



CRAYONS ADVERTISING LIMITED

CIN : U52109DL1986PLC024711

Registered Office: NSIC Complex, Maa Anandmayee Marg Okhla Industrial Estate, Phase- III, New Delhi, Delhi-110020

Tel. No. 011-41630000, **Website:** <https://thecrayonsnetwork.com/>, **Email:** cs@thecrayonsnetwork.com

NOTICE OF EXTRA ORDINARY GENERAL MEETING

Notice is hereby given that the Extra Ordinary General Meeting (“EGM”) of the members of Crayons Advertising Limited (CIN: U52109DL1986PLC024711) (“the Company”) will be held on Thursday, December 14, 2023 at 04:00 PM IST through Video Conference (“VC”)/ Other Audio-Visual Means (“OAVM”) facility, to transact the following businesses:

SPECIAL BUSINESSES:

ITEM NO.1

TO CONSIDER AND APPROVE THE ALTERATION OF ARTICLES OF ASSOCIATION 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** pursuant to Section 14 of the Companies Act, 2013 (“the Act”) and all other applicable provisions, if any and the rules made there under, the consent of the members of the Company be and is hereby accorded to alter the Articles of Association of the Company by adding article no. 10 (iv) after article no. 10 (iii) as under:

"10(iv). The Company may issue warrants subject to, and in accordance with, the provisions of the all applicable laws."

RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution, the Board of Directors or any Committee of the Board, as may be authorized by the Board, be and is hereby authorized to do all such act, deeds and things, which may be usual or expedient or proper to give effect to the above resolution and to file the requisite E-Forms with the Registrar of the Companies and to intimate concerned stock exchange as per listing regulations wherever required."

ITEM NO.2

TO CONSIDER AND APPROVE ISSUANCE OF UPTO 1,00,000 (ONE LAKH) WARRANTS CONVERTIBLE INTO EQUITY SHARES ON PREFERENTIAL BASIS TO THE PROMOTER 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 pursuant to the provisions of Sections 23, 42, 62(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 (the “Act”), the Companies (Prospectus and Allotment of Securities) Rules, 2014, the Companies (Share Capital and Debentures) Rules, 2014 and other applicable rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (the “SEBI ICDR Regulations”) and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the “SEBI Listing Regulations”), as amended from time to time, the listing agreements entered into by the Company with National Stock Exchange of India Limited (the “Stock Exchange”) on which the equity shares of the Company having face value of Rs.10/- each (“Equity Shares”) are listed, and subject to any other rules, regulations, guidelines, notifications, circulars and clarifications issued thereunder from time to time by the Ministry of Corporate Affairs, the Securities and Exchange Board of India (“SEBI”) and/or any other competent authorities (hereinafter referred to as “Applicable Regulatory Authorities”) from time to time to the extent applicable and the enabling provisions of the Memorandum of Association and Articles of Association of the Company, and subject to such conditions as may be prescribed or imposed by any of the aforementioned authorities while granting such approvals, consents, permissions and sanctions, which may be agreed by the Board of Directors of the Company (hereinafter referred to as the “Board”, which term shall be deemed to include any committee of directors duly constituted or to be constituted thereof to exercise its power conferred by this resolution), the consent and approval of the Members of the Company (“Members”) be and is hereby accorded to the Board to create, issue, offer and allot in one or more tranches upto 1,00,000 (One Lakh) Equity warrants at a price of Rs. 155.00/- per warrant or such other price as may be determined in accordance with the provisions of Chapter V of SEBI (ICDR) Regulations, with a right to the warrant holders to apply for and be allotted 1 (One) Equity Share of the face value of Rs. 10/- each of the Company (“the Equity Shares”) at a premium of Rs. 145.00/- per share for each Warrant within a period of 18 (Eighteen) months from the date of allotment of the Warrants, total aggregating up to Rs. 1,55,00,000/- (Rupees One Crore Fifty-Five Lakh only) for cash consideration on a preferential basis (“Preferential Issue”), and on such terms and conditions as may be determined by the Board, to the following persons (“Proposed Allottee”- Promoter) as detailed below:

List of proposed allottees:

S.No	Name of the Proposed Allottees	Category	Nature of Instrument	No. of Warrants convertible into Equity Shares	Ultimate Beneficial Owner
1.	Kunal Lalani	Promoter	Warrants	1,00,000	Kunal Lalani
Total				1,00,000	

RESOLVED FURTHER THAT in terms of the provisions of Chapter V of the SEBI ICDR Regulations, the Relevant Date for determining the floor price for the preferential issue of the warrants is **Monday, November 13, 2023**, being the day preceding the weekend or a holiday, 30 (Thirty) days prior to the date of the Extraordinary General Meeting for approving this Preferential Issue scheduled on Thursday, December 14, 2023.

RESOLVED FURTHER THAT without prejudice to the generality of the above resolution, the issue of the warrants and equity shares to be allotted on exercise of the option attached to the warrants under the preferential issue shall be subject to the following terms and conditions apart from others as prescribed under applicable laws:

- The warrants shall be allotted in dematerialized form within a period of fifteen days from the date of passing of the special resolution by the Members, provided that where the allotment of warrants is subject to receipt

of any approval or permission from any regulatory authority or Government of India, the allotment shall be completed within a period of fifteen days from the date of receipt of last of such approvals or permissions.

- b) The equity shares to be allotted on exercise of warrants shall be in dematerialized form only and subject to the provisions of the Memorandum and Article of Association of the Company and shall rank *pari-passu* in all respects including dividend, with the existing equity shares of the Company.
- c) An amount equivalent to at least 25% of the warrant issue price i.e. Rs. 38.75 (Rupees Thirty-Eight and Seventy-Five Paise Only) per warrant shall be payable upfront along with the application and the balance 75% shall be payable by the Proposed Allottees on the exercise of option of conversion of the warrant(s). The amount paid against warrants shall be adjusted/ set-off against the issue price for the resultant equity shares.
- d) The issue of warrants as well as equity shares arising from the conversion of the warrants shall be governed by the regulations issued by the SEBI or any other statutory authority as the case may be or any modifications thereof.
- e) The pre-preferential allotment shareholding of the proposed allottees, if any, in the Company and warrants allotted in terms of this resolution and the resultant equity shares arising on exercise of option attached to such warrants shall be subject to lock-in as specified in the provisions of Chapter V of the ICDR Regulations.
- f) The price determined above and the number of equity shares to be allotted on exercise of the option attached to the warrants shall be subject to appropriate adjustments as permitted under the rules, regulations and laws, as applicable from time to time.
- g) The equity shares allotted pursuant to conversion of such warrants shall be subject to a lock-in as stipulated under chapter V of the SEBI ICDR Regulations from time to time.
- h) The option attached to the warrants may be exercised by the proposed allottees, in one or more tranches, at any time on or before the expiry of eighteen months from the date of allotment of the warrants by issuing a written notice to the Company specifying the number of warrants proposed to be exercised along with the balance of the warrant issue price in cash. The company shall accordingly, without any further approval from the members, allot the corresponding number of equity shares in dematerialized form.
- i) In the event, the proposed allottee does not exercise the conversion option within eighteen months from the date of allotment of the warrants, the warrants shall lapse, and the consideration paid in respect of such warrants shall stand forfeited by the Company, in terms of applicable SEBI ICDR Regulations.
- j) The warrants so allotted under this resolution shall not be sold, hypothecated, or encumbered in any manner during the period of lock-in as provided under the SEBI ICDR Regulations except to the extent and in the manner permitted there under.
- k) The warrants by itself until converted into equity shares, does not give any voting rights in the Company to the proposed allottees. However, the warrant holders shall be entitled to any corporate action such as issuance of bonus shares, right issue, split or consolidation of shares etc. announced by the Company between the date of warrants allotment and their conversion into equity shares.
- l) In the event that the Company completes any form of capital restructuring prior to the conversion of the warrants, then, the number of equity shares that each warrant converts into and the price payable for such equity shares, shall be adjusted accordingly in a manner that, to the extent permitted by applicable laws, proposed allottees: (a) receives such number of equity shares that proposed allottee would have been entitled

