

23 February 2018

BSE Ltd
PJ Towers
25th Floor, Dala Street
Mumbai – 400 001
Scrip Code: 532175

The National Stock Exchange of India Ltd
Exchange Plaza, Bandra-Kurla Complex
Bandra (E)
Mumbai – 400 051
Scrip Code: CYIENT

Dear Sir/ Madam,
Sub: Postal Ballot Notice
Ref.: Our announcement dated 21 February 2018

This is to inform that the Company has issued notice of postal ballot to shareholders for passing of special resolution for a) Adoption of new set of Articles of Association; b) Reduction of investment limits of non-resident shareholders. Company has dispatched the notice along with the self-addressed reply envelope to cast the vote. The Company is also facilitating e-voting; which can be accessed at 'https://evoting.karvy.com'. Mr. S. Chidambaram, Company Secretary in Practice has been appointed as Scrutineer for conducting the Postal Ballot process in a fair & transparent manner.

The postal ballot form duly completed by the shareholders should reach the Scrutineer on or before 25 March 2018. E- voting is open from 24 February 2018 to 25 March 2018. The result of the postal ballot will be announced on 26 March 2018.

Also please find herewith enclosed the Notice of postal ballot & form.

Thanking you
For Cyient Limited



N. Ravi Kumar
Dy. Company Secretary

Cyient Ltd.

4th Floor, A Wing, 11 Software
Units Layout, Madhapur
Hyderabad - 500 081
India

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T +91 40 6764 1000
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Formerly Infotech Enterprises Limited

CYIENT

Cyient Limited

CIN : L72200TG1991PLC013134

Regd. Office: 4th Floor, 'A' Wing, Plot No. 11, Software Units Layout, Infocity, Madhapur,
Hyderabad 500 081, Telangana State. Tel: 91 40 67641322 | Fax: 91 40 66624368
Website : www.cyient.com Email: company.secretary@cyient.com

Dear Member(s),

Sub:- Passing of Resolutions through Postal Ballot

In terms of the provisions of section 110 and other applicable provisions, if any, of the Companies Act, 2013 read with Rules 20 and 22 of the Companies (Management and Administration) Rules, 2014, the Board of Directors of the Company has recommended the enclosed business to be transacted through postal ballot. The resolutions appended below are proposed to be passed by the Members of the Company through postal ballot/electronic voting (e-voting) as Special Resolutions:

Item 1:

Adoption of new set of Articles of Association.

Item 2:

Reduction of aggregate investment limits of non-residents.

Kindly accord your assent/dissent by way of postal ballot in the form annexed herewith so as to reach the Scrutineer at the registered office of the Company by 25 March 2018, in the attached postage pre-paid self-addressed envelope.

In case of e-voting, please accord assent/dissent by accessing the website: '<https://evoting.karvy.com>' Please log in using your user ID, password and Income Tax PAN between 24 February 2018 and 25 March 2018. The user ID and password are printed in the enclosed postal ballot form.

The Scrutineer will submit his report to the Chairman or any person authorised by him in this behalf after the completion of the scrutiny, and result of the postal ballot will be announced by the Chairman or such authorised person of the company, on 26 March 2018 at the registered office of the company and disseminated to the public suitably.

By Order of the Board

Place : Hyderabad
Date : 21 February 2018

Sd/-
N. Ravi Kumar
Dy. Company Secretary
M No. ACS 19677

SPECIAL RESOLUTIONS TO BE PASSED THROUGH POSTAL BALLOT

Item 1: Adoption of new set of Articles of Association:

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

"RESOLVED THAT pursuant to the provisions of Section 14 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modifications or re-enactment thereof, for the time being in force) ("Act"), and the Rules framed thereunder, consent of the members of the company be and is hereby accorded to the alteration of the existing Articles of Association of the company by adoption of a new set of Articles of Association in substitution, and to the entire exclusion of the Articles contained in the existing Articles of Association of the company."



"RESOLVED FURTHER THAT Mr. Krishna Bodanapu, Managing Director & CEO, Mr. Sudheendhra Putty, Company Secretary and Mr. N. Ravi Kumar, Dy. Company Secretary, be and are hereby severally authorised to take such steps and do all such acts, deeds and things as is considered necessary, expedient, usual, proper or incidental in relation to the said matter and take such actions and give such directions as they may consider as necessary or desirable to give effect to this Resolution".

