



TREE HOUSE EDUCATION & ACCESSORIES LIMITED

Registered Office: 702 'C', Morya House, Off New Link Road, Andheri (West), Mumbai - 400053.

Email: compliance@treehouseplaygroup.net • Web: www.treehouseplaygroup.net

CIN No: L80101MH2006PLC163028

NOTICE is hereby given that an Extraordinary General Meeting of the Members of **Tree House Education & Accessories Limited** will be held on **Thursday, December 11, 2014 at 9.30 a.m.** at Mayor Hall, All India Institute of Local Self Government, Sthanikraj Bhavan, C.D. Barfiwala Marg, Juhu Lane, Near BMW Showroom, Andheri (W), Mumbai - 400 058 to transact the following business:-

SPECIAL BUSINESS:

1. Issue of Further Securities of the Company.

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

"RESOLVED THAT in accordance with the provisions of Sections 23, 42 and 62(1)(c) and other applicable provisions, if any, of the Companies Act, 2013, and all other applicable rules made thereunder, including the Companies (Prospectus and Allotment of Securities) Rules, 2014 (including any amendments / modifications thereto or re-enactment thereof) (collectively the **"Companies Act"**) and in accordance with the provisions of the Memorandum and Articles of Association of the Company and subject to and in accordance with any other applicable law or regulation, in India or outside India, including without limitation, the listing agreements entered into with the BSE Limited, MCX Stock Exchange Limited and National Stock Exchange of India Limited (collectively the **"Stock Exchanges"**) where the equity shares of face value of Rs. 10 each (**"Equity Shares"**) of the Company are listed (the **"Listing Agreements"**), the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2009 (**"SEBI ICDR Regulations"**) (including any amendment thereto or re-enactment thereof, for the time being in force), the Foreign Exchange Management Act, 1999 (**"FEMA"**), as amended from time to time, Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000, as amended, and in accordance with the rules, regulations, guidelines, notifications, circulars and clarifications issued thereon, from time to time, by the Securities and Exchange Board of India, Reserve Bank of India, the Stock Exchanges, the Government of India, the Registrar of Companies or any other relevant authority from time to time (**"Governmental Authorities"**), to the extent applicable, and subject to such approvals, consents, permissions and sanctions as may be required from such Governmental Authorities, and subject to such conditions and modifications as may be prescribed, stipulated or imposed by such Governmental Authorities while granting such approvals, consents, permissions and sanctions, which the Board of Directors of the Company (hereinafter referred to as the **"Board"** which term shall be deemed to include any committee(s) thereof constituted/to be constituted and/or any Director(s) of the Company, delegated with the powers necessary for the purpose, including the powers conferred by this resolution), consent of the shareholders of the Company be and is hereby accorded to create, issue, offer and allot to the qualified institutional buyers as defined under SEBI ICDR Regulations (**"QIBs"**), on a private placement basis through qualified institutions placement (**"QIP"**) in accordance with Chapter VIII of the SEBI ICDR Regulations, at such price or prices as may be calculated in accordance with Chapter VIII of the SEBI ICDR Regulations, such number of Equity Shares of the Company, non-convertible debentures alongwith warrants and/or any other securities (other than warrants) which are convertible into Equity Shares not later than 60 months from the date of their allotment (collectively **"Securities"**) through placement documents, such issue and allotment to be made at such time/times, in one or more tranches, at such price or prices, including at discount / premium to the market price in such manner and on such terms and conditions including security, rate of interest etc., considering the then prevailing market conditions and other relevant factors wherever necessary, in consultation with the merchant bankers and/or other advisors or otherwise, on such terms and conditions as the Board, may, in its absolute discretion, decide at the time of issue of Securities, provided that the total amount raised through the issuance of such Securities shall not exceed ₹ 200 Crores (Rupees Two Hundred Crores only). However, the pricing of the Securities that may be issued to QIBs pursuant to the QIP shall be determined in accordance with Chapter VIII of the SEBI ICDR Regulations. The Board may in its absolute discretion and in accordance with applicable law, offer a discount of not more than 5% or such percentage as permitted under applicable law on the floor price as may be determined pursuant to the SEBI ICDR Regulations.

RESOLVED FURTHER THAT in terms of Chapter VIII of the SEBI ICDR Regulations, the allotment of the Securities, or any combination of Securities as may be decided by the Board shall be completed within 12 months from the date of this resolution or such other time as may be allowed under the SEBI ICDR Regulations from time to time.

