



LUDHIANA STOCK AND CAPITAL LIMITED

(Formerly Ludhiana Stock Exchange Limited)

CIN- U67120PB1981PLC004696

Registered office:- Feroze Gandhi Market, Ludhiana-141001

Tel:- 0161-2405756, E-mail:- lse_cs@rediffmail.com,

Website:- www.lse.co.in

POSTAL BALLOT NOTICE

[NOTICE PURSUANT TO SECTION 110 OF THE COMPANIES ACT, 2013, READ WITH RULE 22 OF THE COMPANIES (MANAGEMENT AND ADMINISTRATION) RULES, 2014]

Dear Member(s),

Notice is hereby given pursuant to Section 110 and other applicable provisions, if any, 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, and all other applicable laws and regulations, that the resolutions in relation to the following special businesses are proposed to be passed by the Members through Postal Ballot:

The explanatory statement pertaining to the said resolutions setting out the material facts concerning the items and the reasons thereof, as required in terms of Section 102 of the Act, is annexed hereto along with a postal ballot form (the "Form") for your consideration.

Members exercising their votes by postal ballot are requested to carefully read the instructions printed on the Form, record their assent (for) or dissent (against) therein and return the same in original duly completed and signed in the attached self-addressed, postage pre-paid envelope (if posted in India) so as to reach the Scrutinizer not later than the close of working hours i.e. 5:00 p.m. on or before 17th May, 2021 (Monday). Postal Ballot Forms received after that date will be strictly treated as if a reply from such Member has not been received.

In the event, the proposed resolutions are assented to by a requisite majority of the members by means of Postal Ballot, it shall be deemed to have been passed on the last date specified for receipt of duly completed postal ballot forms.

SPECIAL BUSINESS:

ITEM NO. 1-

TO APPROVE THE TRANSACTION OF LEASE OF ROOMS INCLUDING LEASE OF ROOM NO. 103 WHICH WAS AUCTIONED TO A RELATED PARTY

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of section 188 of the Companies Act, 2013 read with Companies (Meeting of Board and its Powers) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013 (including statutory modification(s) or re-enactment thereof for the time being in force) and subject to such other approvals, consents, permissions and sanctions of other authorities as may be necessary, 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 of the Board) for the transaction of the lease of rooms as mentioned in the Explanatory statement for 80 years on Lease hold Basis allotted or auctioned through auction to members having trading rights on equitable basis including the allotment or lease of Room no.103, where Mrs. Sonia Gupta, the Successful bidder happens to be a related party being wife of the existing Director, Mr. Rakesh Gupta.

RESOLVED FURTHER THAT the Board of directors or any other committee thereof be and is hereby authorized to execute the lease agreement, sign / file such forms, deeds, documents and to take all such steps as may be required to give effect to this resolution."

ITEM NO. 2-

TO APPROVE THE TECHNO-COMMERCIAL PROPOSAL FOR SETTING UP 217 KWH ROOF TOP SOLAR POWER PLANT

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT consent of the members be and is hereby granted to the proposal for Roof- Top Solar Power Plant having capacity of 217 kWp and to sign an agreement with M/s Tata Power Solar Systems Limited for the purpose in this regard.

RESOLVED FURTHER THAT the Board of directors or any other committee thereof be and is hereby authorized to finalize the terms and conditions as well as the means, methods or modes in respect thereof and to execute all required documents including agreements, memoranda, deeds of assignment/conveyance and other documents with such modifications as may be required from time to time and to do all such acts, deeds, matters and things as may be deemed necessary as aforesaid in the best interest of the Company, including to seek registration of any such documents, deeds as may be necessary, filing intimations, applying for and/or behalf of the Company and seeking approvals/consents of necessary parties as may be required to give effect to this resolution.”