Item 2: Reduction of aggregate investment limits of non-residents:

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

"RESOLVED THAT subject to the approval of the Reserve Bank of India (RBI) and such other approvals as may be required, consent of the company be and is hereby accorded to the reduction of aggregate Investment limits of non-residents from the existing 100% to 49% of the total paid up share capital of the company."

"RESOLVED FURTHER THAT subject to the approval of the Reserve Bank of India (RBI) and such other approvals as may be required, consent of the company be and is hereby accorded to the reduction of Investment limits through purchase of Capital Instruments of the company on a recognized Stock Exchange in India by Registered Foreign Portfolio Investors (RFPI), Foreign Institutional Investors (FII), Non Resident Indians (NRI) and Overseas Citizens of India (OCI) from the existing 100% to 47% of the Equity Share Capital of the company."

"RESOLVED FURTHER THAT Mr. Krishna Bodanapu, Managing Director & CEO, Mr. Sudheendhra Putty, Company Secretary and Mr. N. Ravi Kumar, Dy. Company Secretary, be and are hereby severally authorised to take such steps and do all such acts, deeds and things as is considered necessary, expedient, usual, proper or incidental in relation to the said matter and take such actions and give such directions as they may consider as necessary or desirable to give effect to this Resolution".

EXPLANATORY STATEMENT FOR BOTH THE RESOLUTIONS PURSUANT TO SECTION 102(1) AND 110 OF THE COMPANIES ACT, 2013

Item 1

The Companies Act, 2013 (New Act), read with Rules made thereunder, has brought out various changes in the provisions that were contained in the Companies Act 1956 (Old Act). The existing Articles of Association (AOA) of the company was formulated based on the provisions of the Old Act and therefore contains certain provisions which are not in line with the provisions of the New Act. The New Act provides that in case of conflict with the provisions of the New Act and the AOA of a company, the provisions of the New Act will prevail. However, it is considered desirable to amend the AOA of the company to bring it in line with the provisions of the New Act. Further, subsequent to the sale of entire stake of shares held in the company by certain long term investors, Part B of the AOA have been rendered redundant. Hence, while the new AOA is adopted, Part B or any references to it are also being dropped. This requires approval of the Members through Postal Ballot.

As per the provisions of Section 14 of the Act, alteration of the AOA of the company needs to be approved by the members of the company.

Further, in terms of the provisions of section 110 of the Act, read with rule 22 of Companies (Management and Administration) Rules 2014, the approval of the members may be taken through postal ballot instead of transacting such business at a general meeting.

The Board of Directors on 21 February 2018 has accorded its approval for adoption of new set of Articles of Association. Your Directors recommend the same to be passed as a Special Resolution.

The existing AOA of the company and the draft of proposed AOA and a brief comparative statement thereof is available on the company's website at www.cyient.com for perusal by the members. Member(s) interested in obtaining a physical copy of the AOA can send in their request to the company email Id: company.secretary@cyient.com

None of the directors or key managerial personnel (KMP) or relatives of directors and KMP is concerned or interested in the above resolution except to the extent of their respective shareholding.

Item 2

The company, in line with its strategy, intends to develop Products/Solutions especially targeting opportunities around Smart Cities, Electronics Hardware manufacturing, Offset and Indian Defence procurement. The company's defence business focuses on non-lethal technology for military application in communications (e.g., Tactical Radio) and surveillance (e.g., UAV system, Radar system) and will always exclude arms and ammunition, explosives and similar forms of lethal weapons. Participation in some of these market opportunities requires that the company be owned and controlled by resident citizens/entities. For manufacturing, especially in the areas of strategic importance like defence, the company requires an Industrial Licence. One of the stipulations for the same is non-resident shareholding of less than 49%. Consequent upon the exit of First Carlyle Ventures Mauritius and Carrier International Mauritius Limited, the company's total non-resident shareholding as on 16 February 2018 is approximately 44.68% (comprising Foreign Direct Investment 1.60% and Foreign Portfolio Investment viz., RFPI/FII/NRI/OCI 43.08%). This presents an opportunity to put a cap on total non-resident shareholding up to 49% to comply with regulatory guidelines required for 'Make in India' projects. Accordingly, it has been decided to put a cap on total non-resident shareholding up to 49% of the paid up share capital of the company.