to receive; and (b) pays such consideration for such equity shares to the Company which Proposed Allottees would have been required to pay, had the warrants been exercised immediately prior to the completion of such capital restructuring.

- m) The equity shares arising from the exercise of the warrants will be listed on the stock exchanges subject to the receipt of necessary regulatory permissions and approvals as the case may be.
- n) The warrant by itself does not give to the holder(s) thereof any rights of the shareholders of the Company except mentioned herein above.”

RESOLVED FURTHER THAT the monies received by the Company from the proposed allottee, for subscription of the warrants and exercise of option of conversion of the warrants into equity shares pursuant to the preferential issue shall be kept by the Company in a separate bank account opened by the Company for this purpose and shall be utilized by the Company in accordance with the provisions of the SEBI Regulations and the Act.

RESOLVED FURTHER THAT the Board and/or the Company Secretary & Compliance Officer of the Company be and are hereby authorized either jointly or severally to accept any modification(s) in the terms of issue of warrants, subject to the provisions of the Act and the SEBI ICDR Regulations, without being required to seek any further consent or approval of the Members.

RESOLVED FURTHER THAT subject to the receipt of such approvals as may be required under applicable law, the consent of the members of the Company be and is hereby accorded to record the name and details of the proposed allottees for the issuance of invitation to subscribe to the warrants a private placement offer letter in Form No. PAS-4 together with an application form be issued to the proposed allottees inviting them to subscribe to the warrants, after passing of this resolution with a stipulation that the allotment would be made only upon receipt of In-principle approval from the stock exchange i.e. National Stock Exchange of India Limited within the timelines prescribed under the applicable laws.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors or any other committee constituted for the purpose be and is hereby authorized to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, desirable or expedient, including without limitation, issuing clarifications, resolving all questions of doubt effecting any modifications or changes to the foregoing (including modification to the terms of the issue), entering into contracts, arrangements, agreements, documents (including for appointment of agencies, intermediaries and advisors for the Issue) and to authorize all such persons as may be necessary, in connection therewith and incidental there to as the Board in its absolute discretion shall deem fit without being required to seek any fresh approval of the members and to settle all questions, difficulties or doubts that may arise in regard to the offer, issue and allotment of the warrants and equity shares upon conversion and listing of equity shares with the stock exchanges as appropriate and utilization of proceeds of the issue, filing of requisite documents with the Registrar of Companies, Depositories and/ or such other authorities as may be necessary and take all other steps which may be incidental, consequential, relevant or ancillary in this connection and to effect any modification to the foregoing and the decision of the Board shall be final and conclusive.

RESOLVED FURTHER THAT the Board of Directors of the Company and/or the Company Secretary and Compliance Officer of the Company be and are hereby authorized severally or jointly to delegate all or any of the powers herein conferred, as it may deem fit in its absolute direction to any Committee of the Board or any one or more Director(s) or any Officer(s) of the Company including making necessary filings with the Stock Exchange and Regulatory Authorities and execution of any documents on behalf of the Company and to represent the Company before any governmental authorities and to appoint Consultants, Professional Advisors and Legal Advisors to give effect to the aforesaid resolution.

RESOLVED FURTHER THAT all actions taken by the Board and/or the Company Secretary and Compliance Officer of the Company in connection with any matter(s) referred to or contemplated in any of the foregoing resolution be and are hereby approved, ratified and confirmed in all respects.

ITEM NO.3

TO CONSIDER AND APPROVE ISSUANCE OF UPTO 4,00,000 (FOUR LAKH) EQUITY WARRANTS CONVERTIBLE INTO EQUITY SHARES ON PREFERENTIAL BASIS TO NON-PROMOTERS /PUBLIC CATEGORY SHAREHOLDERS OF THE COMPANY

“**RESOLVED that** pursuant to the provisions of Sections 23, 42, 62(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 (the “Act”), the Companies (Prospectus and Allotment of Securities) Rules, 2014, the Companies (Share Capital and Debentures) Rules, 2014 and other applicable rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (the “SEBI ICDR Regulations”) and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the “SEBI Listing Regulations”), as amended from time to time, the listing agreements entered into by the Company with National Stock Exchange of India Limited (the “Stock Exchange”) on which the equity shares of the Company having face value of Rs.10 each (“Equity Shares”) are listed, and subject to any other rules, regulations, guidelines, notifications, circulars and clarifications issued thereunder from time to time by the Ministry of Corporate Affairs, the Securities and Exchange Board of India (“SEBI”) and/or any other competent authorities (hereinafter referred to as “Applicable Regulatory Authorities”) from time to time to the extent applicable and the enabling provisions of the Memorandum of Association and Articles of Association of the Company, and subject to such conditions as may be prescribed or imposed by any of the aforementioned authorities while granting such approvals, consents, permissions and sanctions, which may be agreed by the Board of Directors of the Company (hereinafter referred to as the “Board”, which term shall be deemed to include any committee of directors duly constituted or to be constituted thereof to exercise its power conferred by this resolution), the consent and approval of the Members of the Company (“Members”) be and is hereby accorded to the Board to create, issue, offer and allot in one or more tranches up to 4,00,000 (Four Lakh) Equity warrants at a price of Rs. 155.00/- per warrant or such other price as may be determined in accordance with the provisions of Chapter V of SEBI (ICDR) Regulations, with a right to the warrant holders to apply for and be allotted 1 (One) Equity Share of the face value of Rs. 10/- each of the Company (“the Equity Shares”) at a premium of Rs. 145.00/- per share for each Warrant within a period of 18 (Eighteen) months from the date of allotment of the Warrants, total aggregating up to Rs. 6,20,00,000/- (Rupees Six Crore Twenty Lakh only) for cash consideration on a preferential basis (“Preferential Issue”), and on such terms and conditions as may be determined by the Board, to the following persons (“Proposed Allottees”- Non-Promoters /Public Category Shareholders) as detailed below:

S.No	Name of the Proposed Allottees	Category	Nature of Instrument	No. of Warrants convertible into Equity Shares	Ultimate Beneficial Owner
1.	Wichita Enterprises Private Limited	Non-Promoter	Warrants	2,00,000	Dinesh Gupta
2.	South West Fintrade Udyog Limited	Non-Promoter	Warrants	1,00,000	Manish Poddar
3.	Rajeev Jain	Non-Promoter	Warrants	1,00,000	Rajeev Jain
	TOTAL			4,00,000	

RESOLVED FURTHER THAT in terms of the provisions of Chapter V of the SEBI ICDR Regulations, the Relevant Date for determining the floor price for the preferential issue of the warrants is **Monday, November 13, 2023**, being the day preceding the weekend or a holiday, 30 (Thirty) days prior to the date of

the Extraordinary General Meeting for approving this Preferential Issue scheduled on Thursday, December 14, 2023.

RESOLVED FURTHER THAT without prejudice to the generality of the above resolution, the issue of the warrants and equity shares to be allotted on exercise of the option attached to the warrants under the preferential issue shall be subject to the following terms and conditions apart from others as prescribed under applicable laws:

- a) The warrants shall be allotted in dematerialized form within a period of fifteen days from the date of passing of the special resolution by the Members, provided that where the allotment of warrants is subject to receipt of any approval or permission from any regulatory authority or Government of India, the allotment shall be completed within a period of fifteen days from the date of receipt of last of such approvals or permissions.
- b) The equity shares to be allotted on exercise of warrants shall be in dematerialized form only and subject to the provisions of the Memorandum and Article of Association of the Company and shall rank pari-passu in all respects including dividend, with the existing equity shares of the Company.
- c) An amount equivalent to at least 25% of the warrant issue price i.e. Rs. 38.75 (Rupees Thirty-Eight and Seventy Five Paise Only) per warrant shall be payable upfront along with the application and the balance 75% shall be payable by the Proposed Allottees on the exercise of option of conversion of the warrant(s). The amount paid against warrants shall be adjusted/ set-off against the issue price for the resultant equity shares.
- d) The issue of warrants as well as equity shares arising from the conversion of the warrants shall be governed by the regulations issued by the SEBI or any other statutory authority as the case may be or any modifications thereof.
- e) The pre-preferential allotment shareholding of the proposed allottees, if any, in the Company and warrants allotted in terms of this resolution and the resultant equity shares arising on exercise of option attached to such warrants shall be subject to lock-in as specified in the provisions of Chapter V of the ICDR Regulations.
- f) The price determined above and the number of equity shares to be allotted on exercise of the option attached to the warrants shall be subject to appropriate adjustments as permitted under the rules, regulations and laws, as applicable from time to time.
- g) The equity shares allotted pursuant to conversion of such warrants shall be subject to a lock-in as stipulated under chapter V of the SEBI ICDR Regulations from time to time.
- h) The option attached to the warrants may be exercised by the proposed allottees, in one or more tranches, at any time on or before the expiry of eighteen months from the date of allotment of the warrants by issuing a written notice to the Company specifying the number of warrants proposed to be exercised along with the balance of the warrant issue price in cash. The company shall accordingly, without any further approval from the members, allot the corresponding number of equity shares in dematerialized form.
- i) In the event, the proposed allottee does not exercise the conversion option within eighteen months from the date of allotment of the warrants, the warrants shall lapse, and the consideration paid in respect of such warrants shall stand forfeited by the Company, in terms of applicable SEBI ICDR Regulations.
- j) The warrants so allotted under this resolution shall not be sold, hypothecated, or encumbered in any manner during the period of lock-in as provided under the SEBI ICDR Regulations except to the extent and in the manner permitted there under.

- k) The warrants by itself until converted into equity shares, does not give any voting rights in the Company to the proposed allottees. However, the warrant holder shall be entitled to any corporate action such as issuance of bonus shares, right issue, split or consolidation of shares etc. announced by the Company between the date of warrants allotment and their conversion into equity shares.
- l) In the event that the Company completes any form of capital restructuring prior to the conversion of the warrants, then, the number of equity shares that each warrant converts into and the price payable for such equity shares, shall be adjusted accordingly in a manner that, to the extent permitted by applicable laws, proposed allottees: (a) receives such number of equity shares that proposed allottee would have been entitled to receive; and (b) pays such consideration for such equity shares to the Company which Proposed Allottees would have been required to pay, had the warrants been exercised immediately prior to the completion of such capital restructuring.
- m) The equity shares arising from the exercise of the warrants will be listed on the stock exchanges subject to the receipt of necessary regulatory permissions and approvals as the case may be.
- n) The warrant by itself does not give to the holder(s) thereof any rights of the shareholders of the Company except mentioned herein above.”

RESOLVED FURTHER THAT the monies received by the Company from the proposed allottee, for subscription of the warrants and exercise of option of conversion of the warrants into equity shares pursuant to the preferential issue shall be kept by the Company in a separate bank account opened by the Company for this purpose and shall be utilized by the Company in accordance with the provisions of the SEBI Regulations and the Act.

RESOLVED FURTHER THAT the Board and/or the Company Secretary and Compliance Officer of the Company be and are hereby authorized either jointly or severally to accept any modification(s) in the terms of issue of warrants, subject to the provisions of the Act and the SEBI ICDR Regulations, without being required to seek any further consent or approval of the Members.

RESOLVED FURTHER THAT subject to the receipt of such approvals as may be required under applicable law, the consent of the members of the Company be and is hereby accorded to record the name and details of the proposed allottees for the issuance of invitation to subscribe to the warrants a private placement offer letter in Form No. PAS-4 together with an application form be issued to the proposed allottees inviting them to subscribe to the warrants, after passing of this resolution with a stipulation that the allotment would be made only upon receipt of In-principle approval from the stock exchange i.e. National Stock Exchange of India Limited within the timelines prescribed under the applicable laws.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors or any other committee constituted for the purpose be and is hereby authorized to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, desirable or expedient, including without limitation, issuing clarifications, resolving all questions of doubt effecting any modifications or changes to the foregoing (including modification to the terms of the issue), entering into contracts, arrangements, agreements, documents (including for appointment of agencies, intermediaries and advisors for the Issue) and to authorize all such persons as may be necessary, in connection therewith and incidental there to as the Board in its absolute discretion shall deem fit without being required to seek any fresh approval of the members and to settle all questions, difficulties or doubts that may arise in regard to the offer, issue and allotment of the warrants and equity shares upon conversion and listing of equity shares with the stock

exchanges as appropriate and utilization of proceeds of the issue, filing of requisite documents with the Registrar of Companies, Depositories and/ or such other authorities as may be necessary and take all other steps which may be incidental, consequential, relevant or ancillary in this connection and to effect any modification to the foregoing and the decision of the Board shall be final and conclusive.