RESOLVED FURTHER THAT in the event the Equity Shares are issued pursuant to the QIP, the "relevant date" for the purpose of pricing of the Equity Shares shall be the date of the meeting in which the Board (including a committee of the Board) decides to open the proposed QIP, and in the event that non-convertible debentures alongwith warrants and/or convertible securities other than warrants are issued pursuant to the QIP, the relevant date for the purpose of pricing of such securities, shall be the date of the meeting in which the Board (including a committee of the Board) decides to open the proposed issue of non-convertible debentures alongwith warrants and/or convertible securities other than warrants.

RESOLVED FURTHER THAT the Equity Shares issued or arising pursuant to the conversion of the Securities shall rank pari passu in all respects including entitlement to dividend with the existing Equity Shares of the Company in all respects as may be provided under the terms of issue and in accordance with the placement document(s).

RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of its powers to any Director(s)/ Committee duly authorised by the Board or Company Secretary or Compliance Officer or such other persons duly authorised by the Board, to give effect to the aforesaid resolution and is hereby authorised to take all such steps and do such acts, deeds and things as it may in its absolute discretion deem fit without being required to seek further consent or approval of the members as is considered necessary, expedient, proper or incidental in relation to the said matter and to take such action and give such directions as they may consider as necessary or desirable and to obtain any approvals, permissions, sanctions from SEBI, Stock Exchanges, Foreign Investment Promotion Board, Reserve Bank of India and such other authorities which may be necessary or desirable and to settle all questions, difficulties or doubts which may arise in regard to issue and allotment of the Securities.

2. Increase in Authorized Capital of the Company.

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

RESOLVED THAT pursuant to the provisions of Sections 13, 61 and 64 and other applicable provisions, if any, of the Companies Act, 2013 (including any amendment thereto or re-enactment thereof) and the rules framed there under, the Authorized Share Capital of the Company be and is hereby increased from ₹ 40,00,00,000 (Rupees Forty Crores) divided into 4,00,00,000 (Four Crores) equity shares of face value of Rs. 10/- each to ₹ 45,00,00,000 (Rupees Forty Five Crores) divided into 4,50,00,000 (Four Crores and Fifty Lacs) equity shares of ₹10/- (Rupees Ten) each by an addition of 50,00,000 (Fifty Lacs) equity shares of ₹ 10/- (Rupees Ten) each ranking *pari-passu* in all respect with the existing Equity Shares of the Company.

RESOLVED FURTHER THAT Clause V of the Memorandum of Association of the Company is and hereby substituted in the following manner;
"The Authorised Share Capital of the Company is ₹ 45,00,00,000 (Rupees Forty Five Crores) divided 4,50,00,000 (Four Crores and Fifty Lacs) equity shares of face value of ₹10/- each"

"RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorized to do all such acts, deeds, matters and things, including filing of necessary statutory forms with the Registrar of Companies, Mumbai and to give such directions as may be necessary or expedient and to settle any question, difficulty or doubt that may arise in this regard, as the Board or a committee in its absolute discretion may deem necessary or desirable and its decision shall be final and binding."

3. Increase in Foreign Institutional Investors (FIIs) Investment Limit.

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

"RESOLVED THAT pursuant to the applicable provisions of Foreign Exchange Management Act, 1999, the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000 and all other applicable rules, regulations, guidelines and laws (including any statutory modifications or re-enactment thereof, from time to time) and subject to all applicable approvals, permissions, sanctions and intimations and subject to such conditions as may be prescribed by any of the concerned authorities while granting such approvals, permissions and sanctions, which may be agreed to by the Board of Directors of the Company, the consent of the Company be and is hereby accorded to permit Foreign Institutional Investors ("FIIs")/ Registered Foreign Portfolio Investors ("RFPIs") registered with the Securities and Exchange Board of India ("SEBI") to acquire and hold, on their own account and on behalf of their SEBI approved sub-accounts, Equity Shares of the Company, provided that the equity shareholding of all such FIIs and RFPIs and their sub-accounts put together shall not exceed 49% (Forty Nine per cent) of the total paid-up Equity Share capital of the Company, provided however that the shareholding of each FII/RFPI, on its own account and on behalf of each of the SEBI approved sub-accounts in the Company shall not exceed such limits as are or as may be prescribed, from time to time, under applicable laws, rules and regulations.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds and things, including filing of intimations with the RBI and execute all documents or writings as may be necessary, proper or expedient for the purpose of giving effect to this Resolution and for matters connected therewith or incidental thereto."

