

July 01, 2020

To
The Manager Listing Department
National Stock Exchange of India Limited Plot
No. C/1, G Block,
Bandra-Kurla Complex, Bandra (East)
Mumbai- 400 051.

Symbol: SPCENET

Dear Sir

Sub. : Notice of Extra-ordinary General Meeting

Dear Sir,

This is to inform you that Extra-ordinary General Meeting of shareholders of the Company will be held on Monday, the July 20, 2020 at 11:30 a.m. through Video Conference (VC) facility to transact the business as set out in the Notice sent to the shareholders. The notice is being sent to those shareholders, who hold shares of the Company as on June 20, 2020.

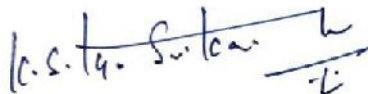
The Company is providing facility of remote e-voting to the members through electronic voting platform of Central Depository Services (India) Limited (CDSL). The facility of casting votes by a member using remote e-voting system as well as venue voting on the date of the EGM will be provided by CDSL. The remote e-voting period begins on Friday, July 17, 2020 at 9:00 A.M. and ends on Sunday, July 19, 2020 at 5:00 P.M.

The copy of the notice calling Extra-ordinary General Meeting is enclosed for your reference.

This is for your information and record

Yours faithfully,

For Spacenet Enterprises India Limited



SATYA SRIKANTH KARATURI
Director (Din: 07733024)





SPACENET ENTERPRISES INDIA LIMITED

CIN: L72200TG2010PLC068624

Royal Pavilion Apartment, H. No. 6-3-787, Flat No. 1003, Block - A, Ameerpet,

Hyderabad, TG-500016

Tel: +91 40 2340 5680,

Email: cs@spacenetent.com, www.spacenetent.com

NOTICE

NOTICE is hereby given that the Extra-Ordinary General Meeting (EGM) of the Members of Spacenet Enterprises India Limited will be held on Monday, July 20, 2020 at 11:30 A.M. (IST) through Video Conference (VC) facility, to transact the following special business:

01. Increase in the Borrowing Limits

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

“RESOLVED THAT in supersession of all the earlier resolutions passed and pursuant to the provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Meetings of Board and its Powers) Rules, 2014, including any statutory modification(s) thereto or re-enactment(s) thereof, the consent of the members of the company be and is hereby accorded to the Board of Directors of the company to borrow money, as and when required, from bank(s), foreign lender(s), anybody corporate entity(ies), authority(ies), through suppliers credit, un-secured loans or any other instruments either in Indian rupees or in such other foreign currencies as may be permitted under law from time to time, whether convertible into equity/ preference shares or not, as may be deemed appropriate by the Board for an aggregate amount not exceeding Rs. 50.00 Crores (Rupees Fifty Crores only), notwithstanding that money so borrowed together with the monies already borrowed by the Company, if any (apart from temporary loans obtained from the Company’s bankers in the ordinary course of business) may exceed the aggregate of the paid-up share capital of the Company and its free reserves.”

RESOLVED FURTHER THAT the Company be and is hereby authorized the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall include any committee thereof for the time being exercising the powers conferred on the Board by this Resolution) empowered to arrange or settle the terms and conditions on which all such monies are to be borrowed from time to time as to interest, repayment, security or otherwise howsoever as it may think fit and to do all such acts, deeds and things, to execute all such documents, instruments and writings as may be required.”

02. Creation of Charge on the Assets

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

“RESOLVED THAT consent of shareholders of the company be and is hereby accorded, pursuant to Section 180(1)(a) and other applicable provisions if any, of the Companies Act, 2013, to the Board of Directors of the Company to pledge, mortgage, hypothecate and/or charge all or any part of the moveable or immovable properties of the Company and the whole or part of the undertaking of the Company of every nature and kind whatsoever and/or creating a floating charge in all or any movable or immovable properties of the Company and the whole of the undertaking of the Company to or in favour of banks,

financial institutions, investors and any other lenders or debenture trustees to secure the amount borrowed by the Company or any third party from time to time for the due payment of the principal and/or together with interest, charges, costs, expenses and all other monies payable by the Company or any third party in respect of such borrowings provided that the aggregate indebtedness secured by the assets of the Company does not exceed Rs. 50.00 Crores (Rupees Fifty Crores only) at any time.”

“RESOLVED FURTHER THAT the Board of Directors of the company be and are hereby authorised to finalise with Banks/Financial Institutions the documents for creating aforesaid mortgage and/or the charge and to do all such acts, deeds, matters and things as may be necessary, proper and expedient or incidental for giving effect to this resolution.”

