



VYAPAR INDUSTRIES LIMITED

Registered Office:- 145, S V Road, Opp Khar Police Station, Khar West, Mumbai, Maharashtra, 400052

Postal Ballot Notice

Dear Shareholders,

NOTICE is hereby given pursuant to Section 110 of the Companies Act, 2013, as amended (the “**Companies Act**”), read with the Companies (Management and Administration) Rules, 2014, as amended (the “**Rules**”) containing the procedure to be followed for conducting business through Postal Ballot, for the consent of the Members of Vyapar Industries Limited (hereinafter referred to as the ‘Company’ or ‘VIL’) for the proposed resolution set out below, which is sought to be obtained by means of Postal Ballot. The Explanatory Statement stating all material facts and the reasons for the proposal is also appended hereto for your consideration. The Company has appointed Mr. Martinho P. Ferrao, as the Scrutinizer for conducting the entire Postal Ballot process in a fair and transparent manner.

In terms of Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 (“**LODR Regulations**”), the Rules and other applicable provisions, the Company is also providing the facility of e-voting to its shareholders. The Company has entered into an agreement with Central Depository Services Limited (CDSL) for facilitating the e-voting. Members, who have registered their e-mail id for receipt of documents in electronic mode with the Company / Depository Participants, are being sent the Notice of Postal Ballot by e-mail. Members who have received the Postal Ballot Notice by e-mail and who wish to vote through Physical Postal Ballot Form can download the Postal Ballot Form from the link “www.evotingindia.com” or seek duplicate Postal Ballot form from the Registered Office of the Company.

In case of voting in physical form, members desirous of exercising their vote by Postal Ballot are requested to carefully read the instructions printed in the Postal Ballot Form (appended hereto) and return the form duly completed in the attached self-addressed postage prepaid envelope, so as to reach the Scrutinizer before the closing of working hours on **March 25, 2017**. Please note that Postal Ballot Form(s) received after the said date will be treated as not having been received.

The Scrutinizer will submit his report to the Chairman of the Company after completion of the scrutiny and the results of the voting by Postal Ballot will be declared by the Chairman of the Company on **March 27, 2017** and the resolution will be taken as passed effectively on the date of declaration of the results. The Scrutinizer’s decision on the validity of the Postal Ballot shall be final. The results of the Postal Ballot along with the Scrutinizer’s Report will be hosted on the Company’s website at www.vyaparindustries.com, besides being communicated to the Stock Exchange on which the shares of the Company are listed.

SPECIAL BUSINESS:

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

Buy Back of Equity Shares:

“**RESOLVED THAT** pursuant to the provisions of Article 10 of the Articles of Association of the Company and in accordance with the provisions of sections 68, 69 and 70 and all other applicable provisions, if any, of the Companies Act, 2013 (the “**Act**”) and the provisions contained in the Securities and Exchange Board of India (Buy-back of Securities) Regulations, 1998 (the “**SEBI Buyback Regulations**”) (including the amendments made through the SEBI (Buy-back of Securities) (Amendment) Regulations, 2012, and any statutory modification(s) or re-enactment of the Act or Rules framed there under from time to time or Buy-back Regulations, for the time being in force) as also such other approvals, permissions and sanctions of Securities and Exchange Board of India (“**SEBI**”) and / or other authorities, institutions or bodies (the “**appropriate authorities**”), as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the “**Board**” which expression shall be deemed to include the “**Buyback Committee**” which the Board has authorized to exercise its powers, including the powers conferred by this resolution), the consent of the members of the Company be and is hereby accorded to purchase by way of buyback offer up to **20,40,000** fully paid-up Equity Shares of Rs. 10/- each of the Company constituting approximately 25% of the fully paid-up Equity Share capital of the Company at a price of Rs. **38** (Rupees Thirty Eight only) per equity share payable in cash for an aggregate amount of upto Rs. **7,75,20,000** (Rupees Seven Crores Seventy Five Lacs Twenty Thousand only) being **15.11%** of the fully paid-up Equity Share capital and free reserves as per the audited accounts of the Company for the financial year ended March 31, 2016 through the Tender Offer mechanism (hereinafter referred to as the “**Buyback**”);

RESOLVED FURTHER THAT as required by Regulation 6 of the SEBI Buyback Regulations, the Company may buyback Equity Shares from the existing shareholders on a proportionate basis, provided 15% of the number of Shares which the Company proposes to buyback or number of Shares entitled as per the shareholding of small shareholders, whichever is higher, shall be reserved for the small shareholders, as defined in the SEBI Buyback Regulations;

RESOLVED FURTHER THAT the proposed Buyback be implemented from the existing shareholders **including** Promoters, Promoters Group and Persons Acting in concert (such shareholders herein after collectively as “**Persons in Control**”) and that persons in control will be such persons as have been disclosed as such under the filings made by the Company from time to time under Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations 2011 (“**SEBI Takeover Regulations**”) / Shareholding patterns filed with the stock exchanges from time to time, as the Board may consider appropriate, from out of its free reserves and/or Share Premium Account and/or cash balances and/ or internal accruals and/or such other sources or by such mechanisms as may be permitted by Law, and on such terms and conditions as the Board may decide from time to time, and in the absolute discretion of the Board, as it may deem fit;

RESOLVED FURTHER THAT Company shall not use borrowed funds, directly or indirectly, whether secured or unsecured, of any form and nature, from Banks and Financial Institutions for paying the consideration to the equity shareholders who have tendered their equity shares in the Buyback Offer

RESOLVED FURTHER THAT the buyback is subject to:

- a) the buyback not causing the Company to be in violation of the conditions for continuous listing prescribed in terms of Regulation 38 of the LODR Regulations read with Rule 19(2) and Rule 19A of the Securities Contracts (Regulation) Rules, 1957 i.e. maintaining the minimum public shareholding at 25%;
- b) the Equity Shares that may be bought back do not exceed the maximum number of Shares permissible;
- c) the aggregate consideration payable pursuant to the buyback not exceeding the offer size; and
- d) compliance with the statutory and regulatory timelines in respect of the buyback, on the terms and conditions as may be decided by the Board and in such manner as prescribed under the Act and / or the Regulations and any other applicable Laws.