4. Payment of Remuneration to Cost Auditor:

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

"RESOLVED THAT pursuant to Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, including any statutory modification or re-enactment thereof for the time being in force, the Company hereby ratifies the remuneration of ₹ 1,50,000 payable to M/s. Kishore Bhatia & Associates, who are appointed as Cost Auditors to conduct the audit of cost records maintained by the Company for the Financial Year 2014-15."

By order of the Board of Directors
For Tree House Education & Accessories Limited

Sd/-
Pooja R. Bhimjiyani
Company Secretary

Place: Mumbai
Date: November 14, 2014

NOTES:

1. A member entitled to attend and vote at the Extra ordinary General Meeting (the "Meeting") is entitled to appoint proxies to attend and vote on a poll instead of himself and the proxy need not be a member of the Company. The instrument appointing the proxy, in order to be effective must be deposited at the registered office of the Company not less than forty-eight (48) hours before the commencement of the Meeting.

A person can act as a proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten (10) percent of the total share capital of the Company carrying voting rights. A member holding more than ten (10) percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy for any other person or shareholder.

Corporate members intending to send their authorised representative to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.

Members / proxies are requested to bring their attendance slip enclosed herewith to attend the meeting.

In case of joint holder attending the Meeting, only such joint holder who is higher in order of names will be entitled to vote at the meeting.

2. The Explanatory Statement pursuant to section 102(1) of the Companies Act, 2013, in respect of item Nos. 1 to 4 is annexed hereto.
3. The Notice of the Extra ordinary General Meeting and instructions for e-voting, along with the Attendance Slip and proxy Form, is being sent by electronic mode to all members whose email addresses are registered with the Company / Depository participant(s) unless a member has requested for a hard copy of the same. For members who have not registered their email addresses, physical copies of the aforesaid documents are being sent by the permitted mode.
4. Relevant documents referred to in the accompanying Notice and the Explanatory Statement are open for inspection by the Members at the Registered Office of the Company during the office hours on all working days except Saturdays between 11.00 a.m. and 1.00 p.m. up to the date of the EGM and will also be available at the meeting venue on the date of the meeting. The relevant documents will also be available on the Company's website www.treehouseplaygroup.net
5. **Voting through electronic means:**
 1. In compliance with the provisions of section 108 of the Act and the Rules framed thereunder, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by NSDL, on all resolutions set forth in this Notice.

The procedure to login to e-Voting website is given below:

- A. In case a Member receives an e-mail from NSDL [for members whose email IDs are registered with the Company/Depository Participants(s)]::
- Open an e-mail and also open PDF file namely "e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password for e-voting. Please note that the password is an initial password.
 - Launch Internet browsing by typing the following URL <https://www.evoting.nsdl.com>.
 - Click on Shareholder — Login.
 - Put User ID and password as initial password noted in step (a) above. Click login.
 - Password Change Menu appears. Change the password with new password of your choice with minimum 8 digits/characters or a combination thereof.
 - Home page of 'e-voting' opens. Click on 'e-voting' - Active Voting Cycles.
 - Select "EVEN" of (TREE HOUSE EDUCATION & ACCESSORIES LIMITED).
Members can cast their vote online from **Thursday, December 4, 2014 (9:00 am) till Saturday, December 6, 2014 (9:00 pm)**.
Note: e-Voting shall not be allowed beyond said time.
 - Now you are ready for e-voting as "Cast Vote" page opens.
 - Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when, prompted.
 - Upon confirmation, the message "Vote cast successfully" will be displayed.
 - Once you have voted on the resolution, you will not be allowed to modify your vote.
 - Institutional shareholders (i.e., other than Individuals, HUF, NRI etc.) are also required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/Authority Letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail mihenhalani@gmail.com with a copy marked to evoting@nsdl.co.in.
- B. In case a Member receives physical copy of the Notice of EGM [for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy:
- Initial password is provided, as below, separately along with the notice of EGM
EVEN (E Voting Event Number) USER ID PASSWORD/PIN
 - Please follow all steps from Sl. No. (b) to Sl. No. (k) above, to cast vote.
- II. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the Downloads section of www.evoting.nsdl.com
- III. If you are already registered with NSDL for e-voting then you can use your existing user ID and password/PIN for casting your vote.
- IV. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s)
- V. During the e-voting period, shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of November 14, 2014, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- VI. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date November 14, 2014
- VII. Mr. Mihe Halani, Practicing Company Secretary (Membership No. 32176) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- VIII. The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- IX. The Results shall be declared on or after the EGM of the Company. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website at www.treehouseplaygroup.net and on the website of NSDL within two (2) working days of passing of the resolutions at the EGM of the Company and communicated to the Stock Exchanges.