RESOLVED FURTHER THAT the Board of Directors of the Company and/or the Company Secretary and Compliance Officer of the Company be and are hereby authorized severally or jointly to delegate all or any of the powers herein conferred, as it may deem fit in its absolute direction to any Committee of the Board or any one or more Director(s) or any Officer(s) of the Company including making necessary filings with the Stock Exchange and Regulatory Authorities and execution of any documents on behalf of the Company and to represent the Company before any governmental authorities and to appoint Consultants, Professional Advisors and Legal Advisors to give effect to the aforesaid resolution.

RESOLVED FURTHER THAT all actions taken by the Board and/or the Company Secretary and Compliance Officer of the Company in connection with any matter(s) referred to or contemplated in any of the foregoing resolution be and are hereby approved, ratified and confirmed in all respects.

For CRAYONS ADVERTISING LIMITED

Sd/-

Date: November 22, 2023
Place: New Delhi

Gagan Mahajan
Company Secretary & Compliance Officer
Membership No.: ACS A34028

Notes:

- 1) The Ministry of Corporate Affairs (“MCA”) vide circular no. 20/2020 dated May 05, 2020 read with circular No. 14/2020 dated April 08, 2020, circular No. 17/2020 dated April 13, 2020, circular No 02/2021 dated January 13, 2021, circular No 02/2022 dated May 05, 2022, circular No 11/2022 dated December 28, 2022 and circular No 09/2023 dated September 09, 2023 (collectively referred to as ‘MCA Circulars’), inter alia, permitted the holding of the Extra Ordinary General Meeting (“EGM”) through Video Conferencing (“VC”) or through Other Audio-Visual Means (“OAVM”), without the physical presence of the Members at a common venue. In compliance with the provisions of the above MCA Circulars, the Companies Act, 2013 (“Act”), the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), the EGM of the Company is being held through VC/OAVM on platform of Central Depository Services India Limited (“CDSL”) for which detailed instructions are annexed to this Notice. Members attending the EGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under section 103 of the Companies Act, 2013. Since the EGM will be held through VC/ OAVM, the route map is not provided.
- 2) In compliance with the provisions of Section 108 of the Companies Act, 2013, Rules issued thereunder and the SEBI Listing Regulations, 2015, the business may be transacted through electronic voting system and the Company is providing facility for voting by electronic means (“e-voting”) to its members in respect of the business to be transacted at the EGM. For this purpose, the Company has entered into an agreement with CDSL for facilitating voting through electronic means, as the authorized agency. The person whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on closing of Friday, December 08, 2023 i.e. cut-off date only shall be entitled to avail the facility of remote e-voting. The members may cast their votes on electronic voting system from place other than the venue of the meeting (“remote e-voting”). The members attending EGM through VC/ OAVM who have not cast their vote by remote e-voting shall be eligible to vote through the same system during EGM till 15 minutes after the EGM is over. The detailed instructions for e-voting (including remote e-voting) are annexed to this notice.

The remote e-voting period will commence at 9.00 AM (IST) on Monday, December 11, 2023 and will end at 5.00 PM (IST) on Wednesday, December 13, 2023. The remote e-voting module shall be disabled by CDSL for voting thereafter.
- 3) The deemed venue for EGM shall be the registered office of the Company at NSIC Complex, Maa Anandmayee Marg Okhla Industrial Estate, Phase- III, New Delhi, Delhi-110020 for all secretarial compliance and other purpose.
- 4) Pursuant to the provisions of the Act, a Member entitled to attend and vote at the EGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this EGM is being held pursuant to the MCA Circulars through VC/ OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the EGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
- 5) The Corporate/ Institutional Members are entitled to appoint authorised representatives to attend the EGM through VC/OAVM on their behalf and cast their votes through remote e-voting or at the EGM. Corporate/ Institutional Members intending to authorize their representatives to participate and vote at the Meeting are requested to send to the Company, on cs@thecrayonsnetwork.com with a copy marked to helpdesk.evoting@cdslindia.com from their registered email ID a scanned copy (PDF/ JPG format) of certified copy of the Board Resolution/ Authority Letter authorizing their representative to attend and vote on their behalf at the meeting.
- 6) The members of the Company under the category of Institutional Shareholders are encouraged to attend and participate in the EGM through VC/OAVM and vote thereat.

- 7) Members can join the EGM through the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the EGM through VC/OAVM will be made available for 1,000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the EGM without restriction on account of first come first served basis.
- 8) An Explanatory Statement pursuant to Section 102(1) of the Act, in respect of businesses to be transacted at EGM and as required under Secretarial Standards-2 on General Meetings issued by the Institute of Company Secretaries of India, is annexed thereto.
- 9) The Board of Directors have considered and decided to include the Item No. 01, 02 and 03 given above as Special Business in the forthcoming EGM, as they are unavoidable in nature.
- 10) In compliance with the MCA Circulars and SEBI Circular dated May 12, 2020, January 15, 2021 and May 13, 2022, December 28, 2022 and September 25, 2023, Notice of the EGM is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice calling EGM along with the explanatory statement investor desk are available on the website of the Company at <https://thecrayonsnetwork.com/>, websites of the Stock Exchange i.e. National Stock Exchange of India Limited at www.nseindia.com respectively and on the website of CDSL at <https://www.evotingindia.com/>.
- 11) In case of joint holders attending the Meeting, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the EGM.
- 12) To receive shareholders' communications through electronic means including EGM Notice, the members are requested to kindly register/update their e-mail address with their respective depository participant, where shares are held in electronic form. Where shares are held in physical form, members are advised to register their e-mail address with RTA of the Company by sending an e-mail on admin@skylinerta.com with signed scanned copy of the request letter providing the email address, mobile number, self-attested copy of the PAN card and copy of the share certificate for registering their email address and receiving the EGM Notice and the e-voting instructions.
- 13) Members who would like to express their views or ask questions during the EGM may register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID/ Folio Number, Contact Number at cs@thecrayonsnetwork.com till 05.00 pm December 11, 2023. Those members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the EGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the EGM.
- 14) Member may also send their query in writing to cs@thecrayonsnetwork.com on or before 05.00 pm December 11, 2023, mentioning their name, DP ID and Client ID/ Folio Number, Contact Number etc. The queries may be raised precisely and in brief to enable the Company to answer the same suitably depending on the availability of time at the meeting. The members can also post their questions during EGM through live chat-box, which is available in the VC/OAVM Facility.
- 15) Members seeking any information with regard to the matter to be placed at the EGM, are requested to write to the Company through email on cs@thecrayonsnetwork.com. The same will be replied by the Company suitably.

