Category	Present pre-issue shareholding		Post pre-issue shareholding		PAN	Names of Ultimate Beneficial Owners of the proposed allottee(s)
		Pre-issue holding	% of total equity capital	Post-issue holding	% of total equity capital		
Nexpact Limited	Non Promoter	Nil	Nil	8,00,000	6.60	AAFCN0208F	Almas Global Opportunity Fund

- 13. Principal terms of the assets charged as securities:**

Not Applicable

- 14. Change in control consequent to the Preferential Issue:**

The existing Promoters of the Company will continue to be in control of the Company and there will not be any change in the management or control of the Company as a result of the proposed preferential allotment.

- 15. Auditors' Certificate:**

M/s J S Maheshwari & Co, Chartered Accountants, Ahmedabad the Statutory Auditors of the Company has certified that the preferential issue is being made in accordance with the requirements contained in SEBI (ICDR) Regulations, 2018. A copy of the certificate is kept for inspection at the Registered Office of the Company during the business hours.

16. Material terms of the issue

The Equity Shares to be issued pursuant to conversion of warrants shall be pari-passu with the existing Equity Shares of the Company.

17. No. of persons to whom allotment on preferential basis has already been made during the year, in terms of number of securities as well as price

The Company has not made any preferential issue of shares/ warrants during the year.

18. Justification for the allotment proposed to be made for consideration other than cash

Not applicable

19. Lock-in Period:

The securities allotted to Proposed Allottee shall be locked in as per Regulation 167(2) and other applicable provisions of SEBI (ICDR) Regulations, 2018.

20. Undertaking:

The Company hereby undertakes that

1. As per Regulation 163 of SEBI (ICDR) Regulations, it would re-compute the price of the securities specified above in terms of the provisions of SEBI (ICDR) Regulations, where it is so required.
2. If the amount payable, if any, on account of the re-computation of price is not paid within the time stipulated in SEBI (ICDR) Regulations the above warrants/shares shall continue to be locked-in till the time such amount is paid by the allottee.
3. Save and except the Preferential Issue as proposed in the resolution as set in the accompanying Notice, the Company has made no other issue or allotment of securities on preferential basis during the year.
4. Neither the Company nor its Promoters or Directors of the Company has been identified as a willful defaulter.
5. None of the Promoter or Directors of the Company has been declared as a fugitive economic offender.

The Board of Directors believes that the proposed preferential issue is in the best interest of the Company and its members. The Board recommends the resolution as set out in the accompanying notice for the approval of members as a Special Resolution.

None of the Directors/Key Managerial Personnel of the Company/their relatives are in, anyway, concerned or interested, in the above resolution except to their shareholding in the company.

Item 2:

M/s. Loonia & Associates, Chartered Accountants (Membership No. 135424, FRN: 130883W), resigned as Statutory Auditors of the Company with effect from October 01, 2021. Consequently, the Company had approached M/s J S Maheshwari & Co, Chartered Accountants (Membership No. 148387, FRN: 001318C), Ahmedabad, Gujarat, to act as the Statutory Auditors of the Company to fill up casual vacancy caused due to the resignation of M/s Loonia & Associates, Chartered Accountants

M/s. J S Maheshwari & Co, Chartered Accountants, being eligible under section 139(1) and other applicable provisions, have consented to act as the Statutory Auditors of the Company and have also confirmed that their appointment, if made, would be within the limits prescribed under the Companies Act, 2013.

The Board of Directors has vide its resolution dated 07th October, 2021, recommended appointment of M/s J S Maheshwari & Co, Chartered Accountants as Statutory Auditors of the Company to fill up casual vacancy caused due to the resignation of M/s Loonia & Associates, Chartered Accountants.

The Members are requested to consider and approve resolution set out in Item No.2 of as Ordinary Resolution.

None of the Directors, Key Managerial Personnel of the Company or their relatives is concerned or interested in the proposed resolution.

**By Order of the Board of Directors of
Add-Shop E-Retail Limited**

Date: 07.10.2021

Place: Rajkot

Registered office:

**B-304, Imperial Heights, 150 Ft. Ring Road,
Rajkot – 360 005**

Dineshbhai B. Pandya

Managing Director

DIN: 06647303