

COSMO FILMS LIMITED

Regd. Off: 1008, DLF Tower-A, Jasola District Centre, New Delhi-110025
CIN- L92114DL1976PLC008355
Tel: +91 11 49494949 Fax: +91 11 49494950
e-mail: investor.relations@cosmofilms.com, Website: www.cosmofilms.com

NOTICE OF POSTAL BALLOT (Pursuant to Section 110 of the Companies Act, 2013)

Dear Member(s),

Notice is hereby given to the members pursuant to Section 110 and other applicable provisions of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 (including any statutory modification or re-enactment thereof), as amended from time to time, for seeking consent of the members, by way of Special Resolutions through postal ballot/e-voting ("Postal ballot").

Accordingly, the draft special resolutions together with the Statement pursuant to Section 102 of the Companies Act, 2013, are being sent to the members, along with Postal Ballot Form so as to enable the members for sending their assent or dissent in writing by Postal Ballot means.

The Board of Directors has appointed Mr. Sanjiv Aggarwal, Practicing Chartered Accountant (FCA No: 85128), as Scrutinizer for conducting the voting by electronic means and Postal Ballot in a fair and transparent manner. Members are therefore, requested to carefully read the instructions printed for voting by "postal ballot" or through "e-voting", namely by—

- (i) Returning the postal ballot form duly completed in all respects and signed by the Shareholder, in the attached self-addressed postage pre-paid envelope, so as to reach the scrutinizer not later than 5:00 PM (IST) on Saturday, 9th January, 2016;

or

- (ii) Casting their votes electronically from Friday, 11th December, 2015 from 10.00 a.m. (IST) to Saturday, 9th January, 2016, 5.00 p.m. (IST) by following the procedures as explained in the instructions for e-voting.

The Scrutinizer will submit his report on the results of voting by "postal ballot" and through "e-voting" to the Directors of the Company, after completion of the scrutiny of the postal ballot forms and e-voting.

The result of voting by electronic means and Postal Ballot shall be announced by a Director of the Company on the completion of the scrutiny and displayed on the Notice Board at the Registered Office of the Company on Tuesday, 12th January, 2016. In addition to the results being communicated to the Bombay Stock Exchange Limited and the National Stock Exchange of India Limited, shall be displayed on the Company's website at www.cosmofilms.com.

1. CONSIDER AND APPROVE ISSUE OF FURTHER SECURITIES

To consider and, if thought fit, to pass the following Resolution as a **SPECIAL RESOLUTION**:-

"RESOLVED THAT pursuant to the provisions of Section 23, 42, 62 and its related and applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any amendment(s) there to or statutory modification(s) or re-enactment(s) thereof for the time being in force and as may be enacted from time to time), the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended from time to time ("**SEBI Regulations**") and the provisions of the Foreign Exchange Management Act, 1999 ("**FEMA**"), and the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India), Regulations, 2000 and other applicable rules and regulations made thereunder, as amended from time to time, the Issue of Foreign Currency Convertible Bonds and Ordinary Shares (through Depository Receipt Mechanism) Scheme, 1993, as amended, and such other statutes, notifications, clarifications, circulars, rules and

regulations as may be applicable and relevant, as amended from time to time and issued by the Government of India (“GOI”), the Reserve Bank of India (“RBI”), the Foreign Investment Promotion Board (“FIPB”), the Securities and Exchange Board of India (“SEBI”) including regulation for QIP contained in Chapter VIII of SEBI Regulations, the Stock Exchanges (“**Stock Exchanges**”) where the equity shares of the Company (“**Equity Shares**”) are listed and any other appropriate authorities, institutions or bodies, as may be applicable in accordance with the enabling provisions of the Memorandum and Articles of Association of the Company and the listing agreements entered in to by the Company with each of the Stock Exchanges where the equity shares of the Company are listed (“**Listing Agreements**”), and subject to such approvals, consents, permissions and sanctions, if any, of the GOI, RBI, FIPB, SEBI, Stock Exchanges and any other appropriate authorities, institutions or bodies, as may be necessary and subject to such conditions as may be prescribed by any of them while granting any such approval, consent, permission, and / or sanction, the consent of the share holders be and is hereby accorded to permit the Board of Directors (herein after referred to as the “Board” which shall deemed to include duly constituted committee thereof (“**the Committee**”), in its absolute discretion, to create, offer, issue and allot, from time to time, in one or more tranches, in the course of one or more domestic and/or international offerings in one or more foreign markets or domestic markets to one or more eligible investors, whether or not they are members of the Company or are residents or non-residents of India, including but not limited to Qualified Institutional Buyers (“QIBs”) as defined under the SEBI Regulations through a Qualified Institutional Placement (“QIP”) within the meaning of Chapter VIII of the SEBI Regulations or otherwise, foreign / resident investors (whether institutions, bodies corporate, mutual funds, individuals or otherwise), venture capital funds (foreign or Indian), foreign institutional investors, Indian and / or multilateral financial institutions, pension funds, and / or any other categories of investors; Equity Shares or non-convertible debt instruments alongwith warrants and convertible securities other than warrants or Global Depository Receipts (“GDRs”) or Foreign Currency Convertible Bonds (“FCCBs”), whether or not to be listed on any Stock Exchange in India or overseas, whether Rupee denominated or denominated in any foreign currency (“**Specified Securities**”), up to such number of equity shares of face value of Rs. 10/- each for an aggregate amount not exceeding Rs. 100 Crores (including premium) at such price or prices, at market price(s) or at a permissible discount or premium to market price(s) in terms of applicable regulations to be determined by the Board at the time of issue, at its absolute discretion without requiring any further approval or consent from the share holders of the Company and subject to the applicable regulations / guidelines in force.

