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Annual General meeting on Tuesday, September 30, 2014 at 12.30 PM at Padmashali Kalyana Mandapam, 2-12-66, Nehru Nagar, West Marredpally, Secunderabad – 500 026. As a measure of economy, copies of the Annual Report will not be distributed at the Annual General Meeting. Shareholders are requested to bring their copies to the Meeting.

**Registered office:**

10, SRK Colony, West Marredpally,  
Secunderabad-500 026  
Andhra Pradesh  
Phone# 040-27803608/10

**Corporate Office:**

A-1 3rd Floor, Surabhi Plaza,  
Vikrampuri, Karkhana,  
Secunderabad-500 009  
Phone# 040-27890664/5

**Auditors**

M/s. P. Murali & Co.,  
6-3-655/2/3, Somajiguda,  
Hyderabad-500 082  
Phone# 040-2332 6666

**Main Bankers**

M/s. Canara Bank  
Industrial Finance Branch  
Hyderabad

**Registrar & Share Transfer Agents**

M/s. Aarthi Consultants Private Ltd.  
1-2-285, Domalguda,  
Hyderabad - 500029  
Phone# 91-40-27634445, 27638111  
Fax: 91-40-27632184

**Wholly Owned Subsidiary Company in USA**

M/s. KSoft Systems Inc.,  
266, Fernwood Avenue  
Edison, NJ, USA - 08837  
Phone # 1-732- 696-2555  
Fax# 1-732-783-0432  
www.ksoftglobal.com

**G. Santi Priya**

Chairperson & Whole Time Director

**Viswanath Kompella**

Non-Executive Director

**K. Sri Kalyan**

Whole Time Director

**Datuk Kunasingam Sittampalam**

Independent and Non Executive Director

**Samad A. Momin**

Independent and Non Executive Director

**K. Krishna**

Independent and Non Executive Director

**M. Ramam**

Independent and Non Executive Director

**K. Ravindranath Tagore**

Company Secretary

## Message from CEO

Dear Valued Shareholders,

Congratulations on your company completing an excellent journey of 25 years!!

It gives me immense pleasure to reach out to you within the first few months of me getting into my current role at your company. It is a privilege for me to be associated with Virinchi which started as a first generation start up and has been successful to grow into world leader in its segment. It has also exhibited excellent financial growth over the years. I'm pleased to announce the highlights of your company's performance during its 25th fiscal year ending Mar 31, 2014. Your company continues to fare well with YoY improvement on overall business and profits.

Your company has achieved a total consolidated income of Rs.1130 million during the year 2013-14 as against Rs. 787 million during the same period last year showing a growth of 43.58%.

Your company has been successful in acquiring a large new QFund client who is one of the largest player in US in the short term financing & pawn business. In addition to the same, your company has been successful in growing business with its keyclients. Your company has grown through additional product offering from QFund suite and has also been successful in supporting aggressive expansion of its client.

Your flagship Software product Qfund went through continual improvements across last year. The focus has been to consolidate and prepare the product to see accelerated feature addition in the coming years. The product has also expanded to open the doors towards prospective clients delivering their business in online model or in a hybrid model of store front & online. This is considerable market expansion opportunity from serving clients working with in pure storefront delivery model. Qfund has delivered new feature in the space of portable application integrations using Tablet and Mobile platforms. Your company is in process to productize the same for general release. QFund is a continuously growing product together with ever increasing demands from its client. Virinchi plans to invest in QFund and launch QFund+ in the coming year.

Your company's investments 2 years ago, towards improving hosting infrastructure by upgrading the hardware in International Data Centre (IDC) continues to pay rewards by achieving >99% of uptime to your client's business and ensuring their business continuity with a Disaster Recovery facility. To cater to the increasing customer base, Virinchi plans to further expand the IDC.

Your company has taken a focused growth path in building SAP practice under KSoft (a fully owned subsidiary of Virinchi). The company has initiated the process of on boarding high quality of SAP experts. The target is to hire 150 experts by December 2014 to serve US based projects. In addition to SAP, your company also aspires to grow by serving the software needs of its clientele of QFund & SAP.