ITEM NO.3-

TO APPROVE FILING OF APPLICATION FOR CHANGE OF LAND USE

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

“**RESOLVED THAT** consent of the members be and is hereby accorded to an application filed / to be filed with relevant Municipal /Revenue or any other authority or Government or any of its department for change of land use (hereinafter referred to as 'CLU') in respect of land standing in the name of the company measuring 2,333 Sq. Yards situated at B-19-911/4/1, Tagore Nagar, Rajpura Road, Civil Lines, Ludhiana.

RESOLVED FURTHER THAT the Board of directors or any other committee thereof be and is hereby authorized to execute, sign such forms, deeds, documents and to take all such steps, file such forms including payment of necessary fee as may be required to file with Municipal or Revenue or any other authority as may be required to give effect to this resolution.”

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**By Order of the Board of Directors
For Ludhiana Stock and Capital Limited**

**Tribhawan Singh Thapar
Chairperson
(DIN No.00494576)**

Place: Ludhiana

Date:- 03-04-2021

NOTES :

1. An Explanatory Statement pursuant to Section 102 of the Act, setting out the material facts and reasons for the proposed ordinary resolutions above, is appended herein below along with Form for your consideration.
2. The Postal Ballot Notice along with the Postal Ballot Form is being sent to the Members whose names appear in the Register of Members received from Central Depository Services (India) Limited as at the close of business hours on Saturday, 10.04.2021 ('cut-off date'). Members as on the cut-off date would be entitled to vote for the purpose of Postal Ballot and a person who is not a Member as on the cut-off date should treat this Postal Ballot Notice for information purpose only.
3. The Postal Ballot Notice is being sent to the Members, along with postage pre-paid self-addressed Business Reply Envelope ('BRE') by permitted mode.
4. The Board of Directors of the Company has appointed Mr. Hardeep Singh Nijher, Practicing Company Secretary, as Scrutinizer for conducting the Postal Ballot process in a fair and transparent manner and to receive and scrutinize the completed ballot papers from the Members. After completion of scrutiny, the Scrutinizer will submit his report to the Chairperson and in his absence to the authorised Director of the Company.
5. The result of the Postal Ballot will be declared on 22.05.2021 at 02.30 p.m. at the Registered Office of the Company and shall also be posted, along with the Scrutinizer's report, on the Company's website www.lse.co.in.
6. A copy of each of all the material documents referred to in the accompanying Explanatory Statement is open for inspection at the Registered Office of the Company between 10.30 a.m. to 12.30 p.m. on any working day till the last date for receiving Postal Ballot Forms i.e. 17.05.2021.

7. The Postal Ballot form and the self-addressed business reply envelope are enclosed for use of members. Shareholders / members are requested to carefully read the instructions printed on the back side of the Postal Ballot Form before exercising their votes.
8. Resolutions passed by the requisite majority by the Members through Postal Ballot shall be deemed to have been duly passed at a General Meeting convened in that behalf.
9. The resolutions, if passed by requisite majority, will be deemed to be passed on the last date specified for receipt of duly completed Postal Ballot Form i.e. 17.05.2021.
10. A member cannot exercise his/her vote by Proxy on Postal Ballot.

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

ITEM NO. 1

The Board of Directors in its meeting held on 03.04.2021 decided to lease area measuring approximately 1,680 Sq. Feet as detailed below to the members having trading rights through auction on equitable basis. Accordingly, the auction was conducted and 3 rooms as detailed below were allotted/ leased out to the highest bidder. The detail of these rooms is given below:

Room No.	Approx. Area (Sq. Feet)	Consideration (Per Sq. Feet) (in Rs.) including GST
Room No. 101	590	11,100/-
Room No. 102	380	11,000/- (Base Price)
Room No. 103	380	11,100/-
Room No. 104	330	11,100/-

One of the allottee/ lessee of Room No. 103 Mrs. Sonia Gupta happens to be related party being wife of existing Director, Mr. Rakesh Gupta.

The auction for room [No. 102] is still open for eligible bidders. The proposed allottee/ lessee or successful bidder in respect of this may also be a related party provided that he/she fulfills all the other terms and conditions of an eligible bidder.