RESOLVED FURTHER THAT the Company shall not Buyback the locked-in Equity Shares, if any and non-transferable Equity Shares, if any till the pendency of the lock-in or till the Equity Shares become transferable;

RESOLVED FURTHER THAT Buyback from shareholders who are persons resident outside India including the Foreign Institutional Investors, Overseas Corporate Bodies, shall be subject to such approvals as required including approvals from Reserve Bank of India under Foreign Exchange Management Act, 1999 and the Rules and Regulations framed there under;

RESOLVED FURTHER THAT as per the provisions of section 68(8) of the Act, the Company will not issue fresh Equity Shares within a period of six months after the completion of the buyback except by way of bonus Shares or Shares issued in the discharge of subsisting obligations such as conversion of warrants, stock option schemes, sweat equity or conversion of Preference Shares or debentures into Equity Shares;

RESOLVED FURTHER THAT as per the provisions of regulation 19(f) of SEBI Buyback Regulations, the Company shall not raise further capital for a period of one year from the closure of the Buyback offer, except in discharge of its subsisting obligations;

RESOLVED FURTHER THAT the powers of the Board in respect of buyback be and is hereby delegated to the Buyback Committee ('BBC') comprising of Mr. Abbas Rassai, Director, Ms. Shabana Mistry, Director and Mr. Hussain M. Cementwala, Director, ("**Members of the Committee**"). The BBC be and hereby authorized to take all necessary actions for executing the actions relating to the Buyback as above;

RESOLVED FURTHER THAT the BBC be and is hereby authorized to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, expedient, usual or proper, including but not limited to finalizing the terms of buyback like the aggregate amount to be utilized for the buyback including the price and the number of Shares to be bought back within the statutory limits, the mechanism for the buyback, the timeframe for completion of the buyback, escrow arrangements, opening bank accounts for this purpose and authorizing persons to operate the said account, appointment of , brokers, escrow agents, printers, registrars, solicitors, depository participants, scrutinizer and such other intermediaries/agencies for the implementation of the Buyback and carry out incidental documentation and to prepare applications and submit to the Appropriate Authorities for their requisite approvals as also to initiate all necessary actions for the preparation and issue of various documents including public announcement, draft and final letter of offer, declaration of solvency, extinguishment of Shares and certificate of extinguishment required to be filed in connection with the Buyback on behalf of the Board;

RESOLVED FURTHER THAT Mr. Anil Kumar Singla, Company Secretary be and is hereby appointed as the Compliance Officer for the Buyback;

RESOLVED FURTHER THAT all the Directors and the Company Secretary be and are hereby severally authorized to send the necessary intimations to the Stock Exchange in regard to this resolution, as may be required under the LODR Regulations"

2. To consider and if thought fit, to pass, the following resolution as a **Special Resolution**

Sale of Shares held by the Company in Beneficent Knowledge Parks and Properties Ltd:

"**RESOLVED THAT** pursuant to Section 180(1)(a) and other applicable provisions if any of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014 ("the Rules"), Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, the Foreign Exchange Management Act, 1999 and Rules and Regulations made there under and other applicable provisions, if any, of the Act (including any statutory modifications or re-enactments thereof for the time being in force) and the Memorandum and Articles of Association of the Company and all applicable laws and regulations and such permissions, approvals, consents and sanctions as may be necessary from the concerned statutory/regulatory authorities and subject to such other terms and conditions as may be imposed by such concerned statutory/regulatory authorities, the consent of the members of the Company be and is hereby accorded to the Board of Directors ("the Board" which expression shall also include a committee of directors constituted and authorized for purposes mentioned hereof) to sell, transfer or otherwise dispose off the whole or substantially the whole of the investment of 49,11,494 Equity shares of Rs.10/- each held in M/s. Beneficent Knowledge Parks & Properties Ltd. (BKPPL) in tranches to the present shareholders of the BKPPL at Rs.50.62 per Equity Share for a total consideration of Rs. 24,86,19,826.28 in the following manner :

The following entities have agreed to buy equity shares of M/s. Beneficent Knowledge Parks & Properties Ltd. as per the details given below:

Investors entity	Category	No. of Equity Shares (Not Exceeding)
M/s. Excelestar Ventures 1, LLC, U.S.A	Foreign LLC	19,31,660
Mr. Hussain A. Rassai	Promoter/Joint Chairman(VIL) & Promoter / M.D. (BKPPL)	14,89,917
Mr. Akil A. Rassai	Promoter / M.D. (VIL) & Promoter / Chairman (BKPPL)	14,89,917
	Total	49,11,494

Any of the securities being sold as above, that may remain unsold for any reason whatsoever, may be offered and sold by the Board in its absolute discretion to any other person/entity/investor on the same terms and conditions."

“RESOLVED FURTHER THAT pursuant to provisions of Section 188 and other applicable provisions, if any, of the Companies Act, 2013 read with applicable Rules under Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (including any statutory modification(s) or re-enactment thereof for the time being in force), approval of the members of the Company be and is hereby accorded to the Audit Committee and / or Board of Directors to authorize the management of the Company to enter into agreement(s) and / or transaction(s), as may be appropriate, with the aforesaid Related Parties as defined under 2(76) of the Act and Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, to sell, transfer or otherwise dispose off the whole or substantially the whole of the investment i.e 49,11,494 Equity shares of Rs.10/- each held in M/s. Beneficent Knowledge Parks & Properties Ltd. (BKPPL) in tranches to the Related Party & present shareholders of BKPPL. at Rs.50.62 per Equity Share for a minimum total consideration of Rs. 24,86,19,826.28.

“RESOLVED FURTHER THAT consent of the members be and is hereby accorded to the aforesaid related party transactions exceeding the threshold limits as specified in Rule 15(3) of the Companies (Meeting of Boards and its Powers) Rule, 2014 which are material in nature in terms of Regulation 23(1) of SEBI LODR Regulations 2015.

“RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do all such acts and take all such steps as may be necessary, proper and expedient to give effect to the above resolution.”

By the order of the Board
FOR VYAPAR INDUSTRIES LIMITED

AKEEL A. RASSAI
MANAGING DIRECTOR
DIN No. 00021329

PLACE: Mumbai
DATE: February 17, 2017

NOTES:

1. Explanatory statement pursuant to applicable provisions of section 102 of the Companies Act read with section 110 of the Companies Act setting out the material facts pertaining to the resolution are annexed hereto along with a postal ballot form for your consideration.
2. The postal ballot notice is being sent to all the members whose names would appear in the Register of Members as received from National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited on **February 17, 2017**.
3. The postal ballot form and self-addressed, pre-paid postage envelopes are enclosed for use of the equity shareholders and it bears the address to which the duly completed Postal Ballot Form is to be sent.
4. The equity shareholders are requested to read carefully the instructions printed on the postal ballot form and return the duly completed and signed postal ballot form (original) in the attached self-addressed, pre-paid postage envelopes so as to reach the scrutinizer on or before the close of the business hours on **March 25, 2017**.
5. A copy of all the documents referred to in the accompanying explanatory statement are open for inspection at the registered office of the Company on all working days, between 10.00 am to 5.00 pm up to the date of declaration of the results of the postal ballot.
6. Voting through electronic means :

In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the LODR Regulation executed by the company with the BSE Limited, the Company is pleased to provide members facility to exercise their right to vote at the Postal Ballot by electronic means and the items of business as detailed in this Notice may be transacted through e-voting services provided by Central Depository Services Limited (CDSL):

During the e-voting period, members of the company holding shares either in physical form or dematerialised form may cast their votes electronically.

The e-voting period commences at 9 am on **February 24, 2017** and ends at 5 pm on **March 25, 2017**. The e-voting module shall be disabled by CDSL for voting thereafter.

Once the vote on a resolution is cast by a shareholder, the shareholder shall not be allowed to change it subsequently.

The instructions for members for voting electronically are as under:-

In case of members receiving e-mail:

- (i) Log on to the e-voting website www.evotingindia.com
- (ii) Click on “Shareholders” tab.
- (iii) Now, select the “COMPANY NAME” from the drop down menu and click on “SUBMIT”
- (iv) 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.
- (vi) 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.

(vii) 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 8 digits of the sequence number (refer serial no. printed on the name and address sticker/ Postal Ballot Form/mail) 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 serial 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 the member id / folio number in the Dividend Bank details field.

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

(ix) 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 to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice. Click on the EVSN for the relevant Company Name, i.e. Vyapar Industries Limited on which you choose 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 password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.com> and register themselves as Corporates.
- They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.
- After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
- 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.
- They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

In case of members receiving the physical copy:

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

(B) The voting period begins at 9 am on **February 24, 2017** and ends at 5 pm on **March 25, 2017**. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of **February 17, 2017** may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(C) 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.

Members have the option either to vote through the e-voting process or through the Postal Ballot Form. Members who have received the Postal Ballot Notice by email and who wish to vote through Postal Ballot Form can seek duplicate Postal Ballot Form from M/s. Bigshare Services Private Limited, E/2, Ansa Industrial Estate, Saki Vihar Road, Sakinaka, Andheri (East), Mumbai – 400 072.

Explanatory Statement for Resolution No.1 to Section 102 of the Companies Act, 2013 (hereinafter referred to as the “Act”):

ITEM NO. 01

With an objective of rewarding the equity shareholders, through return of surplus cash, the Board at its meeting held on February 17, 2017 has approved the proposal of recommending buyback of equity shares as contained in the resolution in the Notice. As per the requirements of Section 102 of the Act and other applicable provisions of the Companies Act and Buyback Regulations, the Explanatory Statement contains relevant and material information to enable the equity shareholders to consider and approve the special resolution on the Buyback.

Requisite details relating to the Buyback are given below:

(a) RATIONALE OF BUYBACK:

Share buyback is the acquisition by a company of its own shares. The objective of the Buyback is to return surplus cash to the equity shareholders of the Company. The Buyback through Tender Offer route gives an option to all the equity shareholders, **including the promoter and promoter group shareholders**, to receive the surplus cash by participating in the Buyback.

The board at its meeting held on February 17, 2017, decided to recommend Buyback of up to **20,40,000** (Twenty Lacs Forty Thousand) equity shares of the face value of Rs. 10 each (representing **24.96%** of the total of the equity share capital of the Company) at the price of Rs. **38/-** per equity share (“Buy Back Price”) aggregating upto Rs. **7,75,20,000**

Buyback is a more efficient form of distributing surplus cash to the equity shareholders compared to other alternatives including interim dividend, inter-alia, for the following reasons:

- (i) The Buyback gives an option to the equity shareholders, who can choose to participate and get cash in lieu of Equity Shares to be accepted under the Buyback Offer or they may choose not to participate thereby and enjoy a resultant increase in their percentage shareholding, post the Buyback Offer, without additional investment;
- (ii) Since the Buyback Offer proceeds will be taxed as capital gains, the Buyback Offer would enable the Company to distribute the entire amount so allocated to the equity shareholders in a more efficient manner as compared to dividend distribution which would involve payment of dividend distribution tax and thereby resulting in lower amount being distributed to the equity shareholders;
- (iii) The Buyback would help in improving certain key financial ratios of the Company;

(b) APPROVAL OF THE BOARD OF DIRECTORS OF THE COMPANY FOR THE BUYBACK :

With the intent of distribution of surplus cash to the equity shareholders and also taking into account the factors set out in point(a) above, the Board at its meeting held on February 17, 2017 approved the proposal of recommending for the buy back on a proportionate basis from the equity shareholders/beneficial owner of the equity shares of the Company as on the record date(*to be decided later*), up to **20,40,000** (Twenty Lacs Forty Thousand) equity shares of the face value of Rs. 10 each (representing **24.96%** of the total number of the equity share capital of the Company) at the price of Rs. **38/-** per equity share (“Buy Back Price”) aggregating to Rs. **7,75,20,000** (Rupees Seven Crores Seventy Five Lacs Twenty Thousand only) which **does not exceed 25%** of the aggregate of equity share capital and free reserves of the Company as per audited accounts of the Company for the financial year ended on March 31, 2016 through tender offer route as prescribed under the Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 1998, as amended (“Buyback”) and in accordance with the Articles of Association of the Company and subject to the provisions of Sections 68, 69 and 70 and all other applicable provisions read with rules made thereunder, if any, of the Companies Act, 2013.