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

Item No. 1

The Company is growing and in order to invest in growth opportunities and fund the expansion plans of the Company, and other approved general corporate purposes, from time to time, it requires funds. It is, therefore, proposed to create/offer/issue/allot equity shares of the Company, non-convertible debentures alongwith warrants and/or any other securities (other than warrants) which are convertible into Equity Shares ("Securities") for an aggregate amount not exceeding ₹ 200 Crores (Rupees Two Hundred Crores Only) in one or more tranches, to qualified institutional buyers ("QIBs") under Chapter VIII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended (the "SEBI ICDR Regulations") in consultation with the lead manager(s) etc.

Section 62(1)(c) of the Companies Act, 2013 ("Act") provides that, inter-alia, such further shares may be offered to any persons whether or not such persons are existing holders of equity shares of the Company as on the date of offer by way of a Special Resolution passed to that effect by the Company in General Meeting. Accordingly, consent of the shareholders is being sought, pursuant to the provisions of Section 62(1)(c) and other applicable provisions of the Companies Act, 2013 and in terms of the provisions of the Listing Agreement and such other approvals as may be necessary to issue and allot Securities as stated in the Special Resolution.

The Resolution contained in the Notice relates to a proposal by the Company to create, offer, issue and allot Securities. The Company intends to issue Securities for an aggregate amount not exceeding ₹ 200 Crores (Rupees Two Hundred Crores Only).

The Special Resolution seeks to empower the Board of Directors (the "Board", which term shall be deemed to include any committee thereof which the Board may have constituted or hereinafter constitute to exercise its powers) to undertake a further issue of Securities. The Board may in its discretion adopt the mechanism as prescribed under Chapter VIII of the SEBI ICDR Regulations for raising the funds for objects stated above.

The detailed terms and conditions for the offer will be determined by the Board in consultation with the lead manager(s) and such other authority or authorities as may be required to be consulted by the Company considering the prevailing market conditions and other relevant factors.

The pricing of the issue will be subject to applicable Indian laws and the SEBI ICDR Regulations. As the pricing of the offering cannot be decided except at a later stage, it is not possible to state the price or the exact number of Securities to be issued. For reasons aforesaid, an enabling Resolution is therefore proposed to be passed to give adequate flexibility and discretion to the Board to finalise the terms of the issue in accordance with SEBI ICDR Regulations. The Equity Shares arising out of the offering(s) would be listed on the stock exchanges on which the Company's Equity Shares are listed. The issue/allotment/conversion would be subject to the receipt by the Company of regulatory approvals, if any.

The pricing of the Securities as may be issued shall not be less than the price determined in accordance with Chapter VIII of the SEBI ICDR Regulations.

The Board may in its absolute discretion issue Equity Shares at a discount of not more than five per cent or such other discount as may be permitted under the SEBI ICDR Regulations to the floor price calculated in accordance with the SEBI ICDR Regulations.

The Special Resolution seeks to give the Board/committee of the Board (including certain officers of the Company) powers to issue Securities in one or more tranches, at such time or times, at such price or prices including at discount / premium to the market price in accordance with the applicable provisions of the SEBI ICDR Regulations.

In connection with the proposed issue of Securities, the Company is required, inter alia, to prepare various documentations and execute various agreements. Accordingly, it is proposed to authorize the Board/committee of the Board (including certain officers of the Company) to negotiate, finalize and execute such documents and agreements as may be required and do all such acts, deeds and things in this regard for and on behalf of the Company.

The Special Resolution, if passed, will have the effect of allowing the Board to issue and allot Securities otherwise than on a pro rata basis to the existing shareholders.

The Board believes that such an issue of Securities of the Company is in the interest of the Company and therefore recommends the passing of the above Resolution as a Special Resolution.

The consent of the shareholders is being sought for passing the Special Resolution as set out in this Notice.

The promoters, directors, key managerial personnel of the Company may be deemed to be concerned or interested in the aforesaid Special Resolution to the extent of the Securities that may be offered and allotted to any of the companies or institutions in which their shareholding is not less than two per cent of the paid-up share capital of such companies.