Your company has partnered with National Skill Development Corporation (NSDC). This is a not-for-profit company under public private partnership, set up by the Ministry of Finance, Govt of India, to scale up efforts necessary to achieve the objective of skilling / up skilling 150 million people. As part of this partnership, NSDC has granted your company a subsidized debt of Rs 55.50 million. This fund is to be deployed towards making the existing talent in the society employable. This helps your company in not only nurturing talent for its internal need but also helps your company to deliver on its social responsibility.

Your senior management team has seen new additions in the year went by. In addition to me, Vishal Ranjan comes in as CEO of KSoft and will also be heading the new business initiatives under Virinchi. The new management team provides that additional bandwidth needed to support the upcoming growth plans. Your company has also done considerable investment towards building the human capital. The focus has been to build a culture of working collaboratively while delivering quality work products and bringing smile to the peers. Your company continues to support meritocracy with financial benefits to high performing employees.

Looking ahead to 2015, your management team is looking forward for your continued trust and support to take a planned growth path. Your company has multiple opportunities viz. Qfund, SAP practice, software service offering to the QFund & SAP clientele and partnership with NSDC. On behalf of everyone from Virinchi Management team, I'd like to thank our clients, employees and all the stakeholders for your continued support in making an excellent first 25 years. Virinchi looks forward to building a high performing team to leverage multiple opportunities and build the company with strong fundamental for many more years to come.

**Satyajeet Prasad**  
Chief Executive Officer

## NOTICE

NOTICE is hereby given that the 25<sup>th</sup> Annual General Meeting of the Members of the Company will be held on Tuesday, the 30<sup>th</sup> day of September, 2014, at 12.30 PM at Padmashali Kalyana Mandapam, 2-12-66, Nehru Nagar, West Marredpally, Secunderabad – 500 026 to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Profit & Loss Account for the year ended March 31, 2014; Balance Sheet as on that date along with the Schedules forming part of it, notes to accounts and the Reports of the Directors' and Auditors' thereon.
2. To appoint a Director in place of Mr. Ramam Madu holding DIN: 02566258 who retires by rotation, and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Datuk Kunasingam V Sittampalam holding DIN: 00518881 who retires by rotation, and being eligible, offers himself for re-appointment.
4. To Consider and if thought fit to pass with or without modification(s), the following resolution as an ordinary resolution.  
"RESOLVED THAT pursuant to the provisions of Section 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies(Audit and Auditors) Rules, 2014 as amended from time to time, M/s. P.Murali & Co, Chartered Accountants (ICAI Reg. No. 007257S), who retire at the conclusion of this Annual General Meeting(AGM), be and are hereby appointed as statutory auditors of the company for a period of 5 years i.e. till the conclusion of the AGM of the company to be held in the year 2019( subject to ratification of their appointment by members at every AGM) at such remuneration plus service tax, out of pocket, travelling and living expenses etc., as may be mutually agreed between the Board of Directors of the company and the auditors ."

### Special Business:

5. **To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:**  
"RESOLVED that pursuant to the provisions of Sections 149, 152, 160 and other applicable provisions if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014) read with Schedule IV to the Companies Act, 2013, as amended from time to time, Mr. K. Krishna (holding DIN 03248010), Director of the Company who meets the criteria for independence as provided in section 149(6) of the Act and who is eligible for appointment be and is hereby appointed as an Independent Director of the Company for a period of five years with effect from 30<sup>th</sup> September, 2014."
6. **To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:**  
"RESOLVED that pursuant to the provisions of Sections 149, 152, 160 and other applicable provisions if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014) read with Schedule IV to the Companies Act, 2013, as amended from time to time, Datuk Kunasingam V. Sittampalam (holding DIN 00518881), Director of the Company who meets the criteria for independence as provided in section 149(6) of the Act and who is eligible for appointment be and is hereby appointed as an Independent Director of the Company for a period of five years with effect from 30<sup>th</sup> September, 2014."
7. **To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:**  
"RESOLVED that pursuant to the provisions of Sections 149, 152, 160 and other applicable provisions if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014) read with Schedule IV to the Companies Act, 2013, as amended from time to time, Mr. Samad A Momin (holding DIN 02531039), Director of the Company who meets the criteria for independence as provided in section 149(6) of the Act and who is eligible for appointment be and is hereby appointed as an Independent Director of the Company for a period of five years with effect from 30<sup>th</sup> September, 2014."