(c) METHOD TO BE ADOPTED FOR THE BUYBACK:

The Buyback shall be on a proportionate basis from all the equity shareholders of the Company through the “Tender Offer” route, as prescribed under the Buyback Regulations. As required under the Buyback Regulations, the Company will announce a record date (the “Record Date”) for determining the names of the equity shareholders who will be eligible to participate in the Buyback.

In due course, each equity shareholder as on the Record Date will receive a Letter of Offer along with a Tender / Offer Form indicating the entitlement of the equity shareholder for participating in the Buyback.

The equity shares to be bought back as a part of the Buyback is divided in two categories:

- a) Reserved category for Small Shareholders; and
- b) General category for all other shareholders.

As defined in the Buyback regulations, a ‘Small Shareholder’ means a shareholder of a listed company, who holds shares or other specified securities whose market value, on the basis of closing price of shares or other specified securities, on the recognised stock exchange in which highest trading volume in respect of such security, as on record date is not more than two lakh rupees.

In accordance with Regulation 6 of the Buyback regulations, 15% of the number of equity shares which the Company proposes to buyback or number of equity shares entitled as per the shareholding of small shareholders, whichever is higher, shall be reserved for the small shareholders as a part of this Buyback.

On the Basis of the holding on the Record Date, the Company will determine the entitlement of each shareholder to tender their shares in the Buyback. This entitlement for each shareholder will be calculated based on the number of equity shares held by the respective shareholder as on the Record Date and the ratio of Buyback applicable in the category to which such shareholder belongs.

Equity shareholders’ participation in Buyback will be voluntary. Equity shareholders can choose to participate and get cash in lieu of shares to be accepted under the Buyback or they may choose to not participate and enjoy a resultant increase in their percentage shareholding, post Buyback, without additional investment. Equity shareholders may also accept a part of their entitlement. Equity shareholders also have the option of tendering additional shares (over and above their entitlement) and participate in the shortfall created due to non-participation of some other equity shareholders, if any.

The maximum tender under the Buyback by any equity shareholder cannot exceed the number of equity shares held by the equity shareholder as on the Record Date.

The equity shares tendered as per the entitlement by the equity shareholders as well as additional shares tendered, if any, will be accepted as per the procedure laid down in Buyback Regulations. Detailed instructions for participation in the Buyback (tender of equity shares in the Buyback) as well as the relevant time table will be included in the Letter of Offer which will be sent in due course to the equity shareholders as on Record Date.

(d) MAXIMUM AMOUNT REQUIRED UNDER THE BUYBACK AND THE SOURCES OF FUNDS FROM WHICH THE BUYBACK WOULD BE FINANCED:

The maximum amount required under the Buyback will be Rs. 7,75,20,000 (Rupees Seven Crores Seventy Five Lacs Twenty Thousand only). The Buyback would be financed out of current surplus and/or cash and cash equivalents and/ or internal accruals of the Company. The Company shall transfer from its free reserves a sum equal to the nominal value of the equity shares bought back through the Buyback to the Capital Redemption Reserve Account and the details of such transfer shall be disclosed in its subsequent audited Balance Sheet.

The Company confirms that as required under Section 68 (2) (d) of the Companies Act 2013, the ratio of the total debt owed by the Company shall not be more than twice the equity share capital and free reserves after the Buyback.

(e) BUYBACK PRICE AND THE BASIS OF ARRIVING AT THE BUYBACK PRICE:

The equity shares of the Company are proposed to be bought back at a price of Rs. 38/- per equity share (the "Buyback Offer Price"). The Buyback Offer Price has been arrived at after considering various factors, such as closing market price of the equity shares of the Company on BSE (where the equity shares of the Company are listed) for a period of one month preceding the date of notice of board meeting, closing price of the last trading day preceding the date of notice of board meeting, book value of the Company and the impact of the Buyback on the earnings per equity share of the Company and financial ratios of the Company and other relevant considerations.

(f) NUMBER OF SHARES THAT THE COMPANY PROPOSES TO BUYBACK AND THE TIME LIMIT FOR COMPLETING THE BUYBACK:

The Company proposes to Buyback not exceeding 20,40,000 (Twenty Lacs Forty Thousand) equity shares of face value of Rs. 10 each of the Company. The Buyback is proposed to be completed within 12 months of the date of special resolution approving the proposed Buyback.

(g) COMPLIANCE WITH SECTION 68(2)(C) OF THE COMPANIES ACT:

The aggregate paid up capital and free reserves as at March 31, 2016 is Rs. 51,30,63,179. Under the provisions of Companies Act, the funds deployed for the Buyback cannot exceed 25% of the total paid up capital and free reserves of the Company i.e. Rs. 12,82,65,795. The maximum amount proposed to be utilized for the Buyback is approximately Rs. 7,75,20,000 (Rupees Seven Crores Seventy Five Lacs Twenty Thousand only) and is therefore within the limit of 25% of the Company's paid up capital and free reserves as per the audited financials for the financial year ended March 31, 2016

(h) THE AGGREGATE SHAREHOLDING OF THE PROMOTERS, THE DIRECTORS OF THE PROMOTER COMPANIES HOLDING SHARES IN THE COMPANY AND OF PERSONS WHO ARE IN CONTROL OF THE COMPANY AS ON THIS DATE OF THIS NOTICE:

a) Shareholding of the Promoter and Promoter Group (For Quarter ended on December)