- 16) The Board of Directors has appointed Mr. Sanjay Somani, Proprietor of M/s Vasisht & Associates, Practicing Company Secretaries (Membership No.- F11517) (CP no. 21476) as the Scrutinizer to scrutinize e-voting process and EGM through VC /OAVM in a fair and transparent manner.
- 17) The results shall be declared within two working days from conclusion of the meeting. The results declared along with the Scrutiniser's Report will be placed on the website of the Company at <https://thecrayonsnetwork.com/> and the website of CDSL at <https://www.evotingindia.com/> immediately after the results are declared and will simultaneously be forwarded to National Stock Exchange of India Limited, where equity shares of the Company are listed and shall be displayed at the Registered Office of the Company.
- 18) The Instructions for e-voting and attending the EGM through VC/ OAVM are annexed to this Notice.

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

The remote e-voting period begins on 9:00 A.M. on Monday, December 11, 2023 and will end on 5:00 P.M. on Wednesday, December 13, 2023. The remote e-voting module shall be disabled by CDSL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. **Friday, December 08, 2023**, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being **Friday, December 08, 2023**.

THE INSTRUCTIONS RELATING TO E-VOTING ARE AS UNDER: -

The way to vote electronically on CDSL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to CDSL e-Voting system

Login method for e-Voting for Individual shareholders holding securities in Demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL Depository	<p>1. Users who have opted for CDSL Easi/Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi/Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon & select New System Myeasi.</p> <p>2. After successful login the Easi / Easiest user will be able to see the e- Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p> <p>Additionally, there is also links provided to access the system of all e- Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.</p> <p>3. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration.</p> <p>4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com homepage or click on https://evoting.cdslindia.com/Evoting/EvotingLogin The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</p>

Individual Shareholders holding securities in demat mode with NSDL Depository	<p>1. If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p> <p>2. If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDeAS “Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</p> <p>3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e- Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e- Voting service provider name and you will be redirected to e- Voting service provider website for casting your vote during</p>
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	the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual Shareholders (holding securities in demat mode) login through their Depository Participants (DP)	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at above-mentioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 1800225533.
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

A) Login Method for e-Voting shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

- 1) The shareholders should log on to the e-voting website www.evotingindia.com.
- 2) Click on “Shareholders” module.
- 3) 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) Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
- 6) If you are a first-time user follow the steps given below:

For Shareholders holding shares in Demat Form other than individual and Physical Form	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.

- 7) After entering these details appropriately, click on “SUBMIT” tab.
- 8) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders 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.
- 9) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- 10) Click on the EVSN “CRAYONS ADVERTISING LIMITED”.
- 11) 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.
- 12) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- 13) 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.
- 14) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- 15) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- 16) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

Additional Facility for Non- Individual Shareholders and Custodians:

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
- 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.
- It is mandatory that 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.
- Alternatively, Non-Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; <https://thecrayonsnetwork.com/>, if they have voted from individual tab & not uploaded same in the CDSL e- voting system for the scrutinizer to verify the same.

Process for those shareholders whose email ids are not registered with the depositories/ company for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to cs@thecrayonsnetwork.com
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to cs@thecrayonsnetwork.com. If you are an Individual shareholder holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. **Login method for e-Voting for Individual shareholders holding securities in demat mode.**
3. Alternatively shareholder/members may send a request to helpdesk.evoting@cdslindia.com for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

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

1. The procedure for e-Voting on the day of the EGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the EGM through VC/OAVM facility and havenot cast their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the EGM.
3. Members who have voted through remote e-Voting will be eligible to attend the EGM. However, they will not be eligible to vote at the EGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the EGM shall be the same person mentioned for Remote e-voting.

THE INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE EGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the EGM through VC/OAVM through the CDSL e- Voting system. Members may access by following the steps mentioned above **for Access to CDSL e- Voting system**. After successful login, you can see link of “VC/OAVM link” placed under “**Join General meeting**” menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the

members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.

2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

For CRAYONS ADVERTISING LIMITED

Sd/-

Date: November 22, 2023

Place: New Delhi

**Gagan Mahajan
Company Secretary & Compliance Officer
Membership No.: ACS A34028**

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

As required by Section 102 of the Companies Act, 2013 (the "Act") and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (the "SEBI ICDR Regulations"), the following Explanatory Statement sets out all material facts relating to the business mentioned under Item No. 1, 2 and 3 of the accompanying Notice dated November 22, 2023:

ITEM NO. 1 -

TO CONSIDER AND APPROVE THE ALTERATION OF ARTICLES OF ASSOCIATION OF THE COMPANY

The equity shares of Crayons Advertising Limited ("the Company") are listed on National Stock Exchange of India Limited ("NSE" or "Stock Exchange"). The Board at its meeting held on Tuesday, November 14, 2023, decided to raise funds, after several deliberations, it was concluded that raising funds by way of issue of warrants is more convenient method

Therefore, to facilitate the issue of share warrant, the Articles of Association is required to amend, for inclusion of article regarding issue of share warrants. Therefore, the Articles of Association of the Company is proposed to be altered by adding article no. 10 (iv) after article no. 10 (iii) as under:

"10 (iv). The Company may issue warrants subject to, and in accordance with, the provisions of the all applicable laws."

The Board recommends the special resolution set forth in item No. 01 of the Notice for approval of the Members.

ITEM NO. 2- TO CONSIDER AND APPROVE ISSUANCE OF UPTO 1,00,000 (ONE LAKH) WARRANTS CONVERTIBLE INTO EQUITY SHARES ON PREFERENTIAL BASIS TO PROMOTER OF THE COMPANY

In accordance with Sections 23(1)(b), 42 and 62(1)(c) and other applicable provisions of the Companies Act, 2013 (the "Act") and the Companies (Prospectus and Allotment of Securities) Rules, 2014, the Companies (Share Capital and Debentures) Rules, 2014 and other applicable rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (the "SEBI ICDR Regulations") and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations"), as amended from time to time, approval of shareholders of the Company by way of special resolution is required to issue of Equity Warrants convertible into Equity Shares by way of private placement on a preferential basis to the Promoter of your company ("Proposed Allottee") at a price of Rs. 155.00/- per Equity warrant ("Issue Price")

List of Promoter and/or Promoter Group to which the warrants to be offered is provided here under:

Sr No.	Name of Proposed Allotees	Category	Ultimate Beneficial Owner	Maximum No. of Warrants	Maximum Amount of Consideration (Amount in Rs.)
1.	Kunal Lalani	Promoter	Kunal Lalani	1,00,000	1,55,00,000
	Total			1,00,000	1,55,00,000

Pursuant to the above transaction, there would be no change in the management or control or would not result in transfer of ownership of the Company, therefore recommendation under Regulation 166A is not required.

