

IITL PROJECTS LIMITED

(ISO 9001:2008 Certified Company)

CIN No. L01110MH1994PLC082421

Regd. Office: Rajabhadur Mansion, 2nd Floor, 28, Bombay Samachar Marg, Fort, Mumbai-400 001

Website: www.iitlprojects.com **Email:** iitlprojects@iitlgroup.com **Tel.:** 43250100, **Fax:** 22651105

NOTICE OF POSTAL BALLOT

[Pursuant to provisions of Section 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014]

Dear Members,

Notice is hereby given pursuant to Section 110 and other applicable provisions of the Companies Act, 2013 (the "Act"), read with the Companies (Management and Administration) Rules, 2014, including any statutory modification(s) or re-enactment(s) thereof, for the time being in force, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable laws and regulations, to transact the Special Business set out below, by the Members of IITL Projects Limited, by passing the Resolution through Postal Ballot.

Your consideration and approval is sought for the Resolution annexed herewith. The Explanatory Statement under Section 102 of the Companies Act, 2013 read with rules made thereto, setting out the material facts and the reasons for the Resolution, is also appended herewith. Ms. Chandanbala Mehta, Practicing Company Secretary has been appointed by the Board of Directors of your Company as the Scrutinizer for conducting the Postal Ballot process in a fair and transparent manner.

Members desiring to exercise their vote by way of Postal Ballot are requested to carefully read the instructions printed on this Postal Ballot Notice and the Postal Ballot Form and return the completed Postal Ballot Form in the enclosed self-addressed postage pre-paid Business Reply Envelope (if posted in India), so as to reach the Scrutinizer at 9 Shiv Shakti Industrial Estate, J.R. Boricha Marg, Lower Parel, East, Mumbai - 400 011 on or before 5:00 P.M. on Tuesday, 18th day of April, 2017, which is last date for receipt of completed Postal Ballot Forms. Postal Ballot Form(s) received after this date and time will be considered as invalid.

The Scrutinizer will submit the report to the Chairman of the Company upon completion of scrutiny of the Physical Postal Ballot Forms and E-Voting data provided by Central Depository Services (India) Limited (CDSL), in a fair and transparent manner and the result of the Postal Ballot will be announced on Wednesday, the 19th day of April, 2017 at 4:00 p.m. at the Registered Office of the Company. After declaration, the result of the Postal Ballot will be intimated to the Stock Exchange where the shares of the Company are listed and the same shall be placed along with the Scrutinizer's report on the Company's website viz: www.iitlprojects.com and on the website of CDSL.

In accordance with Secretarial Standard on General Meetings (SS-2), issued by the Institute of Company Secretaries of India, if approved with requisite majority, the resolution shall be deemed to have been passed on the last date specified by the Company for receipt of duly completed Postal Ballot forms or E-Voting i.e. Tuesday, 18th day of April, 2017.

E-Voting Option

In compliance with Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and provisions of Section 108 of the Companies Act, 2013 read with the Rules made thereto, the Company is pleased to offer E-Voting facility through E-Voting Platform of Central Depository Services (India) Limited (CDSL), as an alternate, which would enable Members to cast votes electronically, instead of sending Physical Postal Ballot Form(s). Please note that E-Voting is optional and the Members who do not opt for the E-Voting facility can cast their vote in writing in the duly filled in physical Postal Ballot Form. Please carefully read and follow the instructions on E-Voting process printed in this Notice.

SPECIAL BUSINESS:

Approval of Related Party Transaction under Section 188 of the Companies Act, 2013 read with Regulation 23 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 with Industrial Investment Trust Limited, Holding Company

To consider, and if thought fit, to pass with or without modifications, the following Resolution as an **Ordinary Resolution:**

"RESOLVED THAT pursuant to Section 188 and other applicable provisions of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 23 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including

any statutory modifications(s) or re-enactment thereof for the time being in force) and subject to the approval of the shareholders of Industrial Investment Trust Limited, Holding Company, consent of the Company be and is hereby accorded for entering into the following proposed Related Party Transaction:

Sr. No.	Name of the related party	Relationship	Nature of Transaction
1.	Industrial Investment Trust Limited ('IITL')	Holding Company	<p>One-Time Settlement of the outstanding Unsecured Loan availed from Industrial Investment Trust Limited (IITL), Holding Company alongwith the outstanding interest thereon, as under :-</p> <p>(i) Loan of Rs. 36.48 Crores alongwith Outstanding Interest for the period ended March 31, 2016 amounting to Rs. 3.61 Crores (Net of TDS) aggregating to Rs. 40.09 Crores would be adjusted against the transfer of following assets of the Company in favour of IITL, Holding Company:-</p> <ol style="list-style-type: none"> 1. To transfer investment in 50,00,000 Zero% Non-Convertible Redeemable Preference Shares of World Resorts Limited held by the Company to IITL at a value determined by Independent Valuers (Chartered Accountant Firm and Registered Merchant Banker) amounting to Rs. 28.33 Crores, and 2. To transfer investment in 1,08,49,120 Zero% Non-Convertible Redeemable Preference Shares of Capital Infra projects Private Limited held by the Company to IITL at a value determined by Independent Valuers (Chartered Accountant Firm and Registered Merchant Banker) amounting to Rs. 11.76 Crores. <p>(ii) IITL to waive off Interest for the period April, 2016 to March 2017 amounting to Rs. 5.47 Crores.</p> <p>(iii) Recompense Clause: In case if the Company turns profitable in future and has surplus cash flows, the Company will recompense IITL for the interest amount which has been waived off as a part of One-Time Settlement.</p>

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to settle any question, difficulty or doubt that may arise with regard to giving effect to this resolution and to do all such acts, deeds, matters and things as may be deemed necessary, proper or expedient to give effect to this resolution and for the matters connected herewith or incidental hereto including obtaining professional advice from external sources."

By Order of the Board of Directors
For **IITL Projects Limited**

Shubhangi Lohia
Company Secretary & Compliance Officer

Mumbai: March 08, 2017

NOTES:

1. Explanatory Statement and reasons for the proposed Special Business mentioned above pursuant to Section 102 of the Companies Act, 2013, setting out the material facts are appended herein below.
2. The Postal Ballot Notice will be dispatched / sent to all the Members whose names appear in the Register of Members / Records of Depositories as on Friday, the 10th day of March, 2017 viz. the cut-off date and a person who is not a member as on that date should treat this Notice for information purposes only. Notice of Postal Ballot is also being sent to all the Directors and Auditors of the Company.
3. Members who have registered their E-mail IDs with their Depository Participants are being sent Notice of Postal Ballot by E-mail and Members who have not registered their E-mail IDs will receive Notice of Postal Ballot along with the Postal Ballot Form in physical form.

4. Members who have received Postal Ballot Notice by E-mail and who wish to vote through Physical Postal Ballot Form can download Postal Ballot Form from the Company's website www.iitlprojects.com or seek duplicate Postal Ballot Form from the Company.
5. Voting period will commence on and from March 20, 2017 at 9:00 A.M. and ends on April 18, 2017 at 5:00 P.M.
6. Members are requested to read carefully the instructions printed on the Postal Ballot Form before exercising their physical vote and return the Postal Ballot Form duly completed with the assent and dissent by placing a tick mark (✓) in the appropriate column, in the attached self-addressed postage pre-paid Business Reply Envelope, so as to reach the Scrutinizer at 9 Shiv Shakti Industrial Estate, J.R. Boricha Marg, Lower Parel, East, Mumbai - 400 011 on or before 5:00 P.M. on Tuesday, the 18th day of April, 2017. Please note that any Postal Ballot Form(s) received after the said date and time will be treated as if reply from the Member has not been received. No other form or photocopy thereof is permitted. Members who do not receive the Postal Ballot Form may download the Postal Ballot Form from the Company's website www.iitlprojects.com or seek duplicate Postal Ballot Form from the Company.
7. All relevant documents referred to in the accompanying Explanatory Statement are open for inspection at the Registered Office of the Company on all working days (Monday to Friday) between 2.00 P.M. to 4.00 P.M. excluding Saturday up to Tuesday, the 18th day of April, 2017 (i.e. last date for receiving Postal Ballot Forms by Scrutinizer).
8. Members are requested to notify change in address, if any, in case of shares held in Electronic form to the concerned Depository Participant quoting their Client ID and in case of Physical shares to the Registrar and Transfer Agent of the Company quoting their Folio number.

INSTRUCTION FOR VOTING

Kindly note that each Member can opt for only one mode for voting i.e. either by Physical Ballot or by E-Voting. If you opt for E-Voting, then please do not vote by Physical Ballot and vice versa. In case Member(s) cast their vote via both modes i.e. Physical Ballot as well as E-Voting, then voting done through E-Voting shall prevail and Physical Voting of that Member shall be treated as invalid notwithstanding whichever option is exercised first.

PHYSICAL VOTING

Members are requested to refer to the instructions printed behind the Postal Ballot Form for exercising their vote in physical form.

E-VOTING

In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Reg. 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), the Company is pleased to offer E-Voting facility as an alternate, for its Members, to enable them to cast their votes electronically instead of dispatching Postal Ballot Form. The Company has engaged Central Depository Services (India) Limited (CDSL), to provide E-Voting facility to its Members. E-Voting is optional.