Sr.No.	Name of the Promoter and Promoter Group	Equity Shares held	% to the total paid up equity capital
1.	AKIL RASSAI	29,53,916	36.15%
2.	HUSSAIN RASSAI	29,53,916	36.15%
3.	ABBAS ABDUL KARIM RASSAI	99,191	1.21%
4.	YAKUTA H. RASSAI	27,225	0.33%
5.	SAKINA RASSAI	27,225	0.33%
6.	SHAMIMA ABBAS RASSAI	3,375	0.04%
7.	Total	60,64,848	74.21%

b) Shareholding of directors of the Promoter and Promoter Group companies

Sr.No.	Name of the director of Promoter and Promoter Group Companies	Equity Shares held	% to the total paid up equity capital
NIL			

c) Shareholding of directors of the Company

Sr. No.	Name of the Director	Equity Shares held	% to the total paid up equity capital
1.	AKIL RASSAI	29,53,916	36.15%
2.	HUSSAIN RASSAI	29,53,916	36.15%
3.	ABBAS A. RASSAI	99,191	1.21%
4.	SHABANA MISTRY	-	-
5.	RAMESH W.LALWANAY	-	-
6.	PARVEZ MASTER	-	-
7.	HUSSAIN CEMENTWALA	-	-

(i) DETAILS OF TRANSACTIONS-PURCHASE/SALE/TRANSFER UNDERTAKEN BY PERSONS REFERRED TO IN (H) ABOVE DURING THE PERIOD OF LAST SIX MONTHS PRECEDING THE DATE OF BOARD MEETING AT WHICH THE BUYBACK WAS APPROVED UPTO THE DATE OF THIS NOTICE

None of the persons referred to in (h) above have purchased/sold/transferred equity shares during the period of last six months preceding the date of board meeting at which the Buyback was approved upto the date of this notice.

(j) **INTENTION OF THE PROMOTERS AND PERSONS IN CONTROL OF THE COMPANY TO TENDER EQUITY SHARES IN THE BUYBACK**

The Promoter and Promoter Group of the Company have vide their individual letters dated February 17, 2017, addressed to the Board of Directors of the Company, have expressed their intention of **participation** (refer table below) in the proposed Buyback to such an extent that the Public Shareholding in the Company at all times does not fall below 25% of the post Buyback equity share capital of the Company.

Details of participation of Promoter and Promoter Group in the proposed Buyback:

Sr. No.	Name of the Promoter and Promoter Group	Equity Shares held	% to the total paid up equity capital	Whether intends to participate	Maximum shares indicated
1.	AKIL RASSAI	29,53,916	36.15%	Yes	7,50,000
2.	HUSSAIN RASSAI	29,53,916	36.15%	Yes	7,50,000
3.	ABBAS ABDUL KARIM RASSAI	99,191	1.21%	No	NA
4.	YAKUTA H. RASSAI	27,225	0.33%	No	NA
5.	SAKINA RASSAI	27,225	0.33%	No	NA
6.	SHAMIMA ABBAS RASSAI	3,375	0.04%	No	NA
7.	Total	60,64,848	74.21%		1500000

The detail of acquisition of Mr. AkilRassai and Mr. Hussain Rassai in the Company are as follows:

➤ **Mr. AKIL RASSAI**

Sr. No.	Nature of Transaction	Date of Acquisition / Disposal	Number of shares acquired / sold	Price (Rs. Per share)
1.	Opening Balance	31.03.2005	4,28,175	-
2.	shares Dispose	26.08.2005	-25,000	Rs. 151.75
3.	shares Dispose	31.08.2005	-1,00,055	Rs. 160.16
4.	shares Dispose	08.09.2005	-20,000	Rs. 173.06
5.	shares Dispose	25.11.2005	-60,000	Rs.124.10
6.	shares Dispose	05.12.2005	-80,000	Rs. 120.40
7.	shares Dispose	27.12.2005	-1,00,000	Rs. 111.17
8.	shares Dispose	30.12.2005	-8,000	Rs.107.00
9.	shares Dispose	28.03.2008	-16,400	Rs.167.50
10.	Shares Acquired	08.04.2008	10,99,336	Interse (Free Gift)
11.	Shares Acquired	16.03.2011	50,000	Rs.23.00
12.	Shares Acquired	17.03.2011	50,000	Rs.22.75
13.	Shares Acquired	21.03.2011	17,000	Rs.23.00
14.	Shares Acquired	22.03.2011	25,000	Rs.22.75
15.	Shares Acquired	23.03.2011	75,000	Rs.22.75
16.	Shares Acquired	23.06.2011	1,000	Rs.15.05
17.	Shares Acquired	24.06.2011	5,500	Rs.15.12
18.	Shares Acquired	29.06.2011	1,17,204	Rs.15.08
19.	Shares Acquired	05.07.2011	25,000	Rs.15.07
20.	Shares Acquired	05.10.2011	300	Rs.14.33
21.	Shares Acquired	07.10.2011	9,113	Rs.13.42
22.	Shares Acquired	10.10.2011	103	Rs.13.58
23.	Shares Acquired	17.10.2011	780	Rs.13.52
24.	Shares Acquired	19.10.2011	140	Rs.14.07
25.	Shares Acquired	20.10.2011	355	Rs.14.08
26.	Shares Acquired	02.11.2011	17,940	Rs.14.58
27.	Shares Acquired	03.11.2011	11,250	Rs.15.73
28.	Shares Acquired	04.11.2011	22,500	Rs.15.50
29.	Shares Acquired	08.11.2011	42,500	Rs.16.78
30.	Shares Acquired	11.11.2011	10,000	Rs.18.60
31.	Shares Acquired	02.04.2012	25,000	Rs. 23.06
32.	Shares Acquired	03.04.2012	25,000	Rs. 23.06
33.	Shares Acquired	04.04.2012	25,000	Rs. 23.06
34.	Shares Acquired	09.04.2012	43,342	Rs. 23.06
35.	Shares Acquired	10.04.2012	25,000	Rs. 23.46
36.	Shares Acquired	11.04.2012	25,000	Rs. 23.52
37.	Shares Acquired	26.04.2012	2,500	Rs. 25.31
38.	Shares Acquired	07.05.2012	4,000	Rs. 25.81
39.	Shares Acquired	14.05.2012	40,000	Rs. 23.86
40.	Shares Acquired	15.05.2012	32,388	Rs. 23.86
41.	Shares Acquired	13.07.2012	362	Rs. 24.06
42.	Shares Acquired	26.07.2012	355	Rs. 25.31
43.	Shares Acquired	27.07.2012	7,500	Rs. 26.39