Except as stated above, none of the directors, key managerial personnel of the Company or their relatives are in any way concerned or interested, financially or otherwise in this Resolution.

Item No. 2

The Authorized Share Capital of the company as reflected in the Memorandum of Association as on date is ₹ 40,00,00,000 (Rupees Forty Crores) divided into 4,00,00,000 (Four Crores) Equity Shares of ₹ 10/- (Rupees Ten) each. In order to accommodate the increased paid-up capital consequent to the proposed QIB, the Authorized Share Capital of the Company needs to be increased from ₹ 40,00,00,000 (Rupees Forty Crores) divided into 4,00,00,000 (Four Crores) Equity Shares of ₹ 10/- (Rupees Ten) each to ₹ 45,00,00,000 (Rupees Forty Five Crores) divided 4,50,00,000 (Four Crores and Fifty Lacs) Equity Shares of ₹ 10/- (Rupees Ten) each. A change to the Authorized Share Capital of the Company necessitates an amendment to Clause V of the Memorandum of Association of your Company.

None of the [promoters], directors, key managerial personnel or their relatives are interested in the Resolution No. 2 of the accompanying Notice. A copy of the Memorandum and Articles of Association together with the proposed alterations is available for inspection by the Members at the Registered Office of the Company between 11:00 a.m to 1:00p.m on all working days from the date hereof upto the date of the Extra-ordinary General Meeting.

Item No. 3

In terms of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000 and applicable Master Circulars, the total holding in the Company by Foreign Institutional Investors (FIIs) and Registered Foreign Portfolio Investors (RFPI) can, in aggregate, hold upto 24% of paid-up capital of the Company.

As per the Regulations the limit of FIIs and RFPIs may be increased upto the sectoral cap/ statutory ceiling, as applicable, by the Company concerned by passing a Special Resolution by its Board of Directors followed by passing of a Special Resolution to that effect by the members.

Present holding of FIIs and RFPIs in Tree House Limited is about 10% of paid up capital of the Company. In view of the proposed issue of Securities by the Company, it is anticipated that FIIs holding in the shares of the Company may increase from the present holding.

The FIIs and RFPIs have assumed a crucial role in Indian capital markets. It is proposed to facilitate greater FII and RFPI investment in the Company which would not only provide depth and liquidity to the Company's Equity Shares but will also reflect the Company's commitment to the highest standards of disclosures, transparency, corporate governance, its operational efficiencies, competitiveness and proven management track record, which are the preferred investment qualification for FIIs and RFPIs. With increased participation by FIIs and RFPIs, it is considered desirable to increase the FIIs and RFPIs investment limit up to 49 % for investment in the capital of the Company. This will enable the FIIs and RFPIs to acquire shares of the Company through Stock Exchanges within the revised ceiling under Portfolio Investment Scheme of the Reserve Bank of India.

The promoters, directors, key managerial personnel of the Company may be deemed to be concerned or interested in the aforesaid Special Resolution to the extent of the Securities that may be offered and allotted to any of the companies or institutions in which their shareholding is not less than two per cent of the paid-up share capital of such companies.

Except as stated above, none of the directors and key managerial personnel of the Company and their relatives are concerned or interested, financially or otherwise in the proposed Special Resolution set out at Item No. 3.

Item No. 4

In pursuance of Section 148 of the Companies Act, 2013 and Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the Board shall appoint an individual who is a cost accountant in practice or a firm of cost accountants in practice, as cost auditor on the recommendations of the Audit Committee. The remuneration recommended by Audit Committee shall be considered and approved by the Board of Directors and ratified by the shareholders.

On recommendation of Audit Committee at its meeting held on September 6, 2014, the Board has considered and approved appointment of M/s. Kishore Bhatia & Associates to audit the cost records of the Company for the financial year 2014-15.

The Resolution at item No.4 of the Notice is set out as an Ordinary Resolution for approval and ratification by the members in terms of Section 148 of the Companies Act, 2013.

None of the directors and/or key managerial personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No.4.

Your Directors recommend the Resolutions set out in Item Nos. 1, 2, 3 and 4 for the approval of the shareholders of the Company.

By order of the Board of Directors
For Tree House Education & Accessories Limited
Sd/-
Pooja R. Bhimjiyani
Company Secretary

Place: Mumbai
Date: November 14, 2014