It may be noted that;

1. All equity shares of the Company are already made fully paid up as on date. Further, all equity shares to be allotted on conversion of Equity warrant shall be fully paid up at the time of the allotment;
2. Proposed Allottees hold Equity shares in the Company as follows:

S.No.	Name of the Proposed Allottees	Category	No. of Equity Shares held	% of shares held by the Proposed Allottees
a)	Kunal	Promoter	43,90,160	17.97%

* % is calculated on the basis of Total listed equity shares of the company i.e., 2,44,30,000 Equity Shares having Face Value of Rs. 10 each.

3. The Company is in compliance with the conditions for continuous listing of equity shares as specified in the listing agreement with the stock exchange where the equity shares of the Company are listed and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), 2015, as amended, and any circular or notification issued by the SEBI thereunder;
4. The Company has obtained the Permanent Account Numbers of the proposed allottees.
5. The Proposed Allottee have represented and declared to the Company that they have not sold nor transferred any equity Shares of the Company during the 90 Trading days preceding the relevant date.

ITEM NO. 3 - TO CONSIDER AND APPROVE ISSUANCE OF UPTO 4,50,000 EQUITY WARRANTS CONVERTIBLE INTO EQUITY SHARES ON PREFERENTIAL BASIS TO NON-PROMOTERS /PUBLIC CATEGORY SHAREHOLDERS OF THE COMPANY

In accordance with Sections 23(1)(b), 42 and 62(1)(c) and other applicable provisions of the Companies Act, 2013 (the “Act”) and the Companies (Prospectus and Allotment of Securities) Rules, 2014, the Companies (Share Capital and Debentures) Rules, 2014 and other applicable rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (the “SEBI ICDR Regulations”) and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the “Listing Regulations”), as amended from time to time, approval of shareholders of the Company by way of special resolution is required to issue of Equity Warrants by way of private placement on a preferential basis to Non Promoters/Public Shareholders of the Company (“Proposed Allottees”) at a price of Rs. 155.00/- per Equity warrant (“Issue Price”).

S.No	Name of the Proposed Allottees	Category	Ultimate Beneficial Owners	Maximum No. of Warrants convertible into Equity Shares	Maximum Amount of Consideration (Amount in Rs.)
1.	Wichita Enterprises Private Limited	Non-Promoter	Dinesh Gupta	2,00,000	3,10,00,000

2.	South West Fintrade Udyog Limited	Non-Promoter	Manish Poddar	1,00,000	1,55,00,000
3.	Rajeev Jain	Non-Promoter	Rajeev Jain	1,00,000	1,55,00,000

Pursuant to the above transaction, there would be no change in the management or control or would not result in transfer of ownership of the Company to Promoters and/or Promoter Group of the Company, therefore recommendation under Regulation 166A is not required.

It may be noted that;

1. All equity shares of the Company are already made fully paid up as on date. Further, all equity shares to be allotted on conversion of Equity warrant shall be fully paid up at the time of the allotment;
2. Proposed Allottees hold Equity shares in the Company as follows:

S.No.	Name of the Proposed Allottees	Category	No. of Equity Shares held	% of shares held by the Proposed Allottees
1.	Rajeev Jain	Non-Promoter	2,000	0.01%
2.	South West Fintrade Udyog Limited	Non-Promoter	0	0.00%
3.	Wichita Enterprises Private Limited	Non-Promoter	0	0.00%
Total			2,000	

* % is calculated on the basis of Total listed equity shares of the company i.e., 2,44,30,000 Equity Shares having Face Value of Rs. 10 each.

3. The Company is in compliance with the conditions for continuous listing of equity shares as specified in the listing agreement with the stock exchange where the equity shares of the Company are listed and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), 2015, as amended, and any circular or notification issued by the SEBI thereunder;
4. The Company has obtained the Permanent Account Numbers of the proposed allottees.
5. The Proposed Allottees have represented and declared to the Company that they have not sold nor transferred any equity Shares of the Company during the 90 Trading days preceding the relevant date.

Necessary information/details/disclosures in relation to the preferential issue as required under the SEBI (ICDR) Regulations, 2018 and the Companies Act, 2013 ("Act") read with the rules issued thereunder, are set forth below:

1. Particulars of the Preferential Issue including date of passing of Board Resolution

The Board of Directors at its meeting held on November 14, 2023 has passed the resolution, subject to the approval of the members and such other approvals as may be required, to issue upto 5,00,000 (Five Lakh) optionally convertible warrants ("Warrants"), each convertible into, or exchangeable into equivalent number of fully paid up equity shares of the Company of face value of Rs.10/- (Rupees Ten Only) each at a price of Rs 155.00/- (Rupees One Hundred and Fifty Five Only) each payable in cash aggregating upto Rs. 7,75,00,000 (Rupees Seven Crore Seventy Five Lakh Only) to the Investors, for cash consideration, by way of a preferential issue on a private placement basis.

2. Kinds of securities offered and the price at which security is being offered, and the total/ maximum number of securities to be issued:

Upto 5,00,000 (Five Lakh) warrants optionally convertible into or exchangeable into equivalent number of fully paid-up equity shares of the Company of face value of Rs. 10/- (Rupees Ten Only) each at a price of Rs 155.00/- (Rupees One Hundred and Fifty Five Only) (including premium of Rs 145.00/-) payable in cash being not less than the price determined in accordance with the provisions of Chapter V of SEBI ICDR Regulations aggregating to not exceeding Rs. 7,75,00,000 (Rupees Seven Crore Seventy Five Lakh Only).

3. Objects of the Issue:

The Company proposes to raise an amount aggregating up to Rs. 7,75,00,000 (Rupees Seven Crore Seventy Five Lakh Only) through the Preferential Issue. The proceeds of the Preferential Issue will be utilized to expand the footprint of Crayons Advertising into the new geography in India as well abroad.

4. Basis on which the price has been arrived at and justification for the price (including premium, if any)

The equity shares of the company are listed on stock exchange and are frequently traded in accordance with regulation 164 of the ICDR Regulations. For the purpose of computation of the price per equity share, National Stock Exchange of India Limited ("NSE"), the stock exchange which has the higher trading volume in respect of the equity shares of the company, during the preceding 90 Trading days prior to the relevant date has been considered. The floor price of Rs 154.27/- is determined as per the pricing formula prescribed under the SEBI ICDR Regulations for the preferential issue of warrant and it is higher of the following:

- a. 90 Trading Days volume weighted average price (VWAP) of the Equity Shares of the Company quoted on NSE preceding the Relevant Date: Rs 154.27/- per warrant
- b. 10 Trading Days volume weighted average price (VWAP) of the Equity Shares of the Company quoted on NSE preceding the Relevant Date: Rs 140.50/- per warrant
- c. The price determined by the valuation report using Book Value Methods issued by Ajay Kumar Siwach, Registered Valuer (IBBI Registration No. IBBI/RV/05/2019/11412): Rs. 154.27 per warrant.