Sr. No.	Nature of Transaction	Date of Acquisition / Disposal	Number of shares acquired / sold	Price (Rs. Per share)
44.	Shares Acquired	30.07.2012	8,892	Rs. 27.09
45.	Shares Acquired	29.08.2012	5,146	Rs. 27.37
46.	Shares Acquired	14.02.2013	8,500	Rs. 26.10
47.	Shares Acquired	18.02.2013	18,000	Rs. 25.90
48.	Shares Acquired	20.02.2013	17,000	Rs. 25.95
49.	Shares Acquired	23.05.2013	14,17,000	Rs. 27.37
50.	Shares Dispose	30.12.2015	(374810)	Rs. 30
	TOTAL		29,53,916	

➤ **Mr. HUSSAIN RASSAI**

Sr. No.	Nature if Transaction	Date of Acquisition / Disposal	Number of shares acquired / sold	Price (Rs. Per share)
1.	Opening Balance	31.03.2005	15,52,500	
2.	shares Dispose	27.10.2005	-55,000	Rs. 99.25
3.	shares Dispose	28.10.2005	-50,593	Rs. 100.00
4.	shares Dispose	16.11.2005	-25,000	Rs. 108.20
5.	shares Dispose	17.11.2005	-50,000	Rs. 110.35
6.	shares Dispose	21.11.2005	-30,000	Rs. 114.80
7.	shares Dispose	22.11.2005	-50,000	Rs. 117.05
8.	shares Dispose	23.11.2005	-50,000	Rs. 119.35
9.	shares Dispose	24.11.2005	-15,000	Rs.121.70
10.	shares Dispose	30.12.2005	-50,000	Rs.107.00
11.	shares Dispose	27.12.2006	-41,000	Rs.123.02
12.	Shares Dispose	08.04.2008	-16,851	Interse (Free Gift)
13.	Shares Acquired	16.03.2011	50,000	Rs.23.00
14.	Shares Acquired	17.03.2011	50,000	Rs.22.75
15.	Shares Acquired	21.03.2011	17,000	Rs.23.00
16.	Shares Acquired	22.03.2011	25,000	Rs.22.75
17.	Shares Acquired	23.03.2011	75,000	Rs.22.75
18.	Shares Acquired	23.06.2011	1,000	Rs.15.05
19.	Shares Acquired	24.06.2011	5,500	Rs.15.14
20.	Shares Acquired	29.06.2011	1,17,204	Rs.15.08
21.	Shares Acquired	05.07.2011	23,885	Rs.15.07
22.	Shares Acquired	08.07.2011	1,115	Rs.15.43
23.	Shares Acquired	22.09.2011	126	Rs.15.32
24.	Shares Acquired	05.10.2011	1300	Rs.14.84
25.	Shares Acquired	07.10.2011	8,805	Rs.13.36
26.	Shares Acquired	20.10.2011	1,000	Rs.13.84
27.	Shares Acquired	02.11.2011	17,060	Rs.14.58
28.	Shares Acquired	03.11.2011	11,690	Rs.15.73
29.	Shares Acquired	04.11.2011	22,500	Rs.15.50
30.	Shares Acquired	08.11.2011	42,500	Rs.16.78
31.	Shares Acquired	11.11.2011	10,000	Rs.18.60
32.	Shares Acquired	02.04.2012	25,000	Rs. 23.06
33.	Shares Acquired	03.04.2012	25,000	Rs. 23.06
34.	Shares Acquired	04.04.2012	25,000	Rs. 23.06
35.	Shares Acquired	09.04.2012	43,342	Rs. 23.06
36.	Shares Acquired	10.04.2012	25,000	Rs. 23.46
37.	Shares Acquired	11.04.2012	25,000	Rs. 23.50
38.	Shares Acquired	26.04.2012	2,500	Rs. 25.31
39.	Shares Acquired	07.05.2012	3,862	Rs. 26.43
40.	Shares Acquired	14.05.2012	40,000	Rs. 23.86
41.	Shares Acquired	15.05.2012	32,388	Rs. 23.86
42.	Shares Acquired	13.07.2012	438	Rs. 24.06
43.	Shares Acquired	27.07.2012	7,390	Rs. 26.39
44.	Shares Acquired	30.07.2012	11,900	Rs. 26.97
45.	Shares Acquired	31.07.2012	1,665	Rs. 28.21
46.	Shares Acquired	14.02.2013	8,500	Rs. 26.10
47.	Shares Acquired	18.02.2013	18,000	Rs. 25.90
48.	Shares Acquired	20.02.2013	17,000	Rs. 25.95
49.	Shares Acquired	23.05.2013	14,17,000	Rs. 27.37
50.	Shares Dispose	30.12.2015	(374810)	Rs. 30
	TOTAL		29,53,916	

(k) CONFIRMATION THAT THERE ARE NO DEFAULTS SUBSISTING IN THE REPAYMENT OF DEPOSITS, REDEMPTION OF DEBENTURES OR PREFERENCE SHARES OR REPAYMENT OF TERM LOANS TO ANY FINANCIAL INSTITUTIONS OR BANKS:

The Company confirms that there are no defaults subsisting in the repayment of deposits, redemption of debentures or preference shares or repayment of term loans to any financial institution or banks.