To achieve the above objective, it is decided to reduce the limits of holding by Registered Foreign Portfolio Investors (RFPI), Foreign Institutional Investors (FII), Non Resident Indians (NRI) and Overseas Citizens of India (OCI) purchased on a recognized stock exchanges in India from the existing 100% to 47% of the Equity share capital. In pursuance to the Notification issued by the Reserve Bank of India



(RBI) in this regard, viz., Notification No. FEMA 20(R)/2017RB, dated 7 November 2017, the RBI monitors the ceilings on RFPI/FII/NRI/OCI investments in Indian companies on a daily basis. For effective monitoring of foreign investment ceiling limits, the RBI has fixed cutoff points that are two percentage points lower than the actual ceilings. The cut off point in this case would be 45%. Once the aggregate net purchases of equity shares of the company by RFPI/FII/NRI/OCIs reach the cut off point, which is 2% below the overall limit, the Reserve Bank cautions all designated bank branches so as not to purchase any more equity shares of the respective company on behalf of RFPI/FII/NRI/OCIs without prior approval of the RBI. The link offices are then required to intimate the RBI about the total number and value of equity shares of the company they propose to buy on behalf of RFPI/FII/NRI/OCIs. On receipt of such proposals, the RBI gives clearances on a first-come-first-served basis till such investments in the company reach 47%. On reaching the aggregate ceiling limit, the RBI advises all designated bank branches to stop purchases on behalf of their RFPI/FII/NRI/OCIs clients. The RBI also informs the general public about the 'caution' and the 'stop purchase' in these companies through a press release. According to the RBI Notification mentioned above, the limit can be reduced by passing a special resolution by the members of the company.

Your Directors recommend the same to be passed as a Special Resolution.

None of the directors or key managerial personnel (KMP) or relatives of directors and KMP is concerned or interested in the above resolution except to the extent of their respective shareholding.

You are requested to communicate your assent or dissent for each of the aforesaid resolutions, in accordance with the instructions set out herein.

By Order of the Board

Place : Hyderabad
Date : 21 February 2018

Sd/-
N. Ravi Kumar
Dy. Company Secretary
M No. ACS 19677

Notes:

1. The Notice is being sent by Courier (electronically, by email, to those members who have registered their email addresses with the company) to all Members, whose names appear in the company's Register of Members as at the close of business hours on 16 February 2018.
2. Documents pertaining to the Resolutions are open for inspection at the Registered Office of the company between 10.00 a.m. and 2.00 p.m. on any working day till the last date of voting i.e., 25 March 2018.
3. Please see the instructions for voting by postal ballot (including e-voting) which have been printed herein.
4. In case of e-voting on the website: '<https://evoting.karvy.com>', voting will commence on and from 09.00 a.m. on 24 February 2018 and end at 05.00 p.m. on 25 March 2018.

INSTRUCTIONS FOR VOTING

Voting in Physical form:

1. A member desiring to exercise vote by Postal Ballot may complete the postal ballot form (no other form or photocopy thereof is permitted) and send it to the Scrutineer in the attached self-addressed envelope. Postage will be borne and paid by the company. However, the envelope containing the postal ballot form, if sent by courier or any other mode at the expense of the member, will also be accepted.
2. Duly completed postal ballot forms should reach not later than 05.00 p.m. on 25 March 2018. All postal ballot forms received thereafter will be treated as if the reply from the member has not been received.
3. Assent or dissent to the proposed resolution may be recorded by placing a tick mark (✓) in the appropriate column.
4. This form is to be completed and signed by the member (as per signature registered with the company). In case of joint holding, this form should be completed and signed by the first-named member and in his/her absence, by the next named member. There will be only one postal ballot form for each folio irrespective of the number of joint holder(s).
5. In case the form is signed by the Power of Attorney holder for and on behalf of the member, it must be accompanied by the Power of Attorney. In case of shares held by companies, trusts, societies and bodies corporate, the duly completed postal ballot form should be accompanied by a certified true copy of the Board/Governing Body Resolution.
6. Unsigned postal ballot forms will be summarily rejected.
7. A member need not use all his votes nor he need to cast all his votes in the same manner.