RESOLVED FURTHER THAT in the event of a QIP or issuance of GDRs/FCCBs as above mentioned, the relevant date (“**Relevant Date**”) for the purpose of the pricing of the Specified Securities to be allotted, if any, shall mean, in case of allotment of equity shares, the date of the meeting in which the Board or the Committee decides to open the proposed issue and in case of allotment of convertible securities, either the date of the meeting in which the Board or the Committee decides to open the issue of such convertible securities or the date on which the holders of such convertible securities become entitled to apply for the Equity Shares, as provided under applicable law, or such other time as may be prescribed by applicable law from time to time.

RESOLVED FURTHER THAT in the event of a QIP, in accordance with Regulations 86(1)(a) of the SEBI Regulations, a minimum of 10% of the Specified Securities shall be allotted to Mutual Funds and if the Mutual Funds do not subscribe to the said minimum percentage or part thereof, such minimum portion or part thereof, may be allotted to other QIBs, and that no allotment shall be made directly or indirectly to any QIB who is a promoter or any person related to promoters of the Company.

RESOLVED FURTHER THAT in case of a QIP, in terms of the provisions of the SEBI Regulations, the Board may at its absolute discretion issue Equity Shares (including upon conversion of the Specified Securities) at a discount of not more than five percent or such other discount as may be permitted under the applicable regulations to the floor price as determined in terms of Regulation 85 of the SEBI Regulations and as may be amended from time to time.

RESOLVED FURTHER THAT the issue of Specified Securities shall be subject to the following terms and conditions-

- i) The Equity Shares that may be issued and allotted directly or on conversion of other convertible or exchangeable securities that may be issued as aforesaid shall rank pari-passu with the then existing Equity Shares in all respects including dividend;

- ii) The number and/or conversion price in relation to Equity Shares that may be issued and allotted on conversion of other convertible securities that may be issued as aforesaid shall be appropriately adjusted for corporate actions such as Bonus Issue, Rights Issue, Stock Split and Consolidation of Share Capital, Merger, De-merger, Transfer of Undertaking, Sale of Division or any such Capital or Corporate Restructuring;
- iii) The allotment of the Specified Securities, or any combination of Specified Securities as may be decided by the Board shall be completed within twelve months from the date of this resolution or such other time as may be allowed under the SEBI Regulations from time to time at such price being not less than the price determined in accordance with the provisions under Chapter VIII of the SEBI Regulations and as may be amended from time to time and the Specified Securities shall not be eligible to be sold for a period of twelve months from the date of allotment, except on a recognized stock exchange, or except as may be permitted from time to time under the SEBI Regulations.
- iv) In case Specified Securities other than Equity Shares are issued pursuant to a QIP as aforesaid, such securities shall be converted into Equity Shares within sixty months from the date of allotment; and
- v) In the event of a QIP as aforesaid, no subsequent QIP shall be made until the expiry of six months from the date of the prior QIP made pursuant to this Special Resolution.

RESOLVED FURTHER THAT for the purpose of giving effect to any offer, issue or allotment of Specified Securities as described above, the Board, where required in consultation with the lead managers and/or other advisors, be and is hereby authorised on behalf of the Company, to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary or desirable for such purpose, including but not limited to the selection of QIBs to whom the Specified Securities are to be offered, issued and allotted, and matters related thereto, and with power on behalf of the Company to settle all questions, difficulties or doubts that may arise in regard to such issue(s) or allotment(s) as it may, in its absolute discretion, deem fit.

RESOLVED FURTHER THAT subject to the applicable laws, for the purpose of giving effect to the issuance of Specified Securities, the Board be and is hereby authorized on behalf of the Company to do all such acts, deeds and things thereof in its absolute discretion as it deems necessary or desirable in connection with the issue of the Securities, including, without limitation to the following:

- (a) decide the date for the opening and closing of the issue of Specified Securities, including determining the form and manner of the issue, issue structure, including the class of investors to whom the Specified Securities are to be issued and allotted, number of Specified Securities to be allotted, issue price (including the premium or discount to the floor price, as the case may be), face value, delivery and execution of all contracts, agreements and all other documents, deeds and instruments as may be required or desirable in connection with the issue of Specified Securities by the Company;
- (b) finalisation of the allotment of the Specified Securities on the basis of the subscriptions received;
- (c) finalisation of any arrangement for the submission of the preliminary and final offering circulars/prospectus(es)/ offer document(s), and any amendments and supplements thereto, with any applicable government and regulatory authorities, institutions or bodies, as may be required;
- (d) approval of the preliminary and final offering circulars / placement document / prospectus / Offer document (including amending, varying or modifying the same, as may be considered desirable or expedient) as finalised in consultation with the Lead Manager(s) / Underwriter(s) / Advisor(s), in accordance with all applicable rules, regulations and guidelines;
- (e) appoint, in its absolute discretion, managers (including lead managers), investment bankers, merchant bankers, underwriters, guarantors, financial and/or legal advisors, depositories, custodians, principal paying/ transfer/conversion agents, listing agents, registrars, trustees and all other agencies, whether in India or abroad, entering into or execution of all such agreements/ arrangements/ MoUs/ documents with any such agencies, in connection with the proposed offering of the Specified Securities;