All the related party transaction(s) specified under Section 188(1) of the Act, the value/ consideration of which is in excess of the respective limits prescribed under Rule 15(3)(iii) of the Companies (Meetings of Board and its Powers) Rules, 2014, are required to be approved by the members in the General Meeting, whereas the fourth proviso of Section 188 (1) also states that nothing in Section 188(1) will apply to any transaction entered into by the Company in its Ordinary Course of Business and on Arm's Length Basis.

The transaction is being entered on Arm's Length Basis, the value/ consideration of which is in excess of the respective limits prescribed under Rule 15(3) (iii) of the Companies (Meetings of Board and its Powers) Rules, 2014. Though the lease has been done through Auction on equitable basis to Members having Trading Right and transaction is on Arm's Length Price, still as a matter of transparency, the Board thought it fit to get the approval of Members.

As an abundant precautionary measure, the Board of Directors intends to seek approval of Members to enter into Agreement(s)/Transaction(s)/Contract(s)/License Deed(s)/Lease Deed(s) including leasing of Room No. 103 (provisionally numbered).

Relevant Information is as under:

Sr. No.	Particulars	Details
1.	Name of the related party	Mrs. Sonia Gupta Prop. M/s. Gupta Financial Services
2.	Nature of relationship	Relative of Director
3.	Expected Nature, Duration of Arrangement	Lease Arrangement (for Long term lease for 80 years of a Room in the Building)

Sr. No.	Particulars	Details
4.	Expected Particulars of Arrangement	Long term lease for 80 years of a Room in the Building
5.	Expected material terms of Arrangement	Base Price- Rs. 11,100/- per Sq. Ft. (Including GST, if any) 10% of the bid amount (after depositing earnest money) at the fall of hammer 25% of the bid amount within 15 days from the date of Auction The Balance amount to be deposited in 06 equal monthly installments from the date of possession. However, an early payment will attract a rebate @ 6% P.A.
6.	Advance Received/Paid	Nil
7.	Expected Manner of determining the price and other commercial terms	Through auction offered to members having trading rights/ Arm's Length basis

Relevant documents in respect of the said item are open for inspection by the members at the Registered Office of the Company on any working day between 10:30 a.m. and 12:30 p.m. up to the last date of receipt of Postal Ballot Forms i.e. 17.05.2021.

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 resolution set out at Item No. 1 of the Notice except that one of the allottee/ lessee of Room No. 103, Mrs. Sonia Gupta, proprietor of Gupta Financial Services, happens to be related party being wife of existing Director, Mr. Rakesh Gupta.

The Board recommends the Ordinary Resolution as set out at Item No. 1 for the approval of the Shareholders.

ITEM NO. 2

The Board of Directors in its meeting held on 03.04.2021 proposed to install Roof Top Solar Power Plant having capacity of 217 kWp. The project involves an approx. cost of Rs. 1.10 crores which is expected to be covered in a period of 4 (four) years as per the existing cost of electricity involved.

The Board considered that keeping in view the cost involved as per existing electricity tariff. The proposed investment and project is justifiable and recommends the above resolution. 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 resolution set out at Item No. 2 of the Notice.

ITEM NO. 3

The land measuring 2,333 Sq. Yards situated at B-19-911/4/1, Tagore Nagar, Rajpura Road, Civil Lines, Ludhiana, in the name of the Company, at present, can be used only for hospital/ residential purposes. The Board proposes to get the change of land use from the respective Municipal/ statutory authorities. The change of land use from hospital/residential purpose to Commercial purpose will be instrumental in increasing the worth/ value/ use of the land in question. The Board is seeking approval of Shareholders / Members in this regard as a matter of good Corporate Governance and in the interest of transparency. The Board recommends the passing of this resolution.

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 resolution set out at Item No. 3 of the Notice.

***By Order of the Board of Directors
For Ludhiana Stock and Capital Limited***

***Tribhawan Singh Thapar
Chairperson
(DIN No.00494576)***

***Place: Ludhiana
Date:- 03-04-2021***