



UFO MOVIEZ INDIA LIMITED

(CIN:L22120DL2004PLC164728)

Registered Office: Office No. 12, 3rd Floor, 312, Surya Kiran Building, 19, Kasturba Gandhi Marg, New Delhi – 110 001, India

Tel: +91 (11) 4370 4300 / **11 Fax:** +91 (11) 4370 4322

Corporate Office: Valuable TechnoPark, Plot No. 53 / 1, Road No. 7, MIDC, Marol, Andheri (East), Mumbai – 400 093, India

Tel: +91 (22) 4030 5060 / **11 Fax:** +91 (22) 4030 5110, **Email:** investors@ufomoviez.com **Website:** www.ufomoviez.com

NOTICE OF POSTAL BALLOT

(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 of the Companies Act, 2013, (hereinafter referred to as “the Act”), read with Rule 22 of the Companies (Management and Administration) Rules, 2014 (including any statutory modification or re-enactment thereof for the time being in force) to the Members of UFO Moviez India Limited (hereinafter referred to as “the Company”) that the resolutions appended below are proposed to be passed by way of postal ballot / e-voting. The explanatory statements 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 and voting.

The Board of Directors of the Company has appointed Mr. Dharmesh Zaveri of D. M. Zaveri & Co., Practising Company Secretary, Mumbai as the Scrutinizer, at the meeting held on Monday, November 9, 2015, for conducting the postal ballot (physical & e-voting) process in accordance with law, 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 Clause 35B of the Listing Agreement, 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 M/s. Karvy Computershare Private Limited, Registrar and Share Transfer Agent (RTA). The e-voting period commences on Sunday, December 6, 2015 at 9.00 a.m. and ends on Monday, January 4, 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, January 4, 2016. Please note that any Postal Ballot Form(s) received after Monday, January 4, 2016 will be treated as not received. The Scrutinizer will be submitting 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 Friday, January 8, 2016 at 11.00 a.m. at the Corporate Office of the Company situated at Valuable TechnoPark, Plot No. 53 / 1, Road No. 7, MIDC, Marol, Andheri (East), Mumbai – 400 093 and will be displayed on the notice board at the registered office of the Company situated at Office No. 12, 3rd Floor, 312, Surya Kiran Building, 19, Kasturba Gandhi Marg, New Delhi – 110001 and at the Corporate Office of the Company. The results of the postal ballot will also be posted on the Company's website www.ufomoviez.com/investors.aspx and M/s. Karvy Computershare e-voting website i.e. <https://evoting.karvy.com> besides communicating to the stock exchanges where the Company's shares are listed. The results of the postal ballot shall also be announced through newspaper advertisement. The resolutions, if approved, will be taken as passed effectively on Monday, January 4, 2016.

Members requiring any clarifications on e-voting may contact M/s. Karvy Computershare Private Limited on toll free number 1800 3454001 or by email einward.ris@karvy.com.

Proposed Resolutions

Item No. 1:

Shifting of the Registered Office of the Company from the National Capital Territory of Delhi to the State of Maharashtra:

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

“RESOLVED THAT pursuant to the provisions of Section 12, 13 and 110 and other applicable provisions of the Companies Act, 2013, read with relevant rules applicable, if any, (including any statutory modifications(s) or re-enactment thereof, for the time being in force) and subject to the approval of the Central Government and such other approvals, permissions and sanction, as may be required from time to time, consent of the Members of the Company be and is hereby accorded for shifting of the Registered Office of the Company from the National Capital Territory of Delhi to the State of Maharashtra i.e. from Delhi to Mumbai and consequently Clause II of the Memorandum of Association of the Company be replaced as under:

(II) “The Registered Office of the Company will be situated in the State of Maharashtra. i.e. within the jurisdiction of the Registrar of Companies, Maharashtra at Mumbai.”