The instructions and process for voting electronically by the Members are as under:-

A. The instructions for members for voting electronically:-

- (i) The E-Voting period begins on March 20, 2017 at 9:00 A.M. and ends on April 18, 2017 at 5:00 P.M. The E-Voting module shall be disabled by CDSL for voting after 5:00 P.M. on April 18, 2017. During this period, the Members of the Company, holding shares in Physical form or in Demat form, as on the cut-off date viz. March 10, 2017, may cast their vote electronically. Once the vote on a resolution is cast by the Member, the Member is not allowed to change it subsequently.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on "Shareholders" tab to cast your votes.
- (iv) After that Now Enter your User ID
 - a) For CDSL: 16 digits beneficiary ID,
 - b) For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c) Members holding shares in Physical Form should enter Folio Number registered with the Company.

(v) Next enter the Image Verification as displayed and Click on Login.

If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

(vi) If you are a first time user follow the steps given below:-

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 sequence number which is printed on Ballot Form / Attendance Slip indicated in the PAN Field.• In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
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. <ul style="list-style-type: none">• 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 member id/folio number in the Dividend Bank details field as mentioned in instruction (v)

(vii) After entering these details appropriately, click on "SUBMIT" tab.

(viii) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is also to be 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 EVSN for 'IITL Projects Limited'.

(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) After entering these details appropriately, click on 'SUBMIT' tab.

(xvii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.

(xviii) Note for Non-Individual Shareholders & Custodians:

- 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 as Corporates and Custodians respectively.

- 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 they should create compliance user using the admin login and password. The Compliance user would be able to link the depository account(s)/folio numbers on which they wish to vote.
- 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 scrutiniser to verify the same.

B. In case of members receiving the physical copy

- (i) Please follow all steps from sl. no. (i) to sl. no. (xvii) above to cast vote

In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.

C. Member cannot exercise his / her vote by proxy on Postal Ballot.

D. The Scrutinizer's decision on the validity or otherwise of Postal Ballot / remote e-Voting will be final.

E. Members may also note that the Postal Ballot Notice will also be available on the Company's Website viz. www.iitlprojects.com for downloading.

F. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com,, under help section or write an email to helpdesk.evoting@cdslindia.com and may also contact the following officials:

Contact Details	
Company	IITL Projects Limited, Regd.Off. Rajabhadur Mansion, 2nd Floor, 28, Bombay Samachar Marg, Mumbai 400 001, Maharashtra. E-mail: iitlprojects@iitlgroup.com Tel.: (+91) 22-4325 0100; Fax: (+91) 22-2265 1105
Registrar & Transfer Agent	Purva Sharegistry (India) Private Limited Email: busicomp@gmail.com Tel.: 022-2301 2518/23010771
Scrutinizer	Ms. Chandanbala Mehta, Practicing Company Secretary
E-Voting Agency / Contact details of the person responsible to address the grievances connected with the electronic voting	Central Depository Services (India) Limited Name: Mr. Rakesh Dalvi Designation: Deputy Manager Address: 16th Floor, Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai – 400001. Email id: helpdesk.evoting@cdslindia.com Phone number: 18002005533

- G.** Members can also update their mobile number and E-mail Id in the user profile details of the folio, which may be used for sending future communications.
- H.** The voting rights of the shareholders shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date, March 10, 2017.
- I.** A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on cut-off date only shall be entitled to avail the facility of remote e-Voting or voting by Postal Ballot.
- J.** The Company has appointed Ms. Chandanbala Mehta, Practising Company Secretary (Membership No. F6122), as Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-Voting process in a fair and transparent manner.
- K.** The Scrutinizer shall unblock the votes in presence of two witness, who are not in employment of the Company and after scrutinizing such votes received shall make a Scrutinizers' report of the votes cast in favour or against or invalid votes in connection with the resolution(s) mentioned in the Postal Ballot Notice and submit the same forthwith to the Chairman and Managing Director of the Company.

- L. The result of the Postal Ballot will be declared / announced on Wednesday, the 19th day of April, 2017 at 4:00 P.M. at the Registered Office of the Company. The results along with the Scrutinizer's Report shall be placed on the website of the Company viz. www.iitlprojects.com after the declaration of result. The results shall also be communicated to the Stock Exchange viz. BSE Limited and also displayed on website of CDSL viz. www.evotingindia.com

EXPLANATORY STATEMENT AND REASONS FOR THE PROPOSED RESOLUTION ACCOMPANYING THE POSTAL BALLOT NOTICE DATED MARCH 08, 2017 PURSUANT TO SECTION 102 READ WITH SECTION 110 OF THE COMPANIES ACT, 2013 AND RULES MADE THERETO

The Company is a subsidiary of Industrial Investment Trust Limited which is holding 71.74% shareholding of the Company and is engaged in Real Estate business, construction of residential complex in the National Capital Region (NCR). Apart from constructing its own Project the Company is also engaged in construction of residential flats through Special Purpose Vehicles (SPVs).