03. To approve conversion of loan into equity

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

“**RESOLVED THAT** pursuant to Section 62(3) and other applicable provisions, if any, of the Companies Act, 2013 and Rules made there under and in accordance with the Memorandum and Articles of Association of the Company and applicable regulations and subject to all such approval(s), consent(s), permission(s), sanction(s), if any, of appropriate statutory, governmental and other authorities and departments in this regard and subject to such condition(s) and modification(s) as may be prescribed or imposed, while granting such approval(s), consent(s), permission(s) or sanction(s), the consent of the Members 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 any committee(s) constituted/to be constituted by the Board to exercise its powers including powers conferred by this resolution), on the terms and conditions contained in the financing documents, such terms and conditions to provide, inter alia, to convert the whole or part of the outstanding loans of the Company (whether disbursed on or prior to or after the date of this resolution and whether then due or payable or not), (as already stipulated or as may be specified by the Financial Institutions/Banks and anybody corporate entity(ies) under the financing documents executed or to be executed in respect of the financial assistance which have already been availed or which may be availed) by the Company under the lending arrangements with various Banks, Financial Institutions and anybody corporate entity(ies), (hereinafter collectively referred to as the “Lenders”), at the option of the Lenders, the loans (hereinafter referred to as the “Financial Assistance”), into fully paid up equity shares of the Company on such terms and conditions as may be stipulated in the financing documents and subject to applicable law and in the manner specified in a notice in writing to be given by the Lenders (or their agents or trustees) to the Company (hereinafter referred to as the “Notice of Conversion”) and in accordance with the following conditions:

(i) the conversion right reserved as aforesaid may be exercised by the Lenders on one or more occasions during the currency of the Financial Assistance;

(ii) on receipt of the Notice of Conversion, the Company shall, subject to the provisions of the financing documents, allot and issue the requisite number of fully paid-up equity shares to the Lenders or any other person identified by the Lenders as from the date of conversion and the Lenders may accept the same in satisfaction of the part of the loans so converted;

(iii) the part of the loan so converted shall cease to carry interest as from the date of conversion and the loan shall stand correspondingly reduced. Upon such conversion, the repayment instalments of the loan payable after the date of conversion as per the financing documents shall stand reduced proportionately by the amounts of the loan so converted. The equity shares so allotted and issued to the Lenders or such other

person identified by the Lenders shall carry, from the date of conversion, the right to receive proportionately the dividends and other distributions declared or to be declared in respect of the equity capital of the Company. Save as aforesaid, the said shares shall rank pari passu with the existing equity shares of the Company in all respects.

(iv) In the event that the Lenders exercise the conversion right as aforesaid, the Company shall at its cost get the equity shares, issued to the Lenders or such other person identified by the Lenders as a result of the conversion, and list the shares in the Stock exchanges where Company's shares are presently listed and for the said purpose the Company shall take all such steps as may be necessary to ensure that the equity shares are listed in the Stock Exchanges.

(v) The loans shall be converted into equity shares at a price to be determined in accordance with the applicable Securities and Exchange Board of India Regulations at the time of such conversion.

RESOLVED FURTHER THAT the Board be and is hereby authorized to finalise the terms and conditions for raising the Financial Assistance, from time to time, with an option to convert the Financial Assistance into equity shares of the Company any time during the currency of the Financial Assistance, on the terms specified in the financing documents, including upon happening of an event of default by the Company in terms of the loan arrangements.

RESOLVED FURTHER THAT the Board be and is hereby authorized to issue, offer and allot from time to time to the Lenders such number of equity shares for conversion of the outstanding portion of the loans as may be desired by the Lenders.

RESOLVED FURTHER THAT the Board be and is hereby authorized to accept such modifications and to accept such terms and conditions as may be imposed or required by the Lenders arising from or incidental to the aforesaid terms providing for such option and to do all such acts and things as may be necessary to give effect to this resolution.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board, be and is hereby authorised to do all such acts, deeds, matters and things, as it may in its absolute discretion deem necessary, proper or desirable as may be required to create, offer, issue and allot the aforesaid shares, to dematerialize the shares of the Company and to resolve and settle any question, difficulty or doubt that may arise in this regard and to do all such other acts, deeds, matters and things in connection with or incidental thereto as the Board in its absolute discretion may deem fit, without being required to seek any further consent or approval of the members or otherwise to the end and intent that they shall be deemed to have given their approval there to expressly by the authority of this resolution.