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall be deemed to include any person authorised and/or Committee which the Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred by this resolution) or any officer so authorised by the Board be and is hereby authorised on behalf of the Company to make any modifications, changes, variations, alterations or revisions stipulated by any one of the authorities, statutory or otherwise, while according approval, consent as may be considered necessary and to appoint counsels and advisors, file applications/ petitions, issue notices, advertisement, obtain orders for shifting of the Registered Office from the concerned authorities and to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary and with power on behalf of the Company to settle any questions, difficulties or doubts that may arise in this regard without requiring the Board to secure any further consent or approval of the Members of the Company.”

Item No. 2:

Ratification of UFO Moviez India Limited — Employee Stock Option Scheme – 2014:

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

“RESOLVED THAT in furtherance of and supplemental to the Special Resolution passed by the Members in the Extra-Ordinary General Meeting of the Company held on November 20, 2014, pursuant to Clause 12 and other applicable provisions, if any, of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) (“SEBI ESOP Regulations”), provisions of section 62 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force), the Memorandum and Articles of Association of the Company, and subject to such other approvals, consents, permissions and sanctions, as may be applicable, including such conditions and modifications as may be prescribed or imposed while granting such approvals, consents, permissions and sanctions, UFO Moviez India Limited - Employee Stock Option Scheme-2014 (“ESOP-2014”) formulated and approved prior to the Initial Public Offering (“IPO”) of the Company, be and is hereby ratified and 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 be deemed to include Compensation Committee of the Board, to create, offer, issue and grant at any time, directly or through a trust, to the eligible employees of the Company as defined under the ESOP-2014, up to a maximum of 1,150,000 options, each option convertible into one fully paid-up equity share of ₹ 10 of the Company, on payment of the requisite exercise price to the Company, in one or more tranches and on such terms and conditions as may be fixed or determined by the Board and/or the Compensation Committee in accordance with the ESOP-2014.

RESOLVED FURTHER THAT the Board and/or the Compensation Committee, be and is hereby authorised to do all such acts as it may in its absolute discretion deem necessary to bring the ESOP-2014 into effect including incur expenses in relation thereto.

RESOLVED FURTHER THAT the Board and/or the Compensation Committee be and is hereby authorised to administer and implement the ESOP-2014, settle all questions, difficulties or doubts that may arise in relation to the implementation of the ESOP-2014, including to amend or modify any terms thereof in accordance with and subject to SEBI ESOP Regulations,

without being required to seek any further approval or consent of the Members and to do all other acts, deeds and things, as it may deem fit and proper from time to time.

RESOLVED FURTHER THAT for the purpose of giving effect to any creation, offer, issue, allotment or listing of the shares, on behalf of the Company, the Board and/or the Compensation Committee be and is hereby authorised to make any modifications, changes, variations, alterations or revisions in the ESOP-2014 from time to time or to suspend, withdraw or revive the ESOP-2014 from time to time, as may be specified by any statutory authority or otherwise and to do all such acts, deeds, matters and things as it may in its absolute discretion deem fit or necessary or desirable for such purpose in conformity with the Companies Act, 2013, the Memorandum and Articles of Association of the Company, the SEBI ESOP Regulations as amended from time to time and any other applicable laws and with power on behalf of the Company to settle any questions, difficulties or doubts that may arise in this regard without requiring the Board and/or the Compensation Committee to secure any further consent or approval of the Company.

RESOLVED FURTHER THAT subject to applicable laws and any approvals, consents, permissions and sanctions, as may be required, the options may be granted to the eligible employees either directly or through a trust constituted/to be constituted by the Board and/or the Compensation Committee.

RESOLVED FURTHER THAT the equity shares, if any, issued/allotted upon exercise of options from time to time in accordance with the ESOP-2014, shall rank *pari-passu* in all respects with the then existing equity shares of the Company.

RESOLVED FURTHER THAT in case of any corporate action such as rights issue, bonus issue, merger, sale of division or such other event, if any, additional equity shares/options are issued by the Company to the holder of the options or trust for the purpose of making a fair and reasonable adjustment to the options granted earlier, the above ceiling of 1,150,000 options convertible into one fully paid-up equity share of ₹ 10 shall be deemed to have increased to the extent of such additional equity shares/options issued.