(l) CONFIRMATION THAT THE BOARD HAS MADE FULL ENQUIRY INTO THE AFFAIRS AND PROSPECTS OF THE COMPANY AND THAT THEY HAVE FORMED THE OPINION TO THE EFFECT THAT THE COMPANY, AFTER BUYBACK WILL CONTINUE TO BE ABLE TO MEET ITS LIABILITIES AND WILL NOT BE RENDERED INSOLVENT:

Board has confirmed that it has made a full enquiry into the affairs and prospects of the Company and has formed the opinion:

- (a) That immediately following the date of the Board Meeting held on February 17, 2017 and the date on which the results of the postal ballot will be declared, there will be no grounds on which the Company can be found unable to pay its debts;
- (b) That as regards the Company's prospects for the year immediately following the date of the board meeting as well as the year immediately following the date on which the results of the postal ballot will be declared, approving the Buyback and having regards to the Board's intentions with respect to the management of the Company's business during that year and to the amount and character of the financial resources, which will, in the Board's view, be available to the Company during that year, the Company will be able to meet its liabilities as and when they fall due and will not be rendered insolvent within a period of one year from the date of the board meeting approving the Buyback or within a period of one year from the date on which the results of the postal ballot will be declared, as the case may be;
- (c) In forming its opinion aforesaid, the Board has taken into account the liabilities as if the Company were being wound up under the provisions of the Companies Act (including prospective and contingent liabilities).

(m) AS PER THE PROVISIONS OF THE BUYBACK REGULATIONS AND THE COMPANIES ACT:

- (a) The Company shall not issue any equity shares or other securities (including by way of bonus) till the date of closure of the Buyback;
- (b) The Company shall not raise further capital for a period of one year from the closure of Buy-back Offer, except in discharge of its subsisting obligations or such period as may be applicable under extant regulations (as per the provisions of the Companies Act, issue of shares by way of bonus shares or in the discharge of subsisting obligations into equity shares are not covered by this restriction);
- (c) The special resolution approving the Buyback will be valid for a maximum period of twelve months from the date of passing the said special resolution (or such extended period as may be permitted under the Companies Act or the Buyback Regulations or by the appropriate authorities). The exact time table for the Buyback shall be decided by the Board (or its duly constituted Committee) within the above time limits;
- (d) The equity shares bought back by the Company will be compulsorily cancelled and will not be held for re-issuance;
- (e) The Company shall not withdraw the Buyback Offer after the draft letter of offer is filed with SEBI or public announcement of the Buyback Offer is made; and
- (f) The Company shall not buyback locked-in equity shares and non-transferable equity shares till the pendency of the lock-in or till the equity shares become transferable.
- (g) Report addressed to the Board of Directors by the Company's Auditors on the permissible capital payment and the opinion formed by directors regarding insolvency:

Quote

To,
The Board of Directors
VYAPAR INDUSTRIES LTD
145, S V Road, OppKhar Police Station, Khar West,
Mumbai, Maharashtra, 400052

Dear Sirs,

Sub: Proposed Buy-back of Equity Shares of Vyapar Industries Limited ("Company")

1. We have been informed that the Board of Directors of the Company in their meeting held on February 17, 2017 have decided to Buy-back Company's shares as allowed under Sections 68, 69 and 70 of the Companies Act, 2013 and Securities and Exchange Board of India (Buy back of Securities) Regulations, 1998, ("SEBI Regulations") at a price of Rs. ~~38/-~~ per share. In terms of the requirements of Clause (xi) of Schedule II, Part A of the SEBI Regulations, based on the information and explanations given to us which to the best of our knowledge and belief were necessary for this purpose, we report as follows:

- i) We have inquired into the Company's State of Affairs in relation to its audited financial statements as at March 31, 2016;
- ii) The amount of permissible capital payment towards buy-back of equity shares (including premium) in question as ascertained below in our view has been properly determined in accordance with Section 68 and all other applicable provisions, if any, of the Companies Act, 2013 as amended:

(Rs.)

Paid up Share Capital as on March 31, 2016 (81,72,000 equity shares of Rs. 10 each)	-	8,17,20,000
Free reserves as on March 31, 2016		
• Securities Premium Account	53,87,39,967	
• Profit and Loss Account	(10,73,96,788)	43,13,43,179
Total		51,30,63,179
Maximum amount permitted for Buy-back i.e. 25% of the total paid up capital and free reserves as on March 31, 2016		12,82,65,795

Based on the representations made by the Company and other information and explanations given to us, which to the best of our knowledge and belief were necessary for this purpose, we report that the Board of Directors in their meeting held on February 17, 2017 have formed their opinion, as specified in clause (xi) of Part A of Schedule II of the Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998, on reasonable grounds that the Company will not, having regard to its state of affairs, be rendered insolvent within a period of one year from that date.

2. Compliance with the provisions of the Act and the Regulations is the responsibility of the Company's management. Our responsibility is to verify the factual accuracy based on the procedures we performed.
3. We performed our procedures, in accordance with the Guidance Note on Audit Reports and Certificates for Special Purposes issued by the Institute of Chartered Accountants of India ("ICAI"). These procedures include examining evidence supporting the particulars above on a test basis.
4. This report has been prepared for and only for the Company and is in reference to proposed buy-back of Equity Shares in pursuance of the provisions of the Act and the Regulations and for no other purpose. We do not accept or assume any liability or duty of care for any other purpose, save where expressly agreed by our prior consent in writing.

Yours faithfully

Salim A. Kantawala, Chartered Accountant
Proprietor
Membership No. **38859**

Date: February 17, 2017
Place: Mumbai

Unquote

For any clarifications related to the Buyback process, the equity shareholders may contact:

Company: Anil Kumar Singla, Company Secretary,
Vyapar Industries Ltd. 145, S.V. Road,
Khar (W), Mumbai- 400052 ,
Tel: +91-02266989111;
Email:vyapar@vyaparindustries.com

In the opinion of the Board, the proposal for Buyback is in the interest of the Company and its equity shareholders. The Directors, therefore, recommend passing of the special resolution as set out in the accompanying Notice for approval of the members through Postal Ballot.

None of the Directors, Key Managerial Personnel of the Company or their relatives, in anyway, concerned or interested, either directly or indirectly in passing of the said resolution, save and except to the extent of their shareholding in the Company.