- (f) approval of the Deposit Agreement(s), the Purchase/Underwriting Agreement(s), the Trust Deed(s), the Indenture(s), the Master/Global GDRs/FCCBs/other Securities, letters of allotment, listing application, engagement letter(s), memoranda of understanding and any other agreements or documents, as may be necessary in connection with the issue/offering (including amending, varying or modifying the same, as may be considered desirable or expedient), in accordance with all applicable laws, rules, regulations and guidelines;
- (g) finalisation of the basis of allotment in the event of over-subscription;
- (h) authorisation to any director or directors of the Company or other officer or officers of the Company, including by the grant of power of attorneys, to do such acts, deeds and things as the authorised person in its absolute discretion may deem necessary or desirable in connection with the issue and allotment of the Specified Securities;
- (i) seeking, if required, the consent of the Company's lenders, parties with whom the Company has entered into various commercial and other agreements, all concerned government and regulatory authorities in India or outside India, and any other consent that may be required in connection with the issue and allotment of the Specified Securities;
- (j) seeking the listing of the Specified Securities on any Indian or international stock exchange, submitting the listing application to such stock exchange and taking all actions that may be necessary in connection with obtaining such listing;
- (k) deciding the pricing and terms of the Specified Securities, and all other related matters, including taking any action on two-way fungibility for conversion of underlying equity shares into FCCBs/GDRs, as per applicable laws, regulations or guidelines;
- (l) open one or more bank accounts in the name of the Company in Indian currency or foreign currency(ies) with such bank or banks in India and/or such foreign countries or demat accounts as may be required in connection with the aforesaid issue;
- (m) all such acts, deeds, matters and things as the Board may, in its absolute discretion, consider necessary, proper, expedient, desirable or appropriate for making the said issue as aforesaid and to settle any question, query, doubt or difficulty that may arise in this regard including the power to allot under subscribed portion, if any, in such manner and to such person(s) as the Board of Directors, may deem fit and proper in its absolute discretion to be most beneficial to the Company; and
- (n) to affix the Common Seal of the Company on any agreement(s)/ document(s) as may be required to be executed in connection with the above, in the presence of any Director of the Company, who shall sign the same in token thereof.

RESOLVED FURTHER THAT the Company may enter into any arrangement with any agency or body authorized by the Company for the issue of depository receipts representing the underlying equity shares issued by the Company in registered or bearer form with such features and attributes as are prevalent in international capital markets for instruments of this nature and to provide for the tradability or free transferability thereof as per international practices and regulations (including listing on one or more stock exchange(s) inside or outside India) and under the forms and practices prevalent in the international markets.

RESOLVED FURTHER THAT without prejudice to the generality of the above, the aforesaid issue of Securities may have all or any of the terms or combinations of the terms in accordance with the prevalent market practice including but not limited to terms and conditions relating to payment of interest, dividend, premium or the redemption at the option of the Company and /or holders of any Specified Securities including terms or issue of additional equity shares or variations of the price or period of conversion of Securities into equity shares or issue of equity shares during the period of the Specified Securities or terms pertaining to voting rights or option(s) for early redemption of Specified Securities.

RESOLVED FURTHER THAT the Company and /or any agencies or the Board of the Company may issue depository receipts representing the underlying Equity Shares in the capital of the Company or such other Securities in bearer, negotiable or registered form with such features or attributes as may be required and to provide for the tradability thereof as per market practices and regulation (including listing on one or more stock exchange(s) in or outside India).

RESOLVED FURTHER THAT for the purpose of giving effect to any creation, issue, offer or allotment of Equity Shares or Specified Securities or instruments representing the same, as described above, the Board be and is hereby authorized on behalf of the Company, to do all such acts, deeds, matters, and things as it may, in its absolute discretion, deem necessary or desirable for such purposes, including without limitation, the entering into arrangement for managing, underwriting, marketing, listing, trading, acting as depository, custodian, registrar, paying and conversion agent, trustee and to issue any offer document and sign all applications, filings, deeds, documents and writings, and to pay any fees, commissions, remunerations, expenses relating thereto and with power on behalf of the Company to settle all questions, difficulties or doubts that may arise in regard to such issue(s) or allotments and utilization of the issue proceeds as it may, in its absolute discretion deem fit without being required to seek any further consent or approval of the member or otherwise, to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution, and accordingly any such action, decision or direction of the Board shall be binding on all the members of the Company.

RESOLVED FURTHER THAT subject to applicable law, the Board be and is hereby authorized to delegate all or any of the powers herein conferred to any committee of directors or any whole-time Director or directors or any other officer or officers of the Company to give effect to the aforesaid resolutions.”

2. **APPROVAL OF COSMO FILMS EMPLOYEE STOCK OPTION PLAN 2015 AND GRANT OF EMPLOYEE STOCK OPTIONS TO THE EMPLOYEES OF THE COMPANY THEREUNDER**

To consider and, if thought fit, to pass the following Resolution as a **SPECIAL RESOLUTION**:-

“**RESOLVED THAT** pursuant to the provisions of Section 62(1)(b) and all other applicable provisions, if any, of the Companies Act, 2013 read with Rules framed there under (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 as amended from time to time (hereinafter referred to as “SEBI SBEB Regulations”), the enabling provisions of the Memorandum and Articles of Association of the Company, the Listing Agreements entered into by the Company with the Stock Exchanges, and other prevailing statutory guidelines in that behalf (hereinafter together referred to as “the Extant Guidelines”) and subject to such other approvals, permissions and sanctions as may be necessary from appropriate authorities, if required, 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 term shall be deemed to include any committee, including the HR, Nomination and Remuneration Committee which the Board has constituted to exercise its powers, including the powers, conferred by this resolution), approval and consent of the members of the Company be and is hereby accorded to introduce and implement Cosmo Films Employee Stock Option Plan 2015 (hereinafter referred to as the “CF ESOP 2015”/“Plan”) and to the Board to create, offer and grant options exercisable into not more than 15,00,000 (Fifteen Lakhs) equity shares of the Company of the face value of Rs. 10 each (or such other adjusted figure for any bonus, stock splits or consolidations or other reorganization of the capital structure of the Company as may be applicable from time to time) to the present and future employees of the Company, who are in permanent employment of the Company including Directors of the Company whether whole time or not (except Independent Directors, Promoters or persons belonging to Promoter Group and Directors who directly or indirectly holds more than 10% of the outstanding equity shares of the Company), and whether working in India or outside India as may be selected by the Board on the basis of criteria prescribed in the Plan (collectively referred as the “Eligible Employees”) in one or more tranches, at such price and on such terms and conditions as may be fixed or determined by the Board in accordance with the Plan, SEBI SBEB Regulations and in due compliance with other applicable laws and regulations.