RESOLVED FURTHER THAT in case the equity shares of the Company are sub-divided or consolidated, then the number of equity shares to be allotted and the price of acquisition of the equity shares to the aforesaid option grantees under the ESOP-2014 shall automatically stand augmented or reduced, as the case may be, in the same proportion, which the present face value of ₹ 10 per equity share bears to the revised face value of the equity shares of the Company after such sub-division or consolidation, without affecting any other rights or obligation of the said option holders.

RESOLVED FURTHER THAT the Board be and is hereby also authorised to take necessary steps for listing of the equity shares allotted under the ESOP-2014 on the stock exchanges, where the shares of the Company are listed as per the provisions of the Listing Agreement with the concerned stock exchanges and other applicable guidelines, rules and regulations.

Item No. 3:

Approval of material related party transactions with Southern Digital Screenz India Private Limited:

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

“RESOLVED THAT pursuant to the provisions of Clause 49(VII)(E) and other applicable clauses, if any, of the Listing Agreement, and Regulation 23 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and all other applicable provisions, the consent of the members be and is hereby accorded for undertaking material related party transactions with Southern Digital Screenz India Private Limited, as disclosed in the Explanatory Statement.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors (hereinafter referred to as the “Board”, which term shall include any Committee(s) constituted / to be constituted by the Board to exercise the powers conferred on the Board by this Resolution) be and is hereby authorized to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, proper or desirable and also authorized to settle any question, difficulty or doubt that may arise in this regard and further authorized to execute all documents and writings as may be necessary, proper, desirable or expedient as it may deem fit.”

By order of the Board
For **UFO Moviez India Limited**

Date: November 9, 2015
Place: Mumbai

Sameer Chavan
Company Secretary

Notes:

1. 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.
2. The notice of the Postal Ballot is being sent to all the Members, whose names appear on the Register of Members / List of Beneficial Owners as received from National Securities Depository Limited (NSDL) / Central Depository Services (India) Limited (CDSL) as of Friday, November 20, 2015.
3. Members who have registered their e-mail IDs for receipt of documents in electronic mode are being sent Notice of the Postal Ballot by e-mail and to others are being sent by mode prescribed under the Act along with Postal Ballot Form. 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 link www.ufomoviez.com or <https://evoting.karvy.com> or seek duplicate Postal Ballot Form from M/s. Karvy Computershare Private Limited, Unit: UFO Moviez India Limited, Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500032, fill in the details and send the same to the Scrutinizer. The date of completion of dispatch of Notice will be announced through advertisement in the newspapers.

Members are requested to read the instructions printed on the reverse of the Postal Ballot Form and return the Postal Ballot Form duly completed in the attached self-addressed and postage prepaid business reply envelope so as to reach the Scrutinizer on or before Monday, January 4, 2016, at the following address:

Mr. Dharmesh Zaveri
D. M. Zaveri & Co., Practising Company Secretary
C/o Karvy Computershare Pvt. Ltd
Unit: UFO MOVIEZ INDIA LIMITED
Karvy Selenium, Tower B, Plot No. 31-32,
Gachibowli, Financial District, Nanakramguda
Hyderabad-500032

4. In compliance with the provisions of Section 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014 and Clause 35B of the Listing Agreement 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. For this purpose, the Company has engaged M/s. Karvy Computershare Private Limited, for facilitating e-voting to enable the Members to cast their votes electronically instead of dispatching Postal Ballot Form.

The instructions for Members for e-voting are as under:

- a) In case of Members receiving e-mail from M/s. Karvy Computershare Private Limited:
 - i. Open e-mail and then open PDF file viz., "UFO Moviez India Limited e-Voting.pdf" with their Client ID or Folio No. as password. The said PDF file contains the User ID and password for e-voting. Please note that the password is an initial password.
 - ii. Open your web browser during the voting period and navigate to <https://evoting.karvy.com>.
 - iii. Enter the login credentials (i.e., user-id & password) mentioned on the Postal Ballot Form. Your Folio/DP ID and Client ID will be your User-ID.