8. **To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:**

“RESOLVED that pursuant to the provisions of Sections 149, 152, 160 and other applicable provisions if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014) read with Schedule IV to the Companies Act, 2013, as amended from time to time Mr. Ramam Madu (holding DIN 02566258), Director of the Company who meets the criteria for independence as provided in section 149(6) of the Act and who is eligible for appointment be and is hereby appointed as an Independent Director of the Company for a period of five years with effect from 30<sup>th</sup> September, 2014.”

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

“RESOLVED THAT in supersession of the Resolution passed at previous General Meeting in this regard and pursuant to Section 180(1)(a) and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), consent of the Company be and is hereby accorded to the Board of Directors of the Company (“the Board”) to hypothecate / mortgage and/or charge in addition to the hypothecations / mortgages and/or charges created by the Company, in such form and manner and with such ranking and at such time(s) and on such terms as the Board may determine, all or any part of the movable and/or immovable properties of the Company wherever situated, both present and future, and/or create a floating charge on all or any part of the immovable properties of the Company and the whole or any part of the undertaking(s) of the Company, together with power to take over the management of the business and concern of the Company in certain events of default, in favour of the Company’s Bankers / Financial Institutions / Lenders / other investing agencies and trustees for the holders of Debentures / Bonds / other instruments / securities to secure any Rupee / Foreign currency Loans, Guarantee assistance, Standby Letter of Credit / Letter of Credit and/ or any issue of Non-Convertible Debentures and/or Compulsorily or Optionally, Fully or Partly Convertible Debentures and/or Bonds, and/or any other Non-Convertible and/or other Partly / Fully Convertible instruments / securities, with interest thereon at the respective agreed rates, compound interest, additional interest, liquidated damages, commitment charges, premia on prepayment or on redemption, guarantee commission, costs, charges, expenses and other monies including any increase as a result of devaluation / revaluation/ fluctuation in the rates of exchange of foreign currencies involved payable by the Company to the Lenders under their respective Loan Agreements/ Subscription Agreement entered into/to be entered into by the Company in respect of the said borrowings / assistance, within the overall ceiling prescribed by the members of the Company in terms of Section 180(1)(c) of the Companies Act, 2013.

RESOLVED FURTHER THAT the Board be and is hereby authorised to execute all such deeds, documents, instruments and writings, as may be necessary for creating the aforesaid hypothecations/ mortgages / and/or charges and to do all such acts, deeds, matters and things as may be necessary, desirable or expedient to give effect to the above resolution.”

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

“RESOLVED THAT in supersession of the resolution adopted at the previous General Meeting in this regard and pursuant to Section 180(1)(c) and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), consent of the Company be and is hereby accorded to the Board of Directors of the Company (“the Board”) to borrow any sum or sums of money from time to time notwithstanding that the money or moneys to be borrowed, together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company’s bankers in the ordinary course of business) shall not at any time exceed Rs. 1000 crores over and above the paid up capital and free reserves of the Company.”

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

“RESOLVED THAT subject to the provisions of Section 177 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder, the Equity Listing Agreement (as amended from time to time by the Securities and Exchange Board of India and the Stock Exchanges), and the Memorandum and Articles of Association of the Company, the consent of the Members be and is hereby accorded for the Company to enter into various transactions with M/s. Vivo Bio Tech Ltd , a Promoter group Company, for an aggregate value of Rs. 2 crores over a period of 36 months starting from 1st April, 2014, on such terms and conditions as may be agreed to by the Board, provided however that the transactions so carried out shall at all times be on arm’s length basis and in the ordinary course of the Company’s business.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds and things and to take all such steps as may be necessary for the purpose of giving effect to this resolution.

RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of the powers herein conferred to any Committee of Directors or any one or more Directors of the Company.”