The Board proposes to issue the warrant each carrying a right to subscribe to one equity share per warrant at a price of Rs 155.00/- (Rupees One Hundred and Fifty Five Only) per warrant, which is not less than the above floor price determined in accordance with SEBI ICDR Regulations. The Board found it justified considering current scenario of the Company etc.

5) The price or price band at/within which the allotment is proposed:

The warrant each carrying a right to subscribe to one equity share per warrant at a price of Rs 155.00/- (Rupees One Hundred Fifty Five Only) per warrant which consists of Rs.10/- (Rupee Ten Only) as face value and Rs 145.00/- (Rupees One Hundred Forty Five only) as a premium per warrant. Kindly refer to the above-mentioned point no. (4) for the basis of determination of the price.

6. Relevant Date with reference to which the price has been arrived at:

In terms of the provisions of Chapter V of the SEBI ICDR Regulations and in accordance with the explanation to Regulation 161 of the SEBI ICDR Regulations, the relevant date for determining the floor price for the preferential issue was **Monday, November 13, 2023**, being the the day preceding the

weekend or a holiday, 30 (Thirty) days prior to the date of the Extraordinary General Meeting for approving this Preferential Issue scheduled on Thursday, December 14, 2023.

7. The class or classes of persons to whom the allotment is proposed to be made

The preferential Issue of the warrants each carrying a right to subscribe to one equity share per warrant is proposed to be made to the investors under the class/ category as mentioned below:

Sr No.	Name of Specified Investors	Maximum No. of Warrants	Category/ Class: Promoters (Including Promoter Group) or Non-Promoter
1.	Wichita Enterprises Private Limited	2,00,000	Non-Promoter
2.	Kunal Lalani	1,00,000	Promoter
3.	Rajeev Jain	1,00,000	Non-Promoter
4.	South West Fintrade Udyog Limited	1,00,000	Non-Promoter
Total		5,00,000	

8) Intent of the Promoters, directors or key managerial personnel of the Company to subscribe to the Preferential Issue

Except Mr. Kunal Lalani, none of the Promoters, Directors or Key Managerial Personnel of the issuer is interested to subscribe the Offer.

9) Proposed time frame within which the Preferential Issue shall be completed

As required under the SEBI ICDR Regulations, the warrants shall be allotted by the Company within a maximum period of 15 days from the date of passing of this resolution provided that where the allotment of the proposed equity shares is pending on account of receipt of any approval or permission from any regulatory or statutory authority, the allotment shall be completed within a period of 15 days from the date of receipt of last of such approvals or permissions.

The warrants may be exercised by the proposed allottees, in one or more tranches, at any time on or before the expiry of 18 months from the date of allotment of the warrants by issuing a written notice to the Company specifying the number of warrants proposed to be exercised along with the aggregate amount payable thereon. The Company shall accordingly, without any further approval from the shareholders of the Company, allot the corresponding number of equity shares in dematerialized form.

10) Principal terms of assets charged as securities

Not applicable.

11) Shareholding pattern of the Company before and after the Preferential Issue

Please refer Annexure - A to this notice for details.

12) Name and address of valuer who performed valuation:

The valuation was performed by Ajay Kumar Siwach, a Registered Valuer (IBBI Registration No. IBBI/RV/05/2019/11412) having his office at Flat No. 504, Rama Krishna Society Sector – 2, Faridabad – Haryana 121 004. The said report is available at the website of the company, link of the same is <https://thecrayonsnetwork.com/>

13) Amount which the Company intends to raise by way of such securities

The Company intends to raise an amount upto Rs. 7,75,00,000 (Rupees Seven Crore Seventy Five Lakh Only).

14) Material terms of the proposed Preferential Issue of the Warrants

The material terms of the proposed preferential issue of the warrants are stipulated in the special resolution set at Item No. 2 and 3 of this Notice.

15) Number of persons to whom allotment on preferential basis have already been made during the year, in terms of number of securities as well as price

No Equity Shares preferential allotment has been made to any person during the year from the date of this Notice or during financial year 2023-24.

16) Identity of the natural persons who are the ultimate beneficial owners of the warrants proposed to be allotted and/or who ultimately control the proposed allottees, the percentage of post Preferential Issue capital that may be held by them and change in control, if any, in the Company consequent to the Preferential Issue

Identity of the allottees and the percentage of post preferential issue capital that may be held by them:

Name of the Proposed allottee	Category	Present pre-issue shareholding		Post issue shareholding*		Ultimate beneficial owners
		Pre-issue holding	% of total Equity capital	Post issue holding	% of total equity capital	
Kunal Lalani	Promoter	43,90,160	17.97%	44,90,160	18.01%	Kunal Lalani
Rajeev Jain	Non-Promoter	2,000	0.01%	1,02,000	0.41%	Rajeev Jain
Wichita Enterprises Private Limited	Non-Promoter	-	-	2,00,000	0.80%	Dinesh Gupta
South West Fintrade Udyog Limited	Non-Promoter	-	-	1,00,000	0.40%	Manish Poddar

* The post-issue shareholding as shown above is calculated assuming full exercise of warrants and consequent allotment of the equity shares of the Company.

There will be no change in control in the Company consequent to the completion of the preferential issue to the Investors.

17. Contribution being made by the promoters or directors either as part of the Preferential Issue or separately in furtherance of objects

No contribution is being made by Promoters or Directors of the Company as part of the Preferential Issue except as stated in Item No.2

18. Valuation and Justification for the allotment proposed to be made for consideration other than cash

Not applicable. The consideration for issue of warrants shall be paid in cash.

19. Listing

The equity shares arising from the exercise of the warrants will be listed on the Stock Exchange at which the existing shares are listed i.e. National Stock Exchange of India Limited subject to the receipt of necessary regulatory permissions and approvals as the case may be.

20. Lock-in Period

The warrants and the equity shares to be allotted pursuant to exercise of warrants shall be subject to 'lock-in' as per chapter V of the SEBI ICDR Regulations. The entire pre-preferential allotment shareholding of the above Allottees, if any, shall be locked-in from the Relevant Date up to a period 90 trading days from the date allotment of warrants as per the SEBI ICDR Regulations. The equity shares to be allotted on a preferential basis shall be locked-in for such period and upto the extent as specified under Regulations 167 of the SEBI ICDR Regulations.