User ID	<u>For Members holding shares in Demat Form:</u> a) For NSDL: 8 Characters DP ID followed by 8 Digits Client ID b) For CDSL: 16 digits beneficiary ID <u>For Members holding shares in Physical Form:</u> Event Number followed by Folio Number registered with the Company
Password	Your Unique password is printed on the Postal Ballot Form
Captcha	Enter the Verification code i.e. please enter the alphabets and numbers in the exact way as they are displayed for security reasons.

- iv. Please contact the toll free No. 18003454001 for any further clarifications.
- v. Members can cast their vote online from Sunday, December 6, 2015 from 9:00 a.m. to Monday, January 4, 2016 till 5:00 p.m.
- vi. After entering these details appropriately, click on "LOGIN".

- vii. Members holding shares in Demat/Physical form will now reach Password Change menu, wherein they are required to mandatorily change their login password in the new password field. The new password has to be minimum eight characters consisting of at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (\$,@,#). Kindly note that this password can be used by the Demat holders for voting relating to any other Company on which they are eligible to vote, provided that the Company opts for e-voting through M/s.Karvy Computershare Private Limited e-Voting platform. System will prompt you to change your password and update any contact details like mobile, email ID etc., on 1st login. You may also enter the Secret Question and Answer of your choice to retrieve your password in case you forget it. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - viii. You need to login again with the new credentials.
 - ix. On successful login, system will prompt to select the Event i.e., 'UFO Moviez India Limited'.
 - x. If you are holding shares in Demat form and had logged on to <https://evoting.karvy.com> and casted your vote earlier for any company, then your exiting login id and password are to be used.
 - xi. On the voting page, you will see Resolution Description and against the same the options (FOR/AGAINST) for voting. Enter the number of shares (which represents number of votes) under (FOR/AGAINST) or alternatively you may partially enter any number in (FOR) and partially in (AGAINST), but the total number in (FOR/ AGAINST) taken together should not exceed your total shareholding. 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. Corporate/Institutional Members (Corporate/FIs/FIIs/Trust/Mutual Funds/Banks, etc.) are required to send scan (PDF format) of the relevant Board resolution through e-mail to the Scrutinizer to Mr. Dharmesh Zaveri of D. M. Zaveri & Co., Practising Company Secretary at dmz@dmzaveri.com with copy to evoting@karvy.com. The file scanned image of the Board Resolution should be in the naming format "Corporate Name_ Event no."
- b) In case of Members receiving Postal Ballot Form by Post:
- (i) Initial Password is provided as below at the bottom of the Postal Ballot Form.

EVEN (E-Voting Event Number)	USER ID	PASSWORD / PIN

- c) In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and e-voting user manual for Members available at the Downloads section of <https://evoting.karvy.com> or contact M/s. Karvy Computershare Private Limited at the Telephone No.: (Toll Free No.: 1800 3454001).
 - d) You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
5. Members who have registered their e-mail id either with the Depositories or with the Company are being sent Notice of Postal Ballot by e-mail and Members who have not registered their e-mail id will receive Notice of Postal Ballot along with Postal Ballot Form through prescribed mode under the Act. The Members can also seek duplicate Postal Ballot Form from M/s. Karvy Computershare Private Limited at Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad – 500032 or Registered Office of the Company i.e. Office No. 12, 3rd Floor, 312 Surya Kiran Building, 19 Kasturba Gandhi Marg, New Delhi 110 001.
 6. Kindly note that the Members can opt for only one mode of voting i.e. either by Physical Postal Ballot or e-voting. If you are opting for e-voting, then do not vote by Physical Postal Ballot also and vice versa. However, in case Members cast their vote by both Physical Postal Ballot and e-voting, then voting done through valid Physical Postal Ballot shall prevail and voting done by e-voting will be treated as invalid.
 7. Members desiring to exercise vote by Physical Postal Ballot are requested to carefully read the instructions printed in the Postal Ballot Form and return the Postal Ballot Form duly completed and signed in the enclosed self-addressed postage prepaid business reply envelope to the Scrutinizer so as to reach the Scrutinizer on or before the close of working hours i.e. 5:00 p.m. on Monday, January 4, 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 Monday, January 4, 2016 would be strictly treated as if reply from the Members has not been received.