RESOLVED FURTHER THAT the Board be and is hereby also authorized to delegate all or any of the powers herein conferred by this resolution on it, to any committee of Directors or any person or persons, as it may in its absolute discretion deem fit in order to give effect to this resolution."

**For and on behalf of the Board of Directors of
Spacenet Enterprises India Limited**

**Sd/-
SATYA SRIKANTH KARATURI
Director
(Din: 07733024)**

Place: Hyderabad
Date: 22nd June, 2020

NOTES:

1. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this EGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the EGM through VC/OAVM and participate thereat and cast their votes through e-voting.
2. In view of the massive outbreak of the COVID-19 pandemic, social distancing is to be a pre-requisite and pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, physical attendance of the Members to the EGM venue is not required. Hence, Members have to attend and participate in the ensuing EGM through VC/OAVM.
3. Those Shareholders whose email IDs are not registered, are requested to register their email ID with Registrar & Share Transfer Agent (R&STA) at rta@cilsecurities.com by providing their Name as registered with the R&STA, Address, email ID, PAN, DPID/Client ID or Folio Number and Number of shares held by them.
4. The Members can join the EGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the EGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors, who are allowed to attend the EGM without restriction on account of first come first served basis.
5. The attendance of the Members attending the EGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
6. The Members will be allowed to pose questions during the course of the Meeting. The queries can also be given in advance at cs@spacenetent.com.
7. The Explanatory Statement pursuant to the provisions of Section 102 of the Companies Act, 2013, setting out material facts in respect of the item no. 1, 2 & 3 are annexed hereto.
8. Notice is being sent to all the shareholders whose names appear on the Register of Members as at the close of business hours on Saturday, 20 June, 2020.
9. All documents referred to in the Notice calling the EGM and the Explanatory Statement are available on the website of the Company for inspection by the Members.
10. Pursuant to 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 SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the EGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized agency. The

facility of casting votes by a member using remote e-voting system as well as venue voting on the date of the EGM will be provided by CDSL.

11. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the EGM has been uploaded on the website of the Company at www.spacenetent.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and the EGM Notice is also available on the website of CDSL (agency for providing the Remote Voting facility) i.e. www.evotingindia.com.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING ARE AS UNDER:-

The remote e-voting period begins on Friday, July 17, 2020 at 9:00 A.M. and ends on Sunday, July 19, 2020 at 5:00 P.M. The remote e-voting module shall be disabled by CDSL for voting thereafter.

- (i) The shareholders should log on to the e-voting website www.evotingindia.com.
- (ii) Click on Shareholders / Members tab to cast your vote
- (iii) 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.
- (iv) Next enter the Image Verification Code as displayed and Click on Login Tab.
- (v) If you are holding shares in demat form and had earlier 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 first two letters of their Name and the eight digit of the sequence number in the PAN field (refer sequence number given in email).
Dividend Bank Details/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 If both the details are not recorded with the Depository or the Company, please enter the Member ID/ Folio Number in the Dividend Bank details field as mentioned in instruction (iii) above.

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

- (viii) Members holding shares in physical form will then directly reach 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 to be also used by the demat holders for voting for resolutions of any other company in 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 (200624003) of SPACENET ENTERPRISES INDIA LTD to vote.
- (xi) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiii) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvi) If Demat account holder has forgotten the changed 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.
- (xvii) Shareholders can also cast their vote using CDSL's mobile app "m-Voting". The m-Voting app can be downloaded from respective Store. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xviii) Note for Non – Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - 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.

(xix) Any person, who acquires shares of the Company and becomes Member of the Company and holds shares as on the cut-off date i.e. Saturday, July 11, 2020 may follow the same instructions as mentioned above for remote e-Voting.

- 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.
- Details of the person who can be contacted for any grievances connected with the facility for voting by electronic means:

Shri Rakesh Dalvi

Deputy Manager

Central Depository Services (India) Ltd A Wing, 25th Floor,

Marathon Futurex, Mafatlal Mill Compounds,

N M Joshi Marg, Lower Parel (E), Mumbai – 400013

Email id: helpdesk.evoting@cdslindia.com Toll free number: 1800 200 5533

THE INSTRUCTIONS FOR MEMBERS FOR E-VOTING ON THE DAY OF THE EGM (VENUE VOTING) ARE AS UNDER:-

1. The procedure for Venue Voting is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the EGM through VC/OAVM facility and have not casted their vote on the Resolutions through Remote E-Voting and are otherwise not barred from doing so, shall be eligible to vote through E Voting system in the EGM.
3. Members who have voted through Remote E-Voting will be eligible to attend the EGM and participate thereat. However, they will not be eligible to vote at the EGM. In case any Member who had voted through Remote E-voting, casts his vote again at the Venue Voting, then the Votes cast at the venue voting shall be considered as Invalid.
4. Members are requested to follow the instructions, if any, provided during the currency of the EGM for Venue Voting.
5. The details of the person who may be contacted for any grievances connected with the facility for e-voting (venue voting) shall be the same person mentioned for Remote e-voting.

**INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE EGM THROUGH VC/OAVM ARE AS UNDER:
(VENUE VOTING TO BE HELD ON MONDAY, JULY 20, 2020)**

1. Members whose email IDs are already registered with the Company and who are desirous to attend the EGM through VC/OAVM can apply at cs@spacenetent.com requesting for participation in the EGM, by giving their name as registered in the records of the Company, DPID/Client ID or Folio Number and the Registered email ID.
2. Members who are desirous of attending the EGM through VC/OAVM and whose email IDs are not registered with the company, may get their email IDs registered with the Registrar & Transfer Agent by sending an email to rta@cilsecurities.com, with the following credentials:
 - i. Name registered as per the records of the company
 - ii. DPID-Client ID/ Folio Number
 - iii. Email ID to be registered for attending the Meeting
3. Members may send the above mentioned request at point no (2) latest by Tuesday, July 14, 2020. In case of joint holding, the credentials of the first named holder shall be accepted.
4. Members who are desirous of attending the EGM may send their request by Thursday, July 16, 2020. On successful registration with the company, the invitation to join the EGM will be sent to the Members on their registered email IDs latest by Sunday, July 19, 2020. This will be done on first come first served basis, limited to 1000 members only.
5. Members may attend the EGM, by following the invitation link sent to their registered email ID. Members will be able to locate Meeting ID/ Password/ and JOIN MEETING tab. By Clicking on JOIN MEETING they will be redirected to Meeting Room via browser or by running Temporary Application. In order to join the Meeting, follow the step and provide the required details (mentioned above Meeting Id/Password/Email Address) and Join the Meeting. Members are encouraged to join the Meeting through Laptops for better experience.

6. Further Members will be required to allow Camera and use Internet audio settings as and when asked while setting up the meeting on Mobile App.
7. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
8. The helpline number for joining the Meeting through Electronic Mode will be provided in the Meeting Invitation which will be sent to the eligible applicants.
9. Institutional Shareholders are encouraged to participate at the EGM through VC/OAVM and vote thereat.

OTHER INFORMATION:

- (A) Only those shareholders of the Company who are holding shares either in physical form or in dematerialized form, as on the cut-off date (i.e. Saturday, July 11, 2020), shall be entitled to cast their vote either through remote e- voting or through venue voting through VC/OAVM at the EGM, as the case may be. Any person who is not a Member as on the cut-off date should treat this Notice for information purposes only.
- (B) The Members who have cast their vote by remote e-voting prior to the EGM may also attend and participate in the proceedings of the EGM through VC/OAVM but shall not be entitled to cast their votes again.
- (C) The shareholders can opt for only one mode of voting i.e. remote e-voting or venue voting through VC/OAVM at the EGM. In case of voting by both the modes, vote cast through remote e-voting will be considered final and e-voting through VC/OAVM at EGM will not be considered.
- (D) The Board of Directors has appointed Shri Desina Balarama Krishna (Cop. No. 22414), Practicing Company Secretary, Hyderabad, as Scrutinizer to scrutinize the remote e-voting and e-voting at the EGM in a fair and transparent manner and to submit report thereon.
- (E) The results declared along with the Scrutinizer's Report shall be placed on the Company's website at www.spacenetent.com and on the website of CDSL at www.evotingindia.com immediately and on the Notice Board of the Company at its registered office after the result is declared.
- (F) The Members holding equity shares in physical form are requested to intimate to the Registrar and Share Transfer Agents (R&STA), CIL Securities Ltd, 214, Raghava Ratna Towers, Chirag Ali Lane, Abids, Hyderabad-500 001. Telangana, India, regarding change of address, if any, at the earliest, quoting their registered folio number. Change of address in respect of shares held in dematerialized form is required to be intimated to the concerned Depository Participant.
- (G) Members holding shares in more than one folio in identical order of names are requested to write to

Registrar & Share Transfer Agent enclosing their share certificates to enable them to consolidate the holdings in one folio to facilitate better service.