**BY ORDER OF THE BOARD**  
For **VIRINCHI TECHNOLOGIES LIMITED**

PLACE : HYDERABAD  
DATE : 30-08-2014

**K. Ravindranath Tagore**  
Company Secretary

## NOTES

- a) A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself/herself and the proxy need not be a member of the company. The instrument of proxy in order to be effective, must be deposited at the registered office of the Company, duly completed and signed not less than 48 hours before the meeting. A person can act as proxy on behalf of shareholders not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the company. In case a proxy is proposed to be appointed by a shareholder holding more than 10% of the total share capital of the company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.
- b) The relevant Explanatory Statement in respect of the Special Business set out above, as required by Sec.102 of the Companies Act, 2013 is annexed hereto. Particulars of the Directors who are proposed to be appointed /re-appointed at this meeting as required under Clause 49 of the Listing Agreement is provided in Corporate Governance. The Directors have furnished the requisite declarations for their appointment/re-appointment
- c) The Register of Members / Register of Beneficiaries and Share Transfer books of the Company will remain closed from 20th September, 2014 to 30th September 2014 (both days inclusive) in connection with the AGM
- d) Members holding shares in physical form may write to the Company/Company's R&T agents for any change in their address and bank mandates. Members whose shareholding is in the electronic mode are requested to direct change of address notifications and updates of savings bank account details to their respective depository participants.
- e) Members are requested to send all communication relating to shares to the Company's R&T Agents (Physical and Electronic) at the following address: M/s. Aarthi Consultants Private Ltd, Unit: Virinchi Technologies Ltd, 1-2-285, Domalguda, Hyderabad-500 029
- f) Members who wish to claim dividends, which remain unclaimed, are requested to correspond with the Company Secretary at the Company's registered office. Members are requested to note that dividends not encashed or claimed within 7 years from the date of transfer to the Company's Unpaid Dividend Account, will as per the provisions of Section 205A of the Companies Act, 1956, be transferred to the IEPF.

Year	Type of Dividend	Dividend Per share Rs.	Date of Declaration	Due Date of Transfer	Amount in Rs.
2006-07	Final	0.50	28/09/2007	27/10/2014	1,19,875
2009-10	Final	0.50	29/09/2010	28/10/2017	2,58,016
2010-11	Final	0.50	29/09/2011	28/10/2018	1,03,963
2011-12	Final	0.50	29/09/2012	28/10/2019	3,21,751

- g) The Certificate from the Auditors of the Company certifying that the Company's Stock Option Schemes are being implemented in accordance with the SEBI (Employees Stock Option Scheme and Employees Stock Purchase Scheme) Guidelines, 1999, as amended, and in accordance with the resolutions of the members passed at the general meetings will be available for inspection by the members at the AGM.
- h) SEBI has made it mandatory for every participant in the securities/capital market to furnish details of Income Tax Permanent Account Number (PAN). Accordingly, all members holding shares in physical form are requested to submit their details of PAN, along with a photocopy of the PAN Card, to the R&T Agent of the Company, M/s. Aarthi Consultants Private Limited.
- i) In accordance with the MCA's "Green Initiative in Corporate Governance" allowing companies to share documents with its shareholders in the electronic mode and related amendments to the Listing Agreement with the Stock Exchanges, the company is sharing all documents with shareholders in the Electronic mode, wherever the same has been agreed by the shareholders. Shareholders are requested to support this green initiative by registering/updating their e-mail addresses for receiving electronic communications.
- j) The Company has appointed Mr. M. Praneeth Reddy Practicing Chartered Accountant as Scrutinizer for conducting e-voting process for the 25<sup>th</sup> Annual General Meeting of the Company in a fair and transparent manner.

k) Instructions For E- Voting

Pursuant to provisions of Section 108 of the Companies Act, 2013, read with the Companies (Management and Administration) Rules, 2014, the Company is pleased to offer e-voting facility to the members to cast their votes electronically on all resolutions set forth in the Notice convening the 25<sup>th</sup> Annual General Meeting to be held on Tuesday, 30<sup>th</sup> September, 2014 at 12.30 P.M. The Company engaged the services of Central Depository Services (India) Limited (CDSL) to provide the E-Voting facility.