8. The voting period ends on the close of working hours (i.e. 5:00 p.m.) on Monday, January 4, 2016. The e-voting module for voting shall be disabled by M/s. Karvy Computershare Private Limited thereafter.
9. The voting right(s) of Members shall be in proportion to their share(s) of the paid-up equity share capital of the Company as on Friday, November 20, 2015.
10. The Scrutinizer will submit his report to the Chairman or Company Secretary of the Company within seven days after completion of the scrutiny of the Postal Ballot Forms and the result of the Postal Ballot along with the Scrutinizer's Report will be announced on Friday, January 8, 2016 and the same shall be placed on the Company's website www.ufomoviez.com and also on the website of M/s. Karvy Computershare Private Limited i.e. <https://evoting.karvy.com> and shall be communicated to the stock exchanges where the Company's shares are listed. 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. The Board of Directors has appointed Mr. Kapil Agarwal, Joint Managing Director and Mr. Sameer Chavan, Company Secretary of the Company as the designated persons responsible for the entire postal ballot process.
12. A copy of each of the documents referred to in the accompanying Explanatory Statement is open for inspection at the Registered 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. Friday, January 8, 2016.

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

Item No. 1:

The Registered Office of the Company is presently situated at Office No. 12, 3rd Floor, 312, Surya Kiran Building, 19, Kasturba Gandhi Marg, New Delhi 110 001.

The Company needs to interact regularly with the stakeholders of Indian film industry especially Bollywood, financial institution(s), bank(s), investor community, stock exchanges, Reserve Bank of India, capital market regulators, etc., all of whom are based out of Mumbai. These interactions are currently coordinated through Company's corporate office in Mumbai. In order to have an effective administrative control and better synergy with all the above mentioned stakeholders it is proposed to shift the Registered Office of the Company from Delhi to India's financial capital i.e., Mumbai in the State of Maharashtra.

If the Members so approve, the Registered Office of the Company will be shifted from Office No. 12, 3rd Floor, 312, Surya Kiran Building, 19, Kasturba Gandhi Marg, New Delhi 110 001 situated under the jurisdiction of the Registrar of Companies, National Capital Territory of Delhi and Haryana to Valuable Technopark, Plot No. 53/1, Road No.7, MIDC, Andheri East, Mumbai – 400093, Maharashtra situated under the jurisdiction of the Registrar of Companies, Mumbai, Maharashtra or such other location within the local limits of Mumbai, as the Board may deem fit.

Pursuant to Section 13(4) and Section 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management & Administration) Rules, 2014, the shifting of the Registered Office from one State to another requires the approval of the Members of the Company by means of a Special Resolution through Postal Ballot and approval from the Central Government.

In light of the above, the approval of the Members is sought through Postal Ballot for shifting of the Registered Office from the National Capital Territory of Delhi to the State of Maharashtra and consequently for altering Clause II of the Memorandum of Association.

The Memorandum of Association with proposed alteration will be available for inspection at the Registered Office of the Company to any Member during office hours on all working days except Saturday and Sunday and other holiday, between 11:00 a.m. and 1:00 p.m.

The proposed change will in no way be detrimental to the interest of any member of public, employees or any other person in any manner whatsoever.

The Board is of the opinion that the aforesaid Special Resolution is in the best interest of the Company and hence, recommends passing of the aforesaid resolution set out in Item No.1 as a Special Resolution.

None of the Directors / Key Managerial Personnel of the Company / their relatives are in any way concerned or interested financially or otherwise in the Special Resolution, except as shareholders, if any of the Company.