RESOLVED FURTHER THAT approval and consent of the members of the Company be and is hereby accorded to

the Board to implement “CF ESOP 2015” through Cosmo Films ESOP 2015 Trust (hereinafter referred to as “Trust”) and the Trust to subscribe, acquire, purchase, hold and deal in equity shares of the Company through acquisition from the secondary market and/or subscription of the shares pursuant to the provisions of section 62 (1)(b) of the Companies Act, 2013 for the purpose of implementation of the Plan or any other employee stock scheme or share based employee benefit plan which may be introduced by the Company from time to time in due compliance with the provisions of the SEBI SBEB Regulations , Companies Act, 2013 (including rules framed thereunder) and other applicable laws and regulations

RESOLVED FURTHER THAT the Board be and is hereby further authorized to

- (a) issue and allot equity shares upon exercise of options from time to time in accordance with the Plan and such equity shares shall rank paripassu in all respects with the then existing equity shares of the company,
- (b) to take necessary steps for listing of the equity shares allotted under the CF ESOP 2015 on the Stock Exchanges where the equity shares of the Company are listed as per the provisions of the Listing agreement with the concerned Stock Exchanges and the other applicable laws, guidelines, rules and regulations,
- (c) to modify, change, vary, alter, amend, suspend or terminate the CF ESOP 2015 subject to the compliance with the applicable laws and regulations and to do all such acts, deeds, matters and things as it may in its absolute discretion deem fit, for such purpose and also to settle any issues, questions, difficulties or doubts that may arise in this regard without being required to seek any further consent or approval of the members of the Company and to execute all such documents, writings and to give such directions and/or instructions as may be necessary or expedient to give effect to such modification, change, variation, alteration, amendment, suspension or termination of the CF ESOP 2015 and to do all other things incidental and ancillary therof.

RESOLVED FURTHER THAT the Company shall conform to the accounting policies prescribed from time to time under the SEBI SBEB Regulations and any other applicable laws and regulations to the extent relevant and applicable to the CF ESOP 2015.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to comply with the legal provisions and do all ancillary and consequential matters and to take such steps and to do such acts, deeds, matters and things as they may deem proper and give/send such notices, directions as may be necessary to give effect to the above resolution.”

3. APPROVAL OF EXTENDING BENEFITS OF COSMO FILMS EMPLOYEE STOCK OPTION PLAN 2015 TO THE EMPLOYEES OF SUBSIDIARY COMPANY(IES)

To consider and, if thought fit, to pass the following Resolution as a **SPECIAL RESOLUTION**:-

“**RESOLVED THAT** pursuant to the provisions of Section 62(1)(b) and all other applicable provisions, if any, of the Companies Act, 2013 read with Rules framed there under (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 as amended from time to time (hereinafter referred to as “SEBI SBEB Regulations”), the enabling provisions of the Memorandum and Articles of Association of the Company, the Listing Agreements entered into by the Company with the Stock Exchanges, and other prevailing statutory guidelines in that behalf (hereinafter together referred to as “the Extant Guidelines”) and subject to such other approvals, permissions and sanctions as may be necessary from appropriate authorities, if required, 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 term shall be deemed to include any committee, including the HR, Nomination and Remuneration Committee which the Board has constituted to exercise its powers, including the powers, conferred by this resolution), approval and consent of the members of the Company be and is hereby accorded to the Board to extend the benefits of Cosmo Films Employee Stock Option Plan 2015 (hereinafter referred to as the “CF ESOP 2015”/“Plan”), within the overall ceiling of 15,00,000 (Fifteen Lakhs) equity shares of the Company of the face value of Rs. 10 each (or such other adjusted figure for any bonus, stock splits or consolidations or other reorganization of the capital structure of the Company as may be applicable from time to time),

to the present and future employees of any existing and future subsidiary(ies) of the Company, who are in permanent employment of the subsidiary(ies) including Directors of the Company whether whole time or not (except Independent Directors, Promoters or persons belonging to Promoter Group and Directors who directly or indirectly holds more than 10% of the outstanding equity shares of the Company), and whether working in India or outside India as may be selected by the Board on the basis of criteria prescribed in the Plan, on such terms and conditions as may be fixed or determined by the Board in accordance with the Plan, SEBI SBEB Regulations and in due compliance with other applicable laws and regulations.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to comply with the legal provisions and do all ancillary and consequential matters and to take such steps and to do such acts, deeds, matters and things as they may deem proper and give/send such notices, directions as may be necessary to give effect to the above resolution.”.

4. **AUTHORIZATION TO COSMO FILMS ESOP TRUST FOR SECONDARY ACQUISITION OF SHARES**

To consider and, if thought fit, to pass the following Resolution as a **SPECIAL RESOLUTION**:-

“**RESOLVED THAT** pursuant to the applicable provisions of the Companies Act, 2013 read with Rules framed there under (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 as amended from time to time (hereinafter referred to as “SEBI SBEB Regulations”), the enabling provisions of the Memorandum and Articles of Association of the Company, the Listing Agreements entered into by the Company with the Stock Exchanges, and other prevailing statutory guidelines in that behalf (hereinafter together referred to as “the Extant Guidelines”) and subject to such other approvals, permissions and sanctions as may be necessary from appropriate authorities, if required, 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 term shall be deemed to include any committee, including the HR, Nomination and Remuneration Committee which the Board has constituted to exercise its powers, including the powers, conferred by this resolution), approval and consent of the members of the Company be and is hereby accorded to Cosmo Films ESOP 2015 Trust (hereinafter referred to as “Trust”) to acquire and hold up to 15,00,000 (Fifteen Lakhs) fully paid up equity shares of the Company of the face value of Rs. 10 each (or such other adjusted figure for any bonus, stock splits or consolidations or other reorganization of the capital structure of the Company as may be applicable from time to time) from the secondary market for implementation of the Cosmo Films Employee Stock Option Plan 2015 (hereinafter referred to as the “CF ESOP 2015”/“Plan”) in one or more tranches, at such price or prices and on such terms and conditions as may be decided by the Trust in accordance with the Plan, SEBI SBEB Regulations and in due compliance with other applicable laws and regulations.