- (H) (I) As per the MCA General Circular 17/2020 dated April 13, 2020, the Notice of the EGM has been sent through electronic mode to only those Members whose email IDs are registered with the Company/ Depository participant. Further, updation if any, will be provided on the website of the Company at www.spacenetent.com.

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

Item No. 01 & 02

Keeping in view the Company's existing and future financial requirements to support its business operations, the Company needs additional funds. For this purpose, the Company is desirous of raising finance from various Banks and/or Financial Institutions and/or any other lending institutions and/or Bodies Corporate and/or such other persons/ individuals as may be considered fit, which, together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in ordinary course of business) may exceed the aggregate of the paid-up capital and the free reserves of the Company. Hence it is proposed to increase the maximum borrowing limits upto Rs. 50.00 Crores (Rupees Fifty Crores only). Pursuant to Section 180(1)(c) of the Companies Act, 2013, the Board of Directors cannot borrow more than the aggregate amount of the paid-up capital of the Company and its free reserves at any one time except with the consent of the members of the Company in a general meeting.

In order to facilitate securing the borrowing made by the Company, it would be necessary to create charge on the assets or whole or part of the undertaking of the Company. Section 180(1)(a) of the Companies Act, 2013 provides for the power to sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the Company subject to the approval of members in the General Meeting.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives is concerned or interested in the passing of the Resolution

Item No. 3

In line with the regulatory changes in the recent past, the changes in the Companies Act and in line with various directives issued by Reserve Bank of India, from time to time, and in pursuance of the financing documents of the Company, the Company is required to pass a Special Resolution under Section 62(3) of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 and Rules made thereunder to enable the Banks and Financial Institutions (hereinafter referred to as the "Lenders") to convert the outstanding debt or any other financial assistance categorized as debt (hereinafter referred to as the "Financial Assistance"), in foreign currency or Indian Rupee, already availed or to be availed from the Lenders or as may be availed from the Lenders, from time to time, at their option, into equity shares of the Company upon such terms and conditions as may be deemed appropriate by the Board and at a price to be determined in accordance with the applicable laws at the time of such conversion.

Section 62(3) of the Companies Act, 2013, provides that nothing in Section 62 shall apply to the increase of the subscribed capital of a Company caused by the exercise of an option as a term attached to the debentures issued or loan raised by the company to convert such debentures or loans into shares in the Company; provided that the terms of issue of such debentures or loan containing such an option have

been approved before the issue of such debentures or the raising of loan by a special resolution passed by the company in General Meeting.

Pursuant to Section 180(1)(a) and 180(1)(c) of the Companies Act, 2013, the Board of Directors of the Company also recommends to borrow any sum or sums of monies (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business), from time to time, in such form and manner and on such terms and conditions as the Board may deem fit, such that the total amount borrowed and outstanding at any time shall not exceed ₹ 50 Crores (Rupees Fifty Crores Only) and to create charges on the Company's properties for securing the borrowings within the above limits and working capital facilities availed or to be availed by the Company.

For the purposes of such Borrowings, the Company may, from time to time, be required to execute financing documents, which provides for an enabling option to the Lenders, to convert the whole or any part of such outstanding Financial Assistance (comprising loans, debentures or any other financial assistance categorised as loans), into fully paid up Equity Shares of the Company;

Accordingly, the Board recommends the resolution as set forth in the item no. 3 of the Notice, to enable the Lenders, in terms of the lending arrangements, entered/to be entered and as may be specified by the Banks/Financial Institutions and anybody corporate entity(ies) under the financing documents already executed or to be executed in respect of the Financial Assistance availed/ to be availed, at their option, to convert the whole or part of their respective outstanding Financial Assistance into equity shares of the Company, upon such terms and conditions as may be deemed appropriate by the Board and at a price to be determined in accordance with the applicable Securities and Exchange Board of India Regulations at the time of such conversion.

The Company hereby clarifies that this resolution is merely an enabling resolution and there are no proposals of conversion of loan into Equity, either pending or envisaged currently.

None of the Directors and Key Managerial Personnel of the Company and their relatives may be deemed to be interested/concerned in this resolution, except to their respective shareholdings in the Company, if any.

**For and on behalf of the Board of Directors of
Spacenet Enterprises India Limited**

**Sd/-
SATYA SRIKANTH KARATURI
Director
(Din: 07733024)**

Place: Hyderabad
Date: 22nd June, 2020