Item No. 2

Pursuant to the resolution of the Board dated November 11, 2014, and the Shareholders' Resolution dated November 20, 2014, the Company had established the UFO Moviez India Limited -Employee Stock Option Scheme 2014 ("ESOP 2014"), which is effective from December 12, 2014 till terminated by the Board or all options available under the ESOP 2014 have been issued and exercised. The aggregate number of options to be granted under the ESOP 2014 is such number of stock options exercisable into 1,150,000 Equity Shares. Each option granted under the ESOP 2014 is convertible into one Equity Share.

Details of grants, exercise and lapsing of options as at September 30, 2015 on a cumulative basis are as follows:

Options granted	932,500
Options lapsed/expired	12,430
Options exercised	Nil
Options outstanding	920,070

In terms of Regulation 12(1) of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 ("SEBI ESOP Regulations"), no company shall make any fresh grant which involves allotment or transfer of shares to its employees under any schemes formulated prior to its Initial Public Offering (IPO) and prior to the listing of its equity shares ('Pre-IPO Scheme') unless: (i) such Pre-IPO Scheme is in conformity with the SEBI ESOP Regulations; and (ii) Such Pre-IPO Scheme is ratified by its shareholders subsequent to the IPO. Further, as per proviso to Regulation 12(1) of the SEBI ESOP Regulations, the ratification under clause (ii) may be done any time prior to grant of new options or shares or Stock Appreciation Rights (SAR) under such Pre-IPO Scheme.

ESOP 2014 is compliant with the SEBI ESOP Regulations.

Under the ESOP 2014, the Company may grant up to 1,150,000 employee stock options exercisable into 1,150,000 Equity Shares.

In terms of Regulation 12(1) of the SEBI ESOP Regulations, the Company cannot make any fresh grant under ESOP 2014 including re-grant of lapsed /expired employee stock options unless ESOP 2014 is ratified by the shareholders of the Company.

Mr. Kapil Agarwal, Joint Managing Director, Mr. Rajesh Mishra, CEO-Indian Operations, Mr. Ashish Malushte, Chief Financial Officer and Mr. Sameer Chavan, Company Secretary of the Company are interested in this resolution to the extent employee stock options granted to them under ESOP-2014.

None of the Directors / Key Managerial Personnel of the Company / their relatives are in any way concerned or interested financially or otherwise in the Ordinary Resolution, except as shareholders, if any of the Company.

Item No. 3:

Southern Digital Screenz India Pvt. Ltd (SDS) is a subsidiary of the Company and is a related party under section 2(76) of the Companies Act, 2013. SDS uses Company's platform to deliver encrypted movie content to the exhibitors in the states of Tamil Nadu, Andhra Pradesh, Telangana, Kerala and Karnataka. The Company provides complete technical assistance in delivering the movie content to SDS. In order to deliver the movie content, the Company also supplies digital cinema equipments to SDS on lease basis. The Company had also engaged SDS for promoting and marketing UFO Digital Cinema in these southern states. The Company has in-cinema advertisement rights for exhibition of advertisements in the cinema theatres across south India and uses digital cinema equipments leased to SDS for the purposes of exploiting the in-cinema advertisement rights for generating advertisement revenue. The Company has also taken certain premises on leave and license basis from SDS for its business activities in these states.

In terms of clause 49 (VII) (E) of the Listing Agreement entered into with the stock exchanges, and Regulation 23 of the Securities and Exchange Board of India(Listing Obligations and Disclosure Requirements) Regulations, 2015 all material related party transactions requires approval of the Members of the Company. A transaction with a related party shall be considered material if the transaction / transactions to be entered into individually or taken together with previous transactions during a financial year, exceeds ten percent (10%) of the annual consolidated turnover of the company as per the last audited financial statements of the company.