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

The voting period begins on Tuesday, 16<sup>th</sup> September, 2014 at 9.00 a.m. and ends on Thursday, 18<sup>th</sup> September at 6.00 p.m. During this period shareholders' of the company, holding shares either in Physical Form or Dematerialised form, as on the cut off date 30<sup>th</sup> August, 2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(a) Instructions for e-voting

- i) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- ii) Click on "Shareholders" tab.
- iii) Now enter your User ID

For Members holding shares in Demat Form	For Members holding shares in Physical Form
For NSDL: 8 Character DP ID followed by 8 Digits Client ID, For CDSL: 16 digits beneficiary ID,	Folio Number registered with the Company

- iv) Next enter the Image Verification as displayed and Click on Login.
- v) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- vi) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>■ Physical Shareholders who have not updated their PAN with the Company are requested to use the first two letters of their name in Capital Letter followed by 8 digits folio number in the PAN field. In case the folio number is less than 8 digits enter the applicable number of 0's before the folio number. Eg. If your name is Ramesh Kumar with folio number 1234 then enter RA00001234 in the PAN field</li> <li>■ Demat Shareholders who have not updated their PAN with their Depository Participant are requested to use the first two letters of their name in Capital Letter followed by 8 digit CDSL client id. For example: CDSL Account holder name is Rahul Mishra and Demat A/c No. is 12058700 00001234 then default value of PAN is 'RA00001234'. NSDL Account holder name is Rahul Mishra and DP ID. is IN300000 and client ID 12345678 then default value of PAN is 'RA12345678'.</li> </ul>
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the folio/client id.

- vii) After entering these details appropriately, click on "SUBMIT" tab.
- viii) Members holding shares in Physical form will then reach directly to the voting screen.



- ix) Members holding shares in Demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the Demat holders for voting for resolutions of any other Company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

- x) Click on the relevant EVSN for the "Virinchi Technologies Limited" on which you choose to vote.
- xi) On the voting page, you will see Resolution Description and against the same the option 'YES/NO' for voting. Enter the number of shares (which represents number of votes) under YES/NO.
- xii) Click on the "RESOLUTION FILE LINK" if you wish to view the entire Notice of the Annual General Meeting.
- xiii) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- xiv) Once you 'CONFIRM' your vote on the resolution, you will not be allowed to modify your vote.
- xv) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- xvi) Note for Non-Individual Shareholders & Custodians:
- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.com> and register themselves as Corporates.
  - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)

## **Explanatory Statement Pursuant to section 102 of the Companies Act, 2013**

### **Item No. 5**

Mr. K. Krishna is a Non-Executive Independent Director of the Company. Mr. K. Krishna is Member of the Audit Committee and Member of Nomination and Remuneration Committee, and Investors' Grievance Committee of the Board of Directors of the Company.

Details of his other directorships are given in Directors Report. K. Krishna does not hold by himself or for any other person on a beneficial basis, any shares in the Company.

In terms of Section 149 and other applicable provisions of the Companies Act, 2013, Mr. K. Krishna being eligible and offering himself for appointment is proposed to be appointed as an Independent Director for five consecutive years from 30<sup>th</sup> September, 2014. A notice has been received from a member proposing Mr. K. Krishna as a candidate for the office of Director of the Company.

In the opinion of the Board, Mr. K. Krishna fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management. Copy of the draft letter for appointment of Mr. K. Krishna as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. K. Krishna as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Mr. K. Krishna as an Independent Director, for the approval by the shareholders of the Company.

Except Mr. K. Krishna, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 5. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchange.

Your Directors recommend the resolution at Item No. 5 for your approval

### **Item No. 6**

Datuk Kunasingam V Sittampalam is a Non-Executive Independent Director of the Company. Datuk Kunasingam V Sittampalam is Member of Nomination and Remuneration Committee of the Board of Directors of the Company.

Details of his other directorships are given in Directors Report. Datuk Kunasingam V Sittampalam does not hold by himself or for any other person on a beneficial basis, any shares in the Company.

In terms of Section 149 and other applicable provisions of the Companies Act, 2013, Datuk Kunasingam V Sittampalam being eligible and offering himself for appointment is proposed to be appointed as an Independent Director for five Consecutive years from 30<sup>th</sup> September, 2014. A notice has been received from a member proposing Datuk Kunasingam V Sittampalam as a candidate for the office of Director of the Company.

In the opinion of the Board, Datuk Kunasingam V Sittampalam fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management. Copy of the draft letter for appointment of Datuk Kunasingam V Sittampalam as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Datuk Kunasingam V Sittampalam as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Datuk Kunasingam V Sittampalam as an Independent Director, for the approval by the shareholders of the Company.

Except Datuk Kunasingam V Sittampalam, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 6. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchange.

Your Directors recommend the resolution at Item No. 6 for your approval