ITEM NO. 02

The company proposes to sell off its entire investment of 49,11,494 equity shares of Rs 10/- each in BENEFICENT KNOWLEDGE PARKS & PROPERTIES LIMITED (BKPPL) as the Board is of the opinion that BKPPL would not be in a position to survive /sustain the competition and market fluctuations and during the last year, BKPPL has not sought the necessary permission for development of SEZ (SPECIAL ECONOMIC ZONE) which had expired in February, 2015. As BKPPL would not be in a position to develop SEZ (SPECIAL ECONOMIC ZONE) the purpose for which the investment was made and further growth of the Company is doubtful, your Directors feel it prudent to withdraw investment from BKPPL considers the proposed sale in the best interest of the Company. As this transaction would amount to sale of the undertaking by the Company under section 180(1)(a) of the Companies Act, 2013 and also is immaterial; related party transaction as per section 188 & rules there under as well as Regulation 23 of the SEBI (LODR) Regulations, 2015 your Directors propose the above resolution under section 180 (1) (a) & section 188 and relevant rules of the Companies Act 2013 as well as relevant provisions of SEBI (LODR) Regulations, 2015 for the approval of the shareholders. The proceeds received from the transaction referred above would provide financial flexibility to pursue new growth opportunities for the business of the Company. The company at the same time is in the process of locating other viable projects for the Company to sustain its performance and growth.

Mr. Hussain A. Rassai & Mr. Akil A. Rassai are related parties of the Company within the meaning of Companies Act, 2013 and Regulations 23 of SEBI (LODR) Regulations 2015. Transactions with Mr. Hussain A. Rassai & Mr. Akil A. Rassai will be material in nature as per Regulations 23 of SEBI (LODR) Regulations 2015 as they exceed 10% of the Annual turnover of the Company as per the last audited financial statements as well as consequent on future business projections. Thus in terms of Section 188 of the Companies Act, 2013, Regulations 23 of SEBI (LODR) Regulations 2015 these transactions would require the approval of the members by way of a Resolution and as such Company is seeking approval for Related Party Transactions from unrelated shareholders of the Company by a special resolution.

The other related information as envisaged under Companies (Meetings of Board and its Powers) Rules, 2014 and amendments thereto, and the Company's Related Party Transaction Policy are furnished hereunder:

Name of the Related Party: Hussain A. Rassai, Promoter & Joint Chairman & Mr. Akil A. Rassai, Promoter

Name of the Director or key managerial personnel who is related, if any : Mr. Abbas A. Rassai, Mr. Hussain A. Rassai and Mr. Akil A. Rassai may be deemed to be concerned in their capacity as Directors of Vyapar Industries Ltd.

Nature of Relationship: Mr. Hussain A. Rassai, Promoter & Joint Chairman of Company Vyapar Industries Ltd. also Promoter & Managing Director of Beneficent Knowledge Parks & Properties Ltd. (BKPPL) & Mr. Akil A. Rassai, Promoter & Managing Director is also Chairman and Promoter of BKPPL & Mr. Abbas A. Rassai, Director is father of Mr. Hussain A. Rassai & Mr. Akil A. Rassai.

The nature, material terms, monetary value and particulars of the contract or arrangement : Present transactions is for Sale, transfer or otherwise disposing off the whole or substantially the whole of the investment of 49,11,494 Equity shares of Rs.10/- each held in M/s. Beneficent Knowledge Parks & Properties Ltd. in tranches to the Related Parties / present shareholders of M/s. Beneficent Knowledge Parks & Properties Ltd. at

Rs.50.62 per Equity Share for a total consideration of Rs. 24,86,19,826.28. In case the other investor M/s. Excelstar Ventures 1, LLC fails to invest, the portion not subscribed by investors M/s. Excelstar Ventures 1, LLC could also be offered to the Related Parties Mr. Hussain A. Rassai, Promoter & Joint Chairman of Vyapar Industries Limited and also Promoter & Managing Director of BKPPL & Mr. Akil A. Rassai, Promoter & Managing Director of Vyapar Industries Limited and also Promoter and Chairman of BKPPL, in addition to the quantity as mentioned against the name of each of the aforesaid parties.

Any other information relevant or important for the members to take a decision on the proposed resolution : None, Company is selling these shares at prevailing market price i.e the price at which the Company BKPPL is selling its shares to its Foreign investor M/s. Excelestar Ventures 1, LLC, U.S.A. This price is determined from the Valuation Report received from S. S. Nasir & Co. as per Discounted Cash flow Method in compliance with FEMA guidelines.

While considering the sale of Investment, Company has tried to sell these shares to outsider / third party at prevailing prices but failed in its attempts. It was found to be one of the best option to liquidate the investment of Company in this depressed market by selling, transferring, disposing shares in the manner explained above.

The above contracts / arrangements / transactions were approved by the Audit Committee at its meeting held on February 17, 2017 and recommended by the Board of Directors to the unrelated shareholders of the Company for their approval. As per Regulation 23 of SEBI (LODR) Regulations 2015, all entities / persons that are directly / indirectly related parties shall abstain from voting on resolution(s) wherein approval of material Related Party Transactions is sought. Accordingly, all related parties of the Company, including, among others, Mr. Abbas A. Rassai, Mr. Hussain A. Rassai, Mr. Akil A. Rassai, Mrs. Shamima A. Rassai, Mrs. Yakuta H. Rassai & Mrs. Sakina A. Rassai and the Directors and Key Managerial Personnel of VYAPAR INDUSTRIES LIMITED will abstain from voting/not vote on this resolution.

The Board commends the Resolutions at Item No.2 of the accompanying Notice for approval by the Members of the Company as Special Resolution.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives are concerned or interested in the passing of the Resolution at Item No.2 of the accompanying Notice, except Mr. Akil Rassai & Mr. Hussain Rassai, to the extent they are buying the investment in shares of M/s. Beneficent Knowledge Parks & Properties Ltd. from the Company.

By the order of the Board
FOR VYAPAR INDUSTRIES LIMITED

AKEEL A. RASSAI
MANAGING DIRECTOR
DIN No. 00021329

PLACE: Mumbai
DATE: February 17, 2017

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