In view of the above, the transactions with Southern Digital Screenz India Pvt. Ltd during the financial year 2015-16 may exceed the aforesaid limit and therefore shall require approval of the Members of the Company. We furnish hereinbelow details of material related party transactions with SDS:

Sr. No.	Particulars	Details
1.	Name of the Related Party	Southern Digital Screenz India Pvt. Ltd.
2.	Name of Director or Key Managerial Personnel Directors: who is related, if any	Mr. Rajesh Mishra, CEO and Mr. Ashish Malushte, CFO both key managerial personnel of the Company are non-executive directors in Southern Digital Screenz India Pvt. Ltd.
3.	Nature of Relationship	Subsidiary of the Company and is a related party under section 2(76) of the Companies Act, 2013
4.	Nature, Particulars of the contract or arrangement and Material Terms	<p><u>Nature and Particulars of Contract:</u></p> <p>(i) Fixed Monthly Rental on digital cinema equipments (ii) Virtual Print Fees (iii) Advertisement Revenue Sharing and (iv) Leave and License Agreements for premises</p> <p><u>Material Terms:</u></p> <p>(i) Providing Digital Cinema Equipment's on lease basis (ii) Software encryption and digital transmission service (iii) Generating and sharing of advertisement revenue. (iv) The subsidiary company has granted the permission to use and occupy the leased premises to the Company.</p> <p><u>Duration of the contracts:</u></p> <p>For (i) to (iii) originally entered in year 2008 and subsequently amended on dated September 1, 2010 and further amended on August 22, 2011, for a period of 10 years, renewable on similar and mutually agreeable terms.</p> <p>For (iv) Leave and License Agreement dated November 1, 2014 for a period of 11 months for premises situated at Hyderabad, Leave and License Agreement dated July 29, 2015 for 11 months for premises situated at Chennai and Leave and License Agreement dated July 29, 2015 for 11 months for premises situated at Vijaywada, Leave and License Agreement dated November 9, 2015 for 11 months for premises situated at Hyderabad.</p>
5.	Monetary Value (Estimated)	₹ 57.12 crores approx.
6.	Any other information relevant or important for the members to take a decision on this resolution	None

The provisions of Clause 49(VII)(E) of the Listing Agreement and Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 provide for undertaking material related party transactions by the Company with the approval of the shareholders by way of passing a Ordinary Resolution. In view of the above, it is necessary for the Members to pass a Ordinary Resolution for enabling the Company to undertake material related party transactions with Southern Digital Screenz India Pvt. Ltd in each financial year up to a limit stipulated hereinabove.

The Board commends passing of the resolution as set out in Item No. 3 of the accompanying Notice. Except, Mr. Rajesh Mishra and Mr. Ashish Malushte, both Key Managerial Personnel of the Company and Directors of SDS, none of the Directors / Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested financially or otherwise, in the passing of the Resolution.

By order of the Board
For **UFO Moviez India Limited**

Date: November 9, 2015
Place: Mumbai

Sameer Chavan
Company Secretary



UFO MOVIEZ INDIA LIMITED

(CIN:L22120DL2004PLC164728)

Registered Office: Office No. 12, 3rd Floor, 312, Surya Kiran Building, 19, Kasturba Gandhi Marg,
New Delhi – 110 001, India, **Tel:** +91 (11) 4370 4300 / 11 **Fax:** +91 (11) 4370 4322

Corporate Office: Valuable TechnoPark, Plot No. 53 / 1, Road No. 7, MIDC, Marol, Andheri (East), Mumbai – 400 093, India
Tel: +91 (22) 4030 5060 / 11 **Fax:** +91 (22) 4030 5110, **Email:** investors@ufomoviez.com **Website:** www.ufomoviez.com

Postal Ballot Form

(To be returned to the Scrutinizer appointed by the Company)

Sr. No.:

1. Name & Registered address of :
the sole / first named Member
(In Block Letters)

2. Name(s) of the Joint holder(s) :
(if any)

3. Registered Folio No. / DP ID No. :
& Client ID No.

4. Number of shares held :

I / We hereby exercise my / our vote in respect of the resolutions to be passed through Postal Ballot for the business stated in the accompanying Postal Ballot Notice of the Company by conveying my / our assent or dissent to the said resolutions by placing the tick (✓) mark at the appropriate box below:

Item No.	Description	No. of equity shares	I/We assent to the resolution (FOR)	I/We dissent to the resolution (AGAINST)
1.	Special Resolution for the shifting of the Registered Office of the Company from the National Capital Territory of Delhi to the State of Maharashtra.			
2.	Ordinary Resolution for ratification of UFO Moviez India Limited-Employee Stock Option Scheme – 2014.			
3.	Ordinary Resolution for approval of material related party transactions with Southern Digital Screenz India Private Limited.			