FOR CYIENT LIMITED

N. RAVI KUMAR
Dy. Company Secretary



8. Members are requested not to send any other paper along with the postal ballot form in the enclosed self-addressed envelope since all such envelopes will be sent to the Scrutineer and any extraneous paper found in such envelope would be destroyed by the Scrutineer.
9. The attached self-addressed envelope is only for the limited purpose of this postal ballot process and the same should not be used by the member for sending any other correspondence to the company.
10. A member may request for a duplicate postal ballot form, if so required. However, the duly filled in duplicate postal ballot form should reach the Scrutineer not later than the date specified at instruction No. 2 above.

Voting in Electronic form:

In compliance with the provisions of section 108 of the Act, the Companies (Management and Administration) Rules, 2014 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, members are provided with the facility to cast their vote electronically, through the e-voting services provided by Karvy Computershare Private Limited, in respect of all resolutions set forth in this Notice. Mr. S. Chidambaram, (Membership No.FCS 3935) has been appointed as the Scrutineer to scrutinize the e-voting process in a fair and transparent manner.

The procedure and instructions for e-voting are as follows:

- i) Open your web browser during the voting period and navigate to '<https://evoting.karvy.com>'
- ii) Enter the login credentials (i.e., user-id & password) mentioned on the Postal Ballot Form. Your folio/DP Client ID will be your User-ID.

User – ID	For members holding shares in Demat Form:- a) For NSDL:- 8 Character DP ID followed by 8 Digits Client ID b) For CDSL:- 16 digits beneficiary c) For members holding shares in Physical Form:- Event no. followed by Folio Number registered with the company
Password	Your Unique password is printed on the Postal Ballot Form/via email forwarded through the electronic notice
Captcha	Enter the Verification code i.e., please enter the letters and numbers in the exact way as they are displayed for security reasons

- iii) Please contact the toll free No. 1-800-34-54-001 for any further clarifications.
- iv) Members can cast their vote online from 24 February 2018 (09.00 AM) to 25 March 2018 (05.00 PM). During this period, members of the company holding shares either in dematerialized or physical form as on the cut-off date of 16 February 2018, may cast their vote electronically.
- v) After entering these details appropriately, click on "LOGIN".
- vi) Members holding shares in Demat/Physical form will now reach Password Change menu wherein they are required to mandatorily change their login password in the new password field. The new password has to be minimum eight characters consisting of at least one upper case (A-Z), one lower case (a-z), one numeric value (0- 9) and a special character. Kindly note that this password can be used by the Demat holders for voting for resolution of any other company on which they are eligible to vote, provided that company opts for e-voting through Karvy Computershare Private Limited e-voting platform. System will prompt you to change your password and update any contact details like mobile #, email ID etc. on 1st login. You may also enter the Secret Question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- vii) You need to login again with the new credentials.
- viii) On successful login, system will prompt to select the 'Event' i.e., 'Company Name'.
- ix) If you are holding shares in Demat form and had logged on to "<https://evoting.karvy.com>" and cast your vote earlier for any company, then your exiting login id and password are to be used.
- x) On the voting page, you will see Resolution Description and against the same the option 'FOR/AGAINST/ABSTAIN' for voting. Enter the number of shares (which represents number of votes) under 'FOR/AGAINST/ABSTAIN' or alternatively you may partially enter any number in 'FOR' and partially in 'AGAINST', but the total number in 'FOR/ AGAINST' taken together should not exceed your total shareholding. If the member does not want to cast, select 'ABSTAIN'
- xi) 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.
- xii) Once you 'CONFIRM' your vote on the resolution, you will not be allowed to modify your vote.
- xiii) Corporate/Institutional Members (corporate/RFPs/FIs/FLLs/Trust/Mutual Funds/Banks, etc) are required to send scan (PDF format) of the relevant Board resolution to the Scrutineer through e-mail to schid285@gmail.com with copy to evoting@karvy.com. The file scanned image of the Board Resolution should be in the naming format "Corporate Name_ Event no."