21. The current and proposed status of the allottee(s) post Preferential Issue namely, promoter or non-promoter

Sr. No.	Name of Specified Investors	Current Status	Proposed Status
1.	Kunal Lalani	Promoter	Promoter
2.	Rajeev Jain	Non-Promoter	Non-Promoter
3.	Wichita Enterprises Private Limited	-	Non-Promoter
4.	South West Fintrade Udyog Limited	-	Non-Promoter

22. Undertakings

- a) Neither the Company nor any of its Directors and/ or Promoters have been declared as willful defaulter or fraudulent borrower as defined under the SEBI ICDR Regulations.
- b) Neither the Company nor any of its Directors or Promoter is a fugitive economic offender as defined under the SEBI ICDR Regulations.
- c) The Company is eligible to make the preferential issue to its Investor under Chapter V of the SEBI ICDR Regulations.
- d) The Company is in compliance with the conditions for continuous listing of equity shares as specified in the listing agreement with the Stock Exchange and the Listing Regulations, as amended and circulars and notifications issued by the SEBI thereunder.
- e) The proposed allottees have confirmed that they have not sold any equity shares of the Company during the 90 (Ninety) trading days preceding the Relevant Date.
- f) As the equity shares have been listed for a period of more than ninety days as on the Relevant Date, the provisions of Regulation 164(3) of the SEBI ICDR Regulations governing re-computation of the price of shares shall not be applicable.
- g) The Company shall re-compute the price of the equity shares to be allotted under the preferential allotment in terms of the regulation 166 of SEBI ICDR Regulations if it is required to do so.

- h) If the amount payable on account of the re-computation of price is not paid within the time stipulated in the SEBI ICDR Regulations, the equity shares to be allotted under the preferential allotment shall continue to be locked-in till the time such amount is paid by the allottees.

The Company will ensure compliance with all applicable laws and regulations including the SEBI ICDR Regulations at the time of allotment of warrants and equity shares upon conversion of warrants.

Company Secretary's Certificate

The certificate from Mr. Surya Gupta, Proprietor of M/s Surya Gupta & Associates, Practicing Company Secretaries (Membership No.-F9250) (CP No.10828), certifying that the preferential issue is being made in accordance with the requirements contained in the SEBI ICDR Regulations shall be made available for inspection by the Members during the meeting and will also be made available on the Company's website and will be accessible at link: <https://thecrayonsnetwork.com/>

23. Other disclosures

- a) During the period from April 01, 2023 until the date of Notice of this EGM, the Company has not made any preferential issue of equity shares except to the preferential allotment of preferential shares as stated above.
- b) Since the equity shares of the Company are listed on the National Stock exchange of India Limited only and the preferential issue shall not result in allotment of more than 5% of post-issue fully diluted share capital of the Company, the provisions of Regulation 166A of the SEBI ICDR Regulations is not mandatory.
- c) However, as a good corporate governance, the valuation report as issued by Ajay Kumar Siwach, Registered Valuer (IBBI Registration No. IBBI/RV/05/2019/11412) has been obtained. The valuation report dated November 14, 2023 is made available on the website of the Company at <https://thecrayonsnetwork.com/>.
- d) The justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer is not applicable as the allotment of warrants under the preferential issue is for a cash consideration.
- e) The proposed allottees has further confirmed that they shall be an entity eligible under SEBI ICDR Regulations to undertake the preferential issue.
- f) In accordance with the provisions of Sections 23, 42 and 62 of the Act read with applicable rules thereto and relevant provisions of the SEBI ICDR Regulations, the approval of the members for issue of warrants optionally convertible into equity shares to the Investors is being sought by way of a special resolution as set out in the said item no. 2 and 3 of the Notice. The issue of the equity shares pursuant to the preferential issue would be within the Authorised Share Capital of the Company.
- g) The Board of Directors believes that the proposed preferential issue is in the best interest of the Company and its members and, therefore, recommends the resolution at Item No.2 and 3 of the accompanying Notice for approval by the members of the Company as a Special Resolution.
- h) None of the issuer or any of its promoters or directors are wilful defaulter or a fraudulent borrower.

Except Mr. Kunal Lalani, none of the Promoters, Directors or Key Managerial Personnel of the issuer is interested to subscribe the Offer.

The documents referred to in the notice/ explanatory statement will be available for inspection by the Members of the Company as per applicable law.

For CRAYONS ADVERTISING LIMITED

Sd/-

Date: November 22, 2023
Place: New Delhi

Gagan Mahajan
Company Secretary & Compliance Officer
Membership No.: ACS A34028

Annexure A

Sr No	Category of Shareholder(s)	Pre-Issue (As on 30/09/2023)		Post – Issue (Post exercise of Warrants into Equity Shares) <i>Assuming full conversion</i>	
		No. of Shares held	% Of share holding	No. of shares held	% Of share holding
A	Promoters & Promoter Group Holding				
1	Indian				
a)	Individual	66,15,760	27.08%	67,15,760	26.94%
b)	Family Trust	-	-	-	-
c)	Bodies Corporate	1,13,40,000	46.42%	1,13,40,000	45.49%
	Sub-Total (A)(1)				
2	Foreign				
a)	Individual	-	-	-	-
b)	Bodies Corporate	-	-	-	-
	Sub- Total (A)(2)	-	-	-	-
	Total Promoters & Promoter Group Holding (A)	1,79,55,760	73.50%	1,80,55,760	72.43%
B	Non-Promoters Holding				
1	Institutional Investors				
a)	Mutual Funds	-	-	-	-
b)	Alternate Investment Funds	-	-	-	-
c)	Foreign Portfolio Investors / foreign body corporate	12,96,000	5.30%	12,96,000	5.20%
d)	Financial Institutions/ Banks	-	-	-	-
e)	Insurance Companies	-	-	-	-
	Sub-Total (B)(1)	12,96,000	5.30%	12,96,000	5.20%
2	Central Government/ State Government	-	-	-	-
	Sub-Total (B)(2)	-	-	-	-
3	Non-Institutions				
a)	Individuals				
i)	Individual shareholders holding nominal share capital upto Rs. 2 lakhs	24,84,440	10.17%	24,84,440	9.97%
ii)	Individual shareholders holding nominal share capital in excess of Rs. 2 lakhs	12,06,000	4.94%	13,06,000	5.24%
b)	NBFCs registered with RBI	-	-	-	-
c)	Any other, specify	-	-	-	-
	IEPF	-	-	-	-
	Trusts	40,000	0.16%	40,000	0.16%
	Foreign National	-	-	-	-
	Hindu Undivided Family	4,31,800	1.77%	4,31,800	1.73%
	Non-Resident Indians	2,46,000	1.01%	2,46,000	0.99%
	Firms	82,000	0.34%	82,000	0.33%
	Clearing Member	-	-	-	-
	Body Corporate	6,88,000	2.82%	9,88,000	3.96%
	Overseas Depositories (Holding DRs) (Balancing Figure)	-	-	-	-
	Foreign Companies	-	-	-	-
	Body Corporate: Limited Liability Partnership	-	-	-	-
	Sub-Total (B)(3)	51,78,240	21.20%	55,78,240	22.18%
	Total Public Shareholding (B)	64,74,240	26.50%	69,24,240	27.5th7%
	Total (A)+(B)	2,44,30,000	100.00%	2,49,30,000	100.00%
C	Shares held by custodians for ADR and GDR	-	-	-	-
	Total (A)+(B)+(C)	2,44,30,000	100.00%	2,49,80,000	100.00%