The Company had availed unsecured loan amounting to Rs. 36.48 Crores from its Holding Company, Industrial Investment Trust Limited ("hereinafter referred as IITL") for its business purpose in various tranches over a period between February, 2010 to September, 2015. The Company was regular in servicing its interest obligation upto 30th June 2015. However from 1st July 2015 it has defaulted in its obligation to service interest.

Due to crisis in real estate industry, the Company and its Joint Ventures which are also into the business of Real Estate could not achieve the expected sales volume. This affected the profitability as well the debt repayment capacity of the Company and its Joint-Ventures.

In view of the aforesaid, the Company has failed to service its interest obligation from July 01, 2015. In November 2015, at the specific request by the Company, the Holding Company, IITL granted a moratorium on payment of interest upto April 30, 2016 and also the period for repayment of loan was further extended upto 31st March, 2018. However, even after the end of the moratorium period the Company could not service its interest obligation.

On account of said circumstances, the Company has now approached IITL with a proposal for One Time Settlement (OTS) of its outstanding loan and interest amount.

Based on the prior approval granted by the Audit Committee in its meeting held on March 08, 2017, the Board of Directors in its meeting held on even date granted its approval for One Time Settlement (OTS) of outstanding Loan availed from IITL together with outstanding interest thereon.

The related information as envisaged under the Companies (Meetings of Board and its Powers) Rules, 2014 are furnished hereunder:

Maximum Value of Contract / Arrangement / Transaction	
Name and Nature of Relationship with Related Party:	Particulars of the Transaction
Industrial Investment Trust Limited, Holding Company and a Related Party as per the provisions of Section 2(76) of the Companies Act, 2013.	<p>One-Time Settlement of the outstanding Unsecured Loan availed from Industrial Investment Trust Limited (IITL), Holding Company alongwith the outstanding interest thereon, as under :-</p> <p>(i) Loan of Rs. 36.48 Crores alongwith Outstanding Interest for the period ended March 31, 2016 amounting to Rs. 3.61 Crores (Net of TDS) aggregating to Rs. 40.09 Crores would be adjusted against the transfer of following assets of the Company in favour of IITL, Holding Company:-</p> <ol style="list-style-type: none"> To transfer investment in 50,00,000 Zero% Non-Convertible Redeemable Preference Shares of World Resorts Limited held by the Company to IITL at a value determined by Independent Valuers (Chartered Accountant Firm and Registered Merchant Banker) amounting to Rs. 28.33 Crores, and To transfer investment in 1,08,49,120 Zero% Non-Convertible Redeemable Preference Shares of Capital Infraprojects Private Limited held by the Company to IITL at a value determined by Independent Valuers (Chartered Accountant Firm and Registered Merchant Banker) amounting to Rs. 11.76 Crores. <p>(ii) IITL to waive off Interest for the period April, 2016 to March 2017 amounting to Rs. 5.47 Crores.</p> <p>(iii) Recompense Clause: In case if the Company turns profitable in future and has surplus cash flows, the Company will recompense IITL for the interest amount which has been waived off as a part of One-Time Settlement.</p>

- a) **Name and Nature of Relationship with Related Party:** As provided in the table above.
- b) **Nature, duration of the contract and particulars of the contract or arrangement:** As provided in the table above.
- c) **Material terms of the contract or arrangement including the value, if any:** As provided in the table above.
- d) **Any advance paid or received for the contract or arrangement, if any:** Nil
- e) **Manner of determining the pricing and other commercial terms, both included as part of contract and not considered as part of the contract:** The value of the shares transferred is determined by Independent Valuers(Chartered Accountant Firm and Registered Merchant Banker).
- f) **Whether all factors relevant to the contract have been considered, if not, the details of factors not considered with the rationale for not considering those factors:** Yes
- g) **Any other information relevant or important for the Board to take a decision on the proposed transactions:** Nil

The Board recommends the resolution as set out in the accompanying notice for the approval of members of the Company as an Ordinary Resolution.

None of Directors, Key Managerial Personnel and / or their relatives, are interested and / or concerned in passing of the said resolution.

By Order of the Board of Directors
For **IITL Projects Limited**

Shubhangi Lohia
Company Secretary & Compliance Officer

Mumbai: March 08, 2017