Place :

Date :

Signature of the Member

#Email: #Tel No:

#Optional
.....

ELECTRONIC VOTING PARTICULARS

EVEN (Electronic Voting Event Number)	USER ID	PASSWORD / PIN

Note :

1. Kindly read the instructions printed overleaf before filling the Postal Ballot Form.
2. Last date for receipt of Postal Ballot Forms by the Scrutinizer is Monday, January 4, 2016 at 5.00 p.m.

INSTRUCTIONS

1. A Member desirous of exercising vote by postal ballot may complete this Postal Ballot Form and send it to the Scrutinizer in the attached self-addressed postage prepaid business reply envelope. Postage will be borne by the Company. Envelopes containing Postal Ballot Form, if deposited in person or sent by courier or any other mode at the expense of the Member(s) will also be accepted.
2. Please convey your assent / dissent in this Postal Ballot Form only. The assent or dissent received in any other form shall not be considered valid.
3. The self-addressed postage prepaid business reply envelope bears the postal address of the Scrutinizer appointed by the Company.
4. The Postal Ballot Form should be completed and signed by the Member (as per specimen signature registered with the Company/ RTA or Depository Participants, in respect of shares held in the physical form or dematerialized form respectively). In case of joint holding, Postal Ballot Form must be completed and signed by the first named member and in his/her absence, by the next named member.
5. In case of shares held by the Companies, Trusts, Societies, etc., the duly completed Postal Ballot Forms should be accompanied by a certified true copy of board resolution/authorization giving requisite authority to the person voting on the Postal Ballot Form, together with the duly attested specimen signature(s) of the authorized signatories.
6. The Postal Ballot Form duly completed and signed should be forwarded to the Scrutinizer (i.e., Mr. Dharmesh Zaveri of D. M. Zaveri & Co., Practicing Company Secretary), appointed by the Company so as to reach the Scrutinizer (C/o M/s. Karvy Computershare Private Limited, Unit: UFO Moviez India Limited, Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad – 500032) not later than the close of working hours on or before Monday, January 4, 2016 i.e. 5:00 p.m. Postal Ballot Forms received after this date will be strictly treated as if the reply from such members has not been received.
7. A Member can apply for duplicate Postal Ballot Form through an email at einward.ris@karvy.com, if so required. However, the duly filled in duplicate Postal Ballot Form should reach the Scrutinizer not later than the close of working hours on or before Monday, January 4, 2016 i.e. 5:00 p.m. For any clarification(s), please contact M/s. Karvy Computershare Private Limited on toll free number: 1800 3454001.
8. The right of voting by postal ballot shall not be exercised by proxy.
9. Members are requested to fill the Postal Ballot Form in indelible ink and avoid filling it by using erasable writing mediums like pencil.
10. Voting rights shall be reckoned on the paid up value of shares registered in the name(s) of member(s) on the cut-off date i.e. Friday, November 20, 2015.
11. Unsigned, incomplete or incorrectly ticked Postal Ballot Forms shall be rejected.
12. Members are requested not to send any other paper along with the Postal Ballot Form in the enclosed self-addressed postage prepaid business reply envelope. If any extraneous paper is found, the same will be destroyed by the Scrutinizer.
13. There will be one Postal Ballot Form for every Folio/Client ID, irrespective of the number of Joint holders.
14. The Scrutinizer's decision on the validity of postal ballot shall be final.
15. The Company is pleased to offer e-voting facility as an alternative, for all the Members of the Company to enable them to cast their votes electronically instead of dispatching Postal Ballot Form. E-voting is optional. The detailed procedure of e-voting is enumerated in the Notes to the Postal Ballot Notice.
16. The result on postal ballot shall be announced on Friday, January 8, 2016.