RESOLVED FURTHER THAT the Trustees of the Trust shall ensure compliance of the provisions of the SEBI SBEB Regulations, Companies Rules and all other applicable laws at all times in connection with dealing with the shares of the Company including but not limited to maintenance of proper books of accounts, records and documents as prescribed.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to comply with the legal provisions and do all ancillary and consequential matters and to take such steps and to do such acts, deeds, matters and things as they may deem proper and give/send such notices, directions as may be necessary to give effect to the above resolution.”.

5. **PROVISION OF MONEY BY THE COMPANY FOR PURCHASE OF ITS OWN SHARES BY THE TRUST FOR THE BENEFIT OF EMPLOYEES UNDER COSMO FILMS EMPLOYEE STOCK OPTION PLAN 2015**

To consider and, if thought fit, to pass the following Resolution as a **SPECIAL RESOLUTION**:-

“**RESOLVED FURTHER THAT** pursuant to the provisions of the Section 67 and all other applicable provisions, if any, of the Companies Act, 2013 read with the Rules framed thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), Securities and Exchange Board of India (Share Based Employee

Benefits) Regulations, 2014 as amended from time to time (hereinafter referred to as “SEBI SBEB Regulations”), the enabling provisions of the Memorandum and Articles of Association of the Company, Rule 16 of the Companies (Share Capital and Debentures) Rules, 2015 as amended from time to time and subject to such other approvals, permissions and sanctions as may be necessary from appropriate authorities, if required, 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 term shall be deemed to include any Committee, including the HR, Nomination and Remuneration Committee which the Board has constituted to exercise its powers, including the powers, conferred by this resolution), 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”) to grant loan, to provide guarantee or security in connection with a loan granted or to be granted to, the Cosmo Films ESOP 2015 Trust (hereinafter referred to as “Trust”) in one or more tranches not exceeding 5% (five percent) of the aggregate of paid up capital and free reserves of the Company for the purpose of subscription and/or purchase of Equity Shares of the Company by the Trust for extending the benefit under Cosmo Films Employee Stock Option Plan 2015 (hereinafter referred to as the “CF ESOP 2015”/“Plan”) or any other employee stock plan or share based employee benefit plan, which may be introduced by the Company from time to time as permitted under and in due compliance with the provisions of the SEBI SBEB Regulations, Companies Act 2013, Rules framed thereunder and other applicable rules and regulations.

RESOLVED FURTHER THAT any loan provided by the Company shall be repayable to and recoverable by the Company from time to time during the term of the Plan out of exercise price received from the employees on exercise of the options and/or the sale of the shares in due compliance with the provisions of the SEBI SBEB Regulations.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to comply with the legal provisions and do all ancillary and consequential matters and to take such steps and to do such acts, deeds, matters and things as they may deem proper and give/send such notices, directions as may be necessary to give effect to the above resolution.”

**New Delhi
December 04, 2015**

**By Order of the Board of Directors
Cosmo Films Limited**

Head Office:
1008, DLF Tower-A
Jasola District Centre,
New Delhi- 110025
CIN:-L92114DL1976PLC008355
e-mail:- investor.relations@cosmofilms.com

**Jyoti Dixit
Company Secretary
Membership No. F6229**

NOTES:

1. The Statement pursuant to Section 102 of the Companies Act, 2013, setting out the material facts concerning each item of the Special Businesses is annexed hereto.
2. In terms of Section 110 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, (including any statutory modification thereof from time to time), the items of business as set out in the Notice are sought to be passed by e-voting & Postal Ballot process.
3. Voting Period commences on Friday, 11th December, 2015 from 10.00 a.m (IST) and ends on Saturday 9th January, 2016, 5.00 p.m. (IST) for the members exercising their voting either by Postal Ballot Form or through E-voting.
4. The Notice is being sent by prescribed mode to all the members of the Company whose name appears on the Register of Members/list of Beneficial Owners as received from National Securities Depository Limited (“NSDL”) / Central Depository Services (India) Limited (“CDSL”) as on Friday, 4th December, 2015 (Cut-off date). Each Member’s voting rights shall be in proportion to his/her/its share of the paid up equity share capital of the Company as on Cut-off date, which will only be considered for voting.

5. As required under the provisions of Sections 108, 110 and other applicable provisions, if any, of the Act and the rules as applicable in that regard and Clause 35B of the Listing Agreement, the Company has engaged the services of Central Depository Services (India) Limited to provide e-voting facility to the Members of the Company. Members have the option either to vote through e-voting process or through Postal Ballot Form. If a member casts votes by both modes, then voting through postal ballot shall prevail and voting done by E-voting shall be treated as invalid.
6. Members are requested to read the instructions carefully mentioned in the notice and return the Form duly completed in the attached self addressed and postage prepaid envelope so as to reach the Scrutinizer on or before 5:00 PM (IST) on Saturday 09th January, 2016, at the following address:

Mr. Sanjiv Aggarwal
Cosmo Films Limited
1008, DLF Tower - A
Jasola District Centre,
New Delhi - 110 025
7. The Scrutinizer's decision on the votes cast through E-voting/Postal Ballot shall be final.

INSTRUCTIONS FOR VOTING THROUGH POSTAL BALLOT :

1. A shareholder desiring to exercise vote by postal ballot may complete this Postal Ballot form and send it to the Scrutinizer in the attached self-addressed envelope. Postage will be borne by the Company. However envelopes containing Postal Ballots, if sent by any other mode at the expense of the registered shareholder will also be accepted.
2. The self-addressed envelope contains the address of the scrutinizer appointed by the Board of Directors.
3. The Postal Ballot form should be completed and signed by the shareholder. In case of joint holding, the form should be completed and signed (as per the specimen signature registered with the Company) by the first named shareholder and in his absence, by the next named shareholder.
4. Unsigned postal ballot or incomplete postal ballot forms will be rejected.
5. Duly completed and signed Postal Ballot Form should reach the Scrutinizer not later than 5.00 PM, Hours (IST) on Saturday 09th January, 2016. All postal ballot forms received after this date will be strictly treated as if reply from such shareholder has not been received.
6. A shareholder may request for a duplicate postal ballot form, if so required. However, the duly filled in duplicate postal ballot form should reach the Scrutinizer not later than the date specified at Point No. 5. (Above this point).
7. Voting rights shall be reckoned on the paid up value of the shares registered in the name of the shareholder on the cutoff date i.e. Friday, 4th December, 2015.
8. In case of shares held by corporate and institutional shareholders (companies, trusts, societies etc.) the duly filled in postal ballot form should be accompanied by a certified true copy of the appropriate Resolution.
9. Shareholders are requested not to send any other paper along with the postal ballot form in the enclosed self addressed postage prepaid envelope in as much as all such envelopes will be sent to the Scrutinizer and any extraneous paper found in such envelope would be destroyed by the Scrutinizer.

INSTRUCTIONS FOR E-VOTING :

- (i) The e-voting period begins on Friday, 11th December, 2015 from 10:00 a.m. (IST) and ends on Saturday, 09th January, 2016 at 05:00 p.m. During the e-voting period, shareholders' of the Company holding shares either in physical form or dematerialized form, as on the cut off date i.e. Friday, 4th December, 2015, may cast their vote electronically. The e-voting facility shall be disabled by CDSL for voting thereafter.
- (ii) Log on to the e-voting website www.evotingindia.com.

- (iii) Click on “Shareholders” tab.
- (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 code 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	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <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 (sequence number has been provided in the Postal Ballot Form) in the PAN field. • In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence no. 1 then enter RA00000001 in the PAN field.
Dividend Bank Details or Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login.</p> <ul style="list-style-type: none"> • If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details as mentioned in instruction (iv).

- (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.
- (xi) Click on the relevant EVSN of “**Cosmo Films Limited**” on which you choose to vote.
- (xii) 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.
- (xiii) Click on the “**Resolutions File Link**” if you wish to view the entire Resolutions.
- (xiv) 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.

- (xv) Once you “**CONFIRM**” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take print out of the voting done by you by clicking on “**Click here to print**” option on the Voting Page.
- (xvii) If Demat account holder has forgotten the changed password then enter the User ID and image verification code and click on **Forgot Password** & enter the details as prompted by the system.
- (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) 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.
- (xx) Members who have registered their e-mail ids for receipt of documents in electronic mode under the Green Initiative of MCA have been sent Postal Ballot Notice by e-mail and who wish to vote through Ballot Form can obtain the Ballot Form from Registrar and Transfer Agent (R& T) Agent M/s. Alankit Assignments Limited, 2E/21, Alankit House, Jhandewalan Extension, New Delhi -110055, India or mail to rmaurya@alankit.com or from the Company at its Registered Office or mail to investor.relations@cosmofilms.com and fill in the details and send the same to the Scrutinizer by Post at the address given at above.

STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

The following Statement sets out all material facts relating to the Special Businesses mentioned in the accompanying Notice:

ITEM NO.1

Subject to applicable laws, the Company intends to use the proceeds from the issue of Specified Securities to meet the capital expenditure requirements in connection with the Company's business ventures/projects (including new technologies), working capital requirements, general corporate purposes (including repayment of debts) and for such other purposes as may be permitted by applicable laws and thus, the Board of Directors of the Company at its meeting held on 04th December, 2015, proposed to raise funds not exceeding Rs. 100 Crores (including premium) by issue of equity shares and/or any other financial instruments convertible into equity including through Qualified Institutions Placement under SEBI (ICDR) Regulations, 2009 and/or through issuance of securities in the Domestic/International markets by way of FCCBs/GDRs etc as set out in the resolution under item no. 1 of the accompanying notice.

As per the provisions of Regulation 85 of Chapter VIII of the SEBI (ICDR) Regulations, 2009, issue of Specified Securities shall be made at a price not less than the average of the weekly high and low of the closing prices of the related shares quoted on a stock exchange during the two weeks preceding the relevant date. The Board or the Committee may offer a discount of not more than 5% (Five percent) on the Floor price calculated for the QIP or such other discount as may be permitted under the SEBI Regulations. The Relevant Date for the purpose of the pricing of the Specified Securities to be allotted, if any, shall mean, in case of allotment of equity shares, the date of the meeting in which the Board or the Committee decides to open the proposed issue and in case of convertible securities or the date on which the holders of such convertible securities become entitled to apply for the Equity Shares.

Pursuant to the provisions of Chapter VIII of the SEBI Regulations, the aggregate of the proposed Qualified Institutions Placements, if any made by the Company in the same financial year shall not exceed 5 times, the net worth of the Company as per the audited balance sheet of the previous financial year.

The detailed terms and conditions for the above mentioned issue will be determined by the Board or a committee thereof, in consultation with the advisors, lead managers and such other authority(ies) as may be required to be consulted by the Company considering the prevailing market conditions/practices from time to time and in accordance with the applicable provisions of law, rules and regulations and other relevant factors.

The Board recommends the consent of the shareholders by passing an enabling Special Resolution pursuant to the provisions of Section 23, 42, 62 and other applicable provisions of the Companies Act, 2013 including any rules made thereunder, and in terms of the provisions of the listing agreements executed by the Company with the Stock Exchanges where the equity shares of the company are listed. The Special Resolution as set out in item no. 1 if passed, will have the effect of permitting the Board or a committee thereof, to issue and allot Securities to any investor, who may or may not be existing members of the Company.

The Board believes that the proposed offering, if made, will be in the interest of the Company and therefore recommends Special Resolution contained in the accompanying notice under item no. 1 of the Notice, for members' approval.

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in this resolution except to the extent of their shareholding in the Company, if any.

ITEM NO. 2, 3, 4 & 5

The human resource plays a vital role in growth and success of a company. To enable employees to participate in the enhancement of shareholders value, the Company proposes to provide stock options to the employees. Stock options serve as a tool of aligning interests of employees with those of shareholders and the Company. This also help the Company in attracting, motivating and retaining the best talent.

The HR, Nomination and Remuneration Committee and Board of Directors in their meeting held on December 04th, 2015, subject to the approval of the members have approved the "COSMO FILMS EMPLOYEE STOCK OPTION PLAN 2015" and have decided to implement the plan via trust route. The Company will form a trust in the name and style of Cosmo Films ESOP 2015 Trust (hereinafter referred to as "Trust")

The Company in terms of the proposed resolution as aforesaid contemplates to enable Trust to acquire/deal in equity shares of the Company through secondary market acquisition route with a view to protect the equity shareholding dilution of the present and future members of the Company. As set out in this Notice, the Company proposes to seek the approval of the members via the aforesaid resolutions to implement the Plan.

The salient features and other details of the Plan as per the Regulation 6(2) of SEBI (Share Based Employee Benefits) Regulations, 2014 are as under:

a) Brief description of the Plan

The Plan shall be called as the “COSMO FILMS EMPLOYEE STOCK OPTION PLAN 2015” (hereinafter referred to as the “CF ESOP 2015”/“Plan” and shall extend the benefits to the present and future employees of the Company, who are in permanent employment of the Company including Directors of the Company whether whole time or not (except Independent Directors, Promoters or persons belonging to Promoter Group and Directors who directly or indirectly holds more than 10% of the outstanding equity shares of the Company), and whether working in India or outside India as may be selected by the Board on the basis of criteria prescribed in the Plan (collectively referred as the “Eligible Employees”).

The plan will be implemented via Trust Route which will acquire equity shares of the Company by secondary market acquisition. However, in case of any shortfall the Company will issue new shares as required.

The benefit of the Plan shall also be extended to the employees of the Subsidiary Company(ies).

b) Total number of Options to be granted

The total number of options that may be granted would be such number of options which shall entitle the option holders to acquire in one or more tranches not exceeding 15,00,000 equity shares of the Company of the face value of Rs.10/- each (or such other adjusted figure for any bonus, stock splits or consolidations or other re-organization of the capital structure of the Company as may be applicable from time to time). Each such option confers a right upon the option holder to apply for 1 (one) equity share of the Company in accordance with the terms and conditions of the Plan.

c) Identification of classes of employees entitled to participate and be beneficiaries in the Plan

The present and future employees of the Company, who are in permanent employment of the Company including Directors of the Company whether whole time or not (except Independent Directors, Promoters or persons belonging to Promoter Group and Directors who directly or indirectly holds more than 10% of the outstanding equity shares of the Company), and whether working in India or outside India shall be entitled to participate and be beneficiaries in the Plan.

The HR, Nomination and Remuneration Committee may consider the position and responsibilities of the employee, the nature and value to the Company of the employee’s services and accomplishments, the employee’s present and potential contribution to the success of the Company and such other factors as it may deem relevant for determining the eligibility of the employees to participate in the Plan.

The options granted to an employee under the Plan will not be transferable to any person and shall not be pledged, hypothecated, mortgaged or otherwise alienated by the employee in any other manner.

d) Requirement of Vesting and period of Vesting

The Vesting Period shall be decided by the HR, Nomination and Remuneration Committee from time to time but shall not be less than one year from the date of grant(s) of options. The option may vest in one or more tranche(s) subject to the terms and conditions as may be stipulated by the HR, Nomination and Remuneration Committee.

e) Maximum period within which the options shall be vested

All the options will get vested within a maximum period of four years from the date of grant unless otherwise decided by the HR, Nomination and Remuneration Committee.

f) **Exercise Price/ Pricing formula:**

The exercise price shall be determined by the HR, Nomination and Remuneration Committee at the time of grant of the options. Such price shall not be less than as per the closing market price of the share on the stock exchanges where the shares of the Company are listed, immediately prior to the date of grant of the options, subject to conformity of accounting policies specified in the Regulation 15 of SEBI (Share Based Employee Benefits) Regulations, 2014

g) **Exercise period and process of Exercise:**

The exercise period shall be ten years from the respective dates of the vesting of the options unless otherwise decided by the HR, Nomination and Remuneration Committee.

The options granted under the Plan would be exercisable by the employee within the exercise period by submitting the exercise form, to the authorized representative of the Company during the exercise window, which will open on a quarterly basis. After the expiry of the exercise period, the unexercised options, if any shall get lapsed. The lapsed options shall be available for fresh grants to other eligible employees.

h) **Appraisal process for determining the eligibility of the employees to the Plan:**

The process for determining the eligibility of the employee will be specified by the HR, Nomination and Remuneration Committee and will be based on the position and responsibilities of the employee, the nature and value to the Company of the employee's services and accomplishments, the employee's present and potential contribution to the success of the Company, the remaining period of the employee's service with the Company computed based on the normal retirement age prescribed in the Company's HR policy and / or any such other criteria that may be determined by the HR, Nomination and Remuneration Committee in its sole discretion.

i) **The Maximum number of Options to be granted per employee and in aggregate**

The maximum number of options granted to any one employee in a year will not equal or exceed 1% of the issued equity share capital of the Company (excluding outstanding warrants and conversions) at the time of grant of the options. To grant options in excess of the aforesaid limit, the approval of the shareholders would be sought by way of a separate resolution.

The aggregate of all grants shall not exceed 15,00,000 equity shares (or such other adjusted figure for any bonus, stock splits or consolidations or other re-organization of the capital structure of the Company as may be applicable from time to time).

j) **The Maximum quantum of benefits to be provided per employee under the plan**

The maximum quantum of benefit to be provided under the Plan will be the difference between the exercise price and the market value of share on the date of the exercise of the options.

k) **Implementation and administration of the plan**

The plan shall be implemented and administered by the Cosmo Films ESOP 2015 Trust.

l) **Whether the plan involves new issue of shares by the Company or secondary acquisition by the Trust or both**

The Trust shall acquire the equity shares of the Company via secondary market acquisition and in case of any shortfall the Company will issue new shares as required.

m) **The amount of loan to be provided for implementation of the plan by the company to the trust, its tenure, utilization, repayment terms, etc.:**

i. **Amount of loan:** Shall not exceed 5% of the paid up equity capital and free reserves as at the end of financial year immediately prior to the year in which the shareholder approval is obtained for such secondary acquisition.

ii. **Tenure:** Till the objects of the Trust are accomplished or the repayment of loan is made, whichever is earlier

- iii. **Utilization:** For the objects of the Trust as mentioned in the Trust Deed including the purchase of the equity shares of the Company through the secondary acquisition for implementation of the CF ESOP 2015.
- iv. **Repayment Terms:** The Trust shall repay the loan to the Company utilizing the proceeds realized upon the exercise of the options by the employees or sale of equity shares in accordance with SEBI (SBEB) Regulations, 2014, the dividend received etc.,

n) **The Maximum percentage of secondary acquisition (subject to limits specified under the regulations) that can be made by the trust for the purposes of the plan.**

The total number of shares to be acquired through secondary market acquisition in a financial year shall not exceed 2% of the paid up capital of the Company as at March 31, 2015. Further, the total holding of the Trust of the shares so acquired shall not exceed 5% of the paid up equity capital as at March 31, 2015.

o) **The method which the Company shall use to value its Options.**

The Company shall use intrinsic value to value the options. The difference between the employee compensation cost computed on the basis of intrinsic value and the employee compensation cost that shall have been recognized if the Company had used the fair value of the options, shall be disclosed in the Directors' Report and also the impact of this difference on profits and on Earnings Per Share (EPS) of the Company shall be disclosed in the Directors Report.

The disclosures as per Rule 16 of the Companies (Share Capital and Debentures) Rules, 2014 , are as under:

1.	The class of employees for whose benefit the plan is being implemented and money is being provided for purchase of or subscription to shares	Present and future employees of the Company, who are in permanent employment of the Company including Directors of the Company whether whole time or not (except Independent Directors, Promoters or persons belonging to Promoter Group and Directors who directly or indirectly holds more than 10% of the outstanding equity shares of the Company), and whether working in India or outside India.	
2.	The particulars of the trustee or employees in whose favor such shares are to be registered	Name of the Trustees: i) Mr. Sohan Lal Bagree ii) Mr. Manoj Gupta	
3.	Particulars of trust	Name of the Trust: Cosmo Films ESOP 2015 Trust	
4.	Name, Address, Occupation and nationality of trustees	Mr. Sohan Lal Bagree 24, Chitrakut Apartment, East Arjun Nagar, Delhi -110032 Consultant Indian	Mr. Manoj Gupta 25B, Pocket-A, SukhdevVihar, New Delhi-110025 Service Indian
5.	Relationship of trustees with promoters, directors or key managerial personnel, if any	None	
6.	Any interest of key managerial personnel, directors or promoters in such plan or trust and effect thereof	The Key Managerial Personnel and Directors are interested in the CF ESOP 2015 to the extent the options may be granted to them under the Plan.	
7.	The detailed particulars of benefits which will accrue to the employees from the implementation of the plan	Upon exercise of options, the eligible employees will be entitled to receive an equivalent number of shares of the Company on payment of the exercise price as per terms of the grant of the options. The employees may sell the said shares in the market and thereby realize the profit being the excess of sale price of the shares over the exercise price of the shares.	

<p>8. The details about who would exercise and how the voting rights in respect of the shares to be purchased or subscribed under the plan would be exercised</p>	<p>Trust would be considered as the registered shareholder of the Company till the date of transfer/sale of shares upon exercise of the options by the employees. However, the Trustees will not have any right to vote on the Equity Shares held by the Trust.</p> <p>Once the shares are transferred to the employees upon their exercise, the employees will be treated as the shareholder of the Company and shall exercise the right to vote in respect of such shares.</p>

In terms of the Companies Act, 2013 and the SEBI (SBEB) Regulations, 2014 the approval of the Shareholders is sought by way of Special Resolution for the approval of the CF ESOP 2015, grant of options to employees of the Company including its subsidiaries, authorization to the trust for secondary acquisition, and for provisioning of money to the Trust to fulfill the same. The Board recommends the Resolutions as set out at item no 2, 3,4&5 for your approval by way of Special Resolution.

None of the Directors of the Company, Key Managerial Personnel of the Company and their relatives are deemed to be concerned or interested in these resolutions except to the extent of options that may be offered to them under CF ESOP 2015.

New Delhi
 December 04, 2015

**By Order of the Board of Directors
 Cosmo Films Limited**

Head Office:
 1008, DLF Tower-A
 Jasola District Centre,
 New Delhi- 110025
 CIN:-L92114DL1976PLC008355
 e-mail:- investor.relations@cosmofilms.com

**Jyoti Dixit
 Company Secretary
 Membership